



# Terms of Reference: Development of Sustainable Cashmere Standard Global Principles and Criteria (the SFA Standard)

## Background

The Sustainable Fibre Alliance (SFA) is a non-profit international organisation working with the extended cashmere supply chain, from herders to retailers. Our goal is to promote a global sustainability standard for cashmere production in order to preserve and restore grasslands, ensure animal welfare and secure livelihoods.

Our aims are to ensure that internationally traded cashmere is produced using sustainable practices, resulting in a reduced environmental footprint, and to secure appropriate economic returns for participants throughout the supply chain.

The SFA's specific objectives are to:

1. Reduce the environmental impact of cashmere production and promote the conservation of biodiversity through a range of Codes of Practice, designing and implementing globally applicable solutions that are also effective locally.
2. Raise the animal welfare of cashmere goats through the Animal Welfare Code of Practice, helping herders to better their livestock from the hazards posed by extreme weather conditions.
3. Reduce the environmental impact of cashmere fibre processing through the Sustainable Fibre Processing Code of Practice, to eliminate industrial releases of hazardous chemicals from the scouring and wet processing of cashmere fibres.
4. Improve livelihoods and economic development in participating cashmere producing regions by scaling up our grassroots projects and supporting herders' livelihoods through value chain innovations.
5. To promote the awareness of sustainable production to consumers of fibres internationally and improve commitment to, and the flow of, sustainable cashmere from herding cooperatives to brands and retailers, through the realisation of collaborative market-led sustainable value propositions across the supply chain.

## Overview of voluntary standard development

Between 2017 - 2021 SFA published and piloted codes of practice for producers in Mongolia and China for rangeland stewardship, animal husbandry/animal welfare, and for processors on clean fibre processing. The focus for each of these is on continuous improvement with certification at three award levels to reflect compliance.

During 2022 the SFA is consolidating the piloted production-level codes of practice into one internationally applicable voluntary sustainability standard for cashmere production: a performance-based, outcome-oriented international standard. The Principles and Criteria focus on the production of cashmere in a way that is measurably better for animals, the environment, and producer communities.

## Justification of Need:

- There is a need for an international standard that is locally relevant but internationally comparable, which will stimulate continual improvements through its

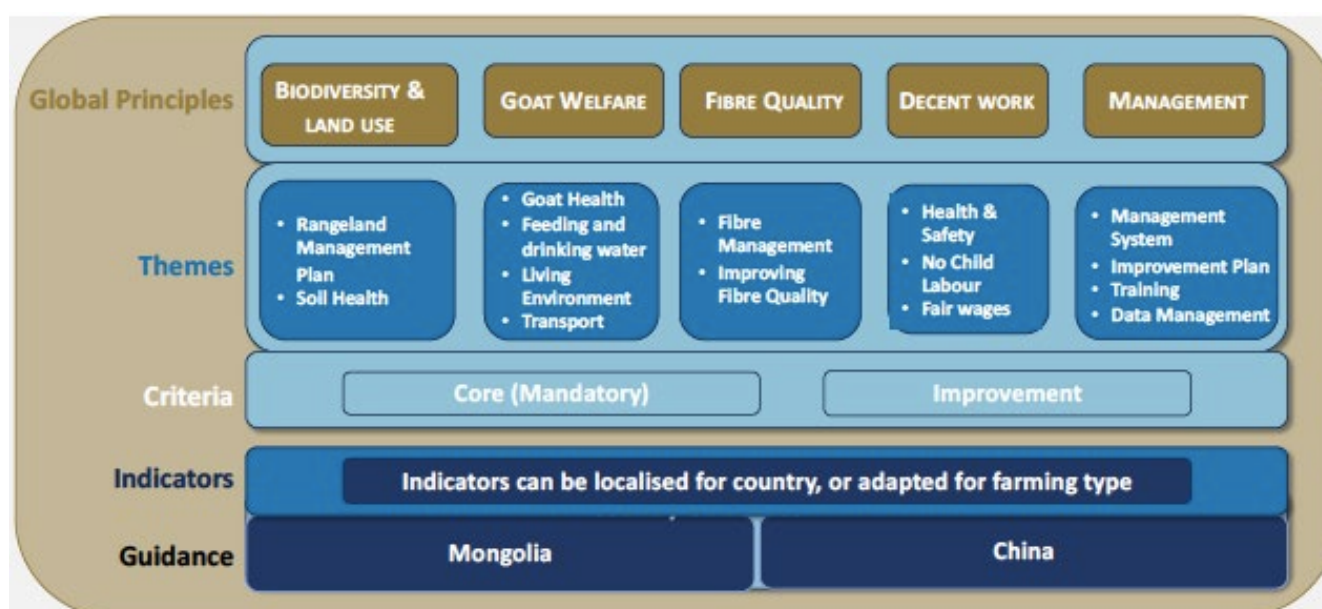
implementation, enable consistency in impact measurement and create confidence in claims through transparency and a cycle of continual learning.

