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PRIMARY PROCESSORS

CERTIFICATION GUIDE



Primary Processors: Certification Guide

WHAT IS THE SFA?

The Sustainable Fibre Alliance (SFA) is a non-profit standard holding organisation. We represent a global alliance of supply chain actors, stakeholders and industry experts with a mission to ensure the long-term viability of the cashmere sector. Through our work, the SFA aims to minimise the environmental impact of cashmere, safeguard livelihoods and ensure high animal welfare standards. We work with the end-to-end supply chain, connecting livestock herders to brands and retailers in the global fashion industry.

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WHAT IS THE SFA CLEAN FIBRE PROCESSING STANDARD?

The Clean Fibre Processing Standard applies to 'first stage' processing plants that scour (wash) and dehair raw cashmere. The requirements are focused on the reduction and elimination of harmful chemicals such as APEOs, efficient use of energy and water, and ensuring safe and fair working environments.

The standard can be applied to processing plants that sort, prepare, scour and/or dehair cashmere fibre along with the environmental, social and supply chain elements of the business that run alongside these operations. It is split into different units for each of these processes, and processing plants must achieve compliance in all units that are relevant to its function.

By becoming certified against the SFA Clean Fibre Processing Standard your company is proving its commitment to the following principles:

SOCIAL & ETHICAL RESPONSIBILITIES

This principle covers the principles and values that govern activity in relation to safety, working conditions and fair labour. Processing plants must comply with all of the requirements of the standard covering health, safety and hygiene.

ENVIRONMENTAL SUSTAINABILITY

This principle covers the initiatives focused on environmental impact and management. This includes the use of detergents with minimum environmental impact and the safe use and management of chemicals and hazardous substances.

SUPPLY CHAIN & BUSINESS OPERATIONS

This principle includes business practices that facilitate long-term economic growth concerning business management, day to day operations and the supply chain. It requires evidence that a supplier has proper equipment and conditions for accurate fibre analysis.

BENEFITS OF CERTIFICATION

1. Increased value through SFA Clean Fibre Processing Standard
The SFA offers the SFA Clean Fibre Processing Standard as a way for primary
processors to demonstrate their commitment to, and success in, meeting
environmental and workplace best practice. Achieving this allows primary
processors to sell SFA Certified fibre as part of the Chain of Custody. The SFA
also provides support, training, and assessments in the Standard.

2. Increased value through SFA Chain of Custody

To meet the growing consumer expectations for transparency and sustainably produced goods, the SFA has implemented a Chain of Custody within its Standards. This allows primary processors to validate their fibres as those originating from certified sources and attain greater value. Buyers along the supply chain can also trace the certified status of their purchases.

3. Links to fibre producers

Primary processors who are SFA certified, gain