

01 December 2023 STATEMENT OF INTENT

SUSTAINABLE FIBRE ALLIANCE



WHY A REVISED STANDARD? Background

The SFA Cashmere Standard covers the biggest market share for certified cashmere. It is the only standard that aims to improve goat welfare, safeguard biodiversity and land, promote decent work and enhance fibre quality through an effective management system and assured chain of custody. It is needed to truly represent producer voices through the strength of our herder relationships and heritage.

<u>Version 1.0</u> was published in Jan 2023 following an extensive revision and multistakeholder consultation throughout 2022. You can learn more about the revision process and the comments received <u>here</u>, but this revision primarily involved the integration of the three current standards and the addition of requirements for decent work and improving fibre quality.

Persistent debate about an issue

Some stakeholders have since raised concerns that the animal welfare requirements may not meet evolving consumer expectations. We believe this development triggers clause 5.4.1.c. of the ISEAL Standard Setting Code of Good Practice: "Where substantive, unresolved issues persist [...] the standard-setting organisation shall carry out additional rounds of consultation [...]."

Way forward

Accordingly, the SFA is pushing back the transition deadline for the SFA Cashmere Standard until after further development work can be done. The scope of the SFA Cashmere Standard v2.0 will remain global, and continue to focussing on effective management, decent work, biodiversity, animal welfare and improved fibre quality. There will be supporting documents that provide guidance on how the SFA Cashmere Standard should be applied in Mongolia, China and Afghanistan. v2.0 is expected to be published by Q4 2024.

> Sustainable Fibre Alliance Page 2 of 5



WHAT IS BEING CONSIDERED?

Changing animal welfare expectations

Some stakeholders have raised concerns that the animal welfare requirements may not meet evolving consumer expectations. These included concerns around goats from 'SFA Certified' operations being sold to unregulated slaughterhouses. The SFA has no interest in certifying slaughterhouses as a matter of principle. However, we feel that we have an end-of-life responsibility to all goats that have produced 'SFA Certified' cashmere and so wish to exert some sort of influence on the slaughterhouses certified entities use. We are considering a due-diligence requirement, that obliges the certified entity to have a lawfully binding agreement with the slaughterhouse. This agreement would stipulate that the slaughterhouse must abide by the SFA's animal welfare standards - and give access to observers affiliated with the certified entity (i.e. the CAB).

Clarity, simplicity & freedom to innovate

We have also heard concerns that the Standard may be overly-complex and lacks clarity on who is responsible for which requirements. There is also a lack of clarity in how scoring is meant to work. There are also concerns that some requirements are proscriptive in a way that stifles innovation and alternative approaches to achieving an outcome. We will take this opportunity to tighten up the Standard in these regards.



Sustainable Fibre Alliance Page 3 of 5

FAQS

How long would we have to prepare?

Enough time will be given for certificate holding herders and farmers will be to adjust how they produce 'SFA Certified' cashmere. All 'SFA Certified' cashmere producers following old requirements will still count as 'SFA Certified'. You will have a chance to give feedback on any proposed timelines.

What isn't changing?

The original expectation was that all producers would comply with the requirements of the SFA Cashmere Standard v1.0 by a transition deadline of January 2024. To ensure no further delays and achieve the swift publication and implementation of the SFA Cashmere Standard v2.0 we will not be considering any other changes to the intent of the Standard. This includes with regard to some concerns that were raised around some other animal welfare issues, as those concerns referred to practices that are already prevented by the SFA requirements on combing and shelter, or castration practices that need further research and will need to be resolved over a longer time scale to prevent that work holding up all the improvements we have planned.

How are decisions made?

Decisions are made by the SFA Secretariat, in consultation with the <u>SFA Board of</u> <u>Directors and SFA Standard System Improvement Committee</u>. All decisions are announced and justified through the SFA website.



FORWARD PLAN

Development

Public consultation

We seek fairness and inclusiveness through consultation. During May and June 2024 we will open a 60-day window for all stakeholders to provide feedback and be heard. In this we aim to secure strategic insight, build consensus and earn credibility. We will seek input from CABs to ensure that any new Standard is credible/works in practice. Special focus will be towards overcoming language barriers in order to receive feedback from traditionally-underrepresented stakeholders.

Publication

We aim to complete this review before December 2025. Before then stakeholders can expect any new Standard with all supporting guidance, summaries and training materials, and a document that outlines the feedback we received from stakeholders and how it was taken in to account. Translations of key documents will follow.

Transition timelines

The sector will be given until six months after publication to become familiar with the new Standard. From this date (the 'effective' date) all new scope certificates will need to be against the new Standard. Since scope certificates last for three years, we would expect all old scope certificates to have expired by April 2028, meaning that all entities will have to be certified against the new Standard by then.

Contact and comments

We welcome and encourage feedback at all stages of this process. Please send any questions/comments you have regarding this plan to <u>standards@sustainablefibre.org</u>, noting that all feedback will be anonymised and published online.