- The goal is the development of a performance-based, outcome-oriented international standard, with country-specific adaptations in the indicators to allow consistent applications across different production systems (for example farmers or herder communities), across different regions affected by varied material issues (around animal welfare, environmental and social impacts) and different legislative contexts.
- The Principles and Criteria will focus on the production of cashmere in a way that is measurably better for animals, the environment and herding communities. It is organised around five Global Principles: Goat Welfare; Biodiversity & Land use; Fibre Quality; Decent Work; Management.

The SFA has engaged with a number of other cashmere-focused standards and projects in different areas of Mongolia and China before and during the development of the codes of practice and pilot projects.

The initial scope of the standard will be the development of internationally applicable standard relevant to cashmere production under herder and rangeland farming systems, with indicators and guidance developed for Mongolia and China.

## Proposed structure of the Global Principles Standard:



The development of the standard will be conducted in line with ISEAL Codes of best practice to ensure continued relevance of the standard criteria, and reflect stakeholder needs and understanding of good sustainability practices across the principles.

Principles, Themes & Criteria are global and are aligned with SFA's Theory of Change and tested during the pilot programmes of the code of practice implementation.



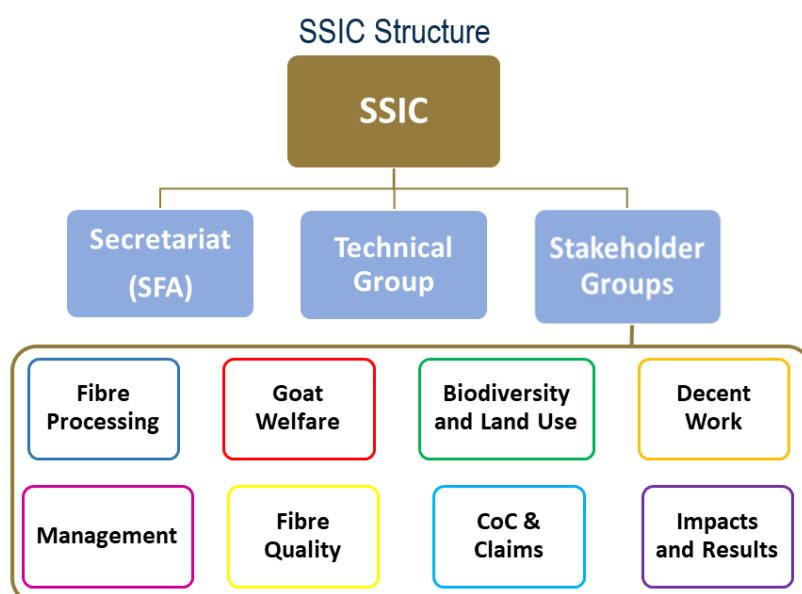
The applicable indicators will vary according to the type of cashmere production system; be it nomadic rangeland or farm production, through consistent scope definition, criteria implementation practices and evidence requirements that are relevant, consistent and applicable to each system type and geography.

