



SFA MONTHLY BULLETIN MARCH 2020



The SFA **Working Group Meeting** on **21st April** will go ahead as a webinar with a number of 1 hour sessions held over the day so that attendees can drop in and out of. We will be emailing an agenda for the day.

Last week we presented at the **Textile Exchange's Roundtable meeting**, focusing on technological solutions for cashmere and our upcoming chain of custody pilot.

SFA gives a warm welcome To our latest **new member**, Hongtai.



MONGOLIAN GOVERNMENT'S COVID-19 RESPONSE TO CASHMERE PRODUCERS

The Mongolian government has announced a MNT300bn (£87 million) loan package to support its cashmere industry in the face of the coronavirus pandemic. Cashmere processors have been offered loans to buy raw fibre at a minimum price of 100,000 MNT per kilo (just under £30/kg), but this has received a mixed response from both processors and herders.

As stated by a local processor, “there is uncertainty on the demand for processed fibre, and we have not had many orders. How this situation will change, we can't say. We are not prepared to buy fibre at the government's minimum price, we need to wait for the market.”

Processors that are registered with the SFA hope that their adoption of the Clean Fibre Processing Code of Practice, and greater connection to international brands and retailers, will provide a competitive edge in the coming season.

While some herders are pleased to see a minimum price for cashmere, which has been based on the average 2019 price, others have concerns.

According to an SFA herder organisation leader, “We shouldn't set the raw cashmere's price high when the international market is collapsing. Italians are major cashmere producers and they are suffering a lot and many brands are closing their shops around the world. We don't know how long this difficult period will last but we can get through it by utilising our livestock in different ways. We all need to stick together.”

Manufacturers shift their production to fight Covid-19

A number of SFA Members are using their resources to tackle the Coronavirus. LVMH is producing sanitising gel which will be donated free of charge to the French health authorities, Inditex is helping the Spanish government by manufacturing face masks and Burberry are utilising their supply chain network to deliver over 100,000 surgical masks to the NHS as well as making gowns for patients from their trench coat factory in the North of England.

Assessors train in Clean Fibre Processing

Training for our new Clean Fibre Processing Code of Practice is well under way. One group of assessors has just completed their training and a second group are about to start, meanwhile processing plants have been carrying out self-assessments. Khanbogd Cashmere, one of Mongolia's largest processors and SFA Member, will soon undergo independent assessment and, if found to be compliant, will become our first SFA Certified processor of cashmere fibre.



Livestock herding in the 21st Century

In collaboration with the Mongolian Ministry of Education and Vocational Education Authorities, we are delighted to announce the development of our '21st Century Herder' vocational course which is to be rolled out nationally this year.

Building on Johnstons of Elgin's successful Young Herder training programme, which is targeted at high school children and has been running in Khentii province for the last two years, the 21st Century Herder course will offer older students and adults the opportunity to pursue a nationally recognised qualification in agricultural livestock management. The course draws on best practice in modern agriculture and applies this to the Mongolian pastoral context, providing herders with tools to manage pasture collectively and sustainably, adapt technology to improve herd management, provide high welfare and basic veterinary care and build their connections with national and global markets.

We hope that the '21st Century Herder' course will encourage herders to stay in the role and offer a unique skill-set and knowledge base to those who might have previously dropped out of the educational system. Working in partnership with the Mongolian Government and educational authorities, we can achieve wide-scale impact across the country and reach a greater number of herders who will become the future stewards of Mongolian rangelands.

J. Crew invest in women's empowerment programme

The multi-year programme aims to increase women's leadership roles in herding communities through financial incentives and increase their economic opportunities. As part of this, a fibre sorting programme has been created to increase economic return for female cooperative members. With support from J.Crew, the SFA have recently published textbooks (pictured) to support a training course that will train 500 female herders on fibre sorting methods to meet the requirements of cashmere processors.

Currently, harvested fibre is not sorted before being put into sacks and sold to traders. The aim of the Fibre Sorting Programme is to create added value for herder organisations by encouraging the sorting of fibre by colour, age and quality prior to packing. As this saves time for processors, sorted fibre can be sold for a higher price, and allows herders to fetch an additional premium on their finest quality fibre.

J.CREW



Breeding programme delivers

In Bayankhongor and Dornogobi provinces, herders have welcomed newly born goats that are the product of a community based breeding and quality improvement programme sponsored by the EBRD and Gobi Corporation. The aim of the project, 'From Herder Camp to International Brand', is to increase the number of Zalaajinst and Delgerekhiin ulaan goats, which are known for their high quality fibre.

China regional meeting

SFA held its China Regional Meeting via webinar, where we introduced our expansion of the SFA Cashmere Standard into the Inner Mongolian region of China, and outlined our upcoming Chain of Custody 2020 Pilot, which will trace SFA certified fibre along four 'goat to coat' supply chain pathways.

HERDING LIFE

In the east of the country, it's all hands on deck as combing season has begun. Here, Sainbileg from the Dornod Province combs one of his red cashmere goats.



In the spring, life gets busier. Depending on the weather, we usually comb the goats between March and April. It's the most important time of year as our main income comes from cashmere.

Sainbileg
Tsagaandamdin

WEATHER WATCH

Spring has arrived in Mongolia and the winter was good to herders this year. Livestock mortality was low and 2.2 million offspring were delivered with a 98.4% survival rate .

MEET THE HERDERS SERIES

The fourth short film in the series is about a young family with a baby on the way.

We wanted to show how herding families are passionate about their herding way of life and value education for their offspring. It's also interesting to see how pregnancy is treated in different cultures.

Click on the image to play



OF INTEREST....

- Schneider's cashmere report <https://www.gschneider.com/2020/03/30/annual-cashmere-market-report-2019/>
- Article about the potential impact of Covid-19 on the fashion industry's ethical credentials.
<https://www.theguardian.com/fashion/2020/mar/27/put-earth-first-can-a-greener-fairer-fashion-industry-emerge-from-crisis>
- For those cooped up indoors, some beautiful pictures of Mongolia's wide open spaces <https://hk.asiatatler.com/life/mongolia-travel-adventure>