- ‘Principles’ are the overarching sustainability areas around which the standard is organised.
- ‘Themes’ are specific issues and best practice areas which cashmere production could positively impact.
- ‘Criteria’ are conditions that need to be met in order to show conformance to a Principle.
  - ‘Intent’ refers to explanatory notes providing rationale behind the requirement
- ‘Indicators’ are measurable states that allow the assessment of whether or not associated criteria are met. There will be consistent applicability of indicators within each certification scope (e.g., country, herders, smallholder farmers, large farms).
- ‘Guidance for implementation’ provides technical and procedural support on how to comply with the requirement. Country guidance will developed for Mongolia and China, in the local languages.

## The review process:

The Development process will follow SFA’s Standard setting requirements (SCS-036-02.2-EN) and ISEAL Standard Setting Code. These focus on the importance of balanced stakeholder input on the standard design, criteria wording, guidance and measurements.

## Governance Structure and decision making:





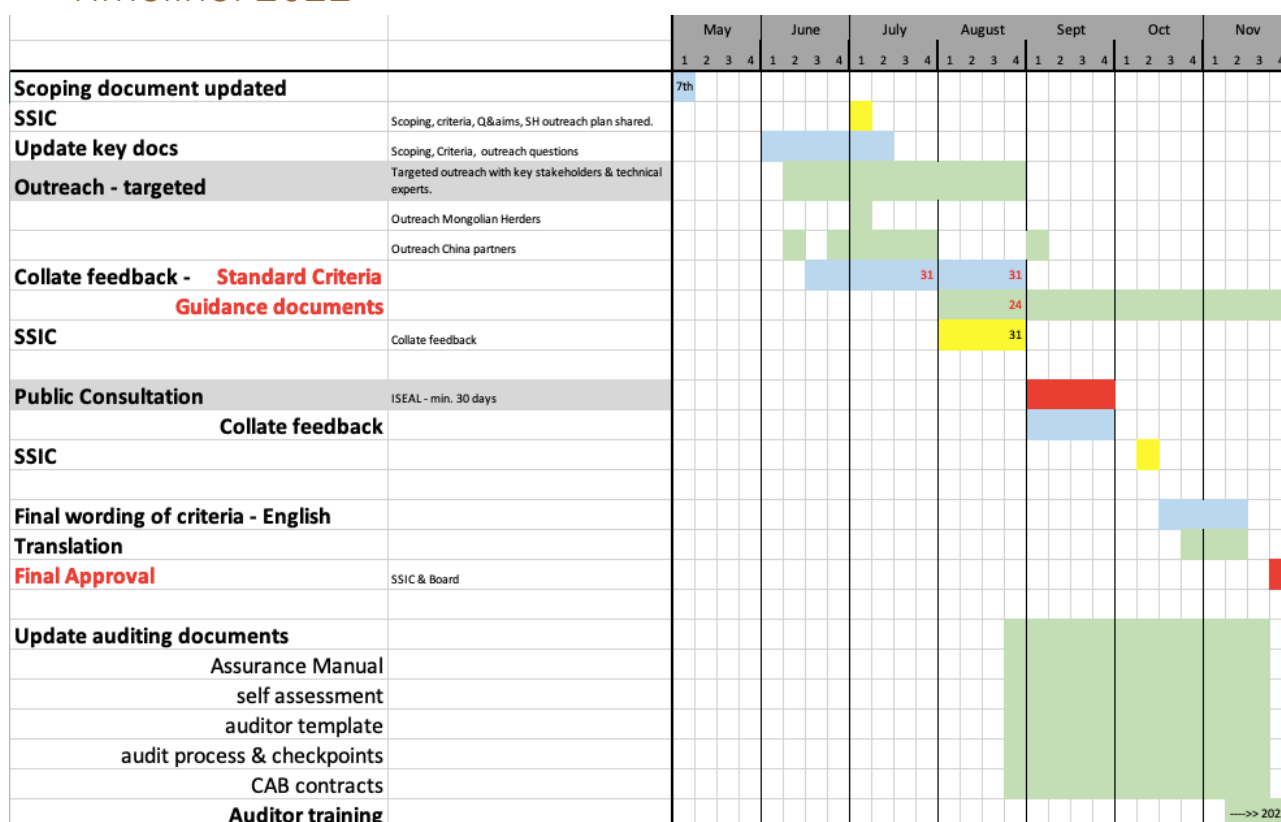
The SFA **Standard Setting Improvement Committee (SSIC)** represents a range of SFA members, implementing partners and interested stakeholders. It oversees the integrity and quality of the SFA standard development, guidance and assurance requirements. The SSIC regularly convenes during the standard development and will deliberate on technical input from Advisory Groups and subject experts from a broad range of stakeholders (academics, cashmere supply chain actors, herder communities, farmers, government and NGOs).

Decisions will be reached by consensus (general agreement characterised by the absence of sustained opposition to substantial issues by any important part of the concerned interested parties).

The SFA Secretariat provides administrative support to the SSIC, including technical and logistics support, facilitating communication and drafting recommendations from the technical and advisory groups, and managing the public consultations with a balance of stakeholder groups.

The final draft of the standard is approved by the SFA Board, based on whether the content satisfies the Terms of Reference and the quality of process followed.

## Timeline: 2022



A risk assessment will be developed alongside the standard development, to identify potential risks in implementing the draft standard and how to mitigate these (e.g., unintended consequences that could arise from the implementation of the standard, factors that could have a negative impact on the ability of the standard to achieve its



objectives, and possible corrective actions that could be taken to address these potential risks).

### The purpose of the consultation

To get broad and balanced stakeholder input on the content and structure of the Sustainable Cashmere Standard. The aim is to develop:

- An international standard with organised into Principles, Themes, Criteria and indicators.
- An implementation table outlining applicability to different production systems and countries (herder communities and rangeland farming).
- A scoring document outlining Core and improvement criteria (and defining bronze, silver and gold performance levels).
- Accompanying Country implementation guidance in Mongolian and Chinese.
- Auditing materials for training, auditing and consistent record keeping.
- Monitoring and Evaluation framework alignment (estimated 2023 activity).

Some example questions for consideration during the standard development:

- Are the Principles, themes and criteria sufficient? Is anything missing? Are they in line with current scientific thinking and indigenous knowledge?
- Should there be any criteria with Red Flags? E.g., no certificate can be achieved until red flag criteria have been fully met. If so, which ones?
- Is the wording of the criteria sufficient to ensure that it can be fully met anywhere in the world?
- Will the criteria deliver the required/intended outcome?
- What specific guidance should be developed relating to specific themes, criteria or indicators?
- Which specific experts or stakeholders should be further consulted?

## How to Contribute

### Become a Member of the SCS Global Principles Steering Group

The SFA is seeking qualified individuals to join the Sustainable Cashmere Standard Global Principles Steering Group. Successful candidates will support the SFA's mission and values, have experience with the SFA's Standard, Code of Practice and or Chain of Custody, and represent a diversity of stakeholders in various geographies.

Please contact Lesley Colvin, Standards and Compliance Manager, [Lesley.Colvin@sustainablefibre.org](mailto:Lesley.Colvin@sustainablefibre.org).

### Provide feedback

To provide feedback or comments relating to the proposed content or structure of the Sustainable Cashmere Global Principles.



### Reference Documents

- SCS Global Principles
- SCS Evaluation Indicators Goat Welfare
- SCS-036-02.02-EN Standard Setting Procedure
- SCS-007-02.2-EN C001 Animal Husbandry and Cashmere Fibre Harvesting Code of Practice
- SCS-008-01.2-EN C002 Rangeland Stewardship Code of Practice
- SCS-009-02.1-EN C003 Clean Fibre Processing Code of Practice

### Contact us

For more information, please contact us:

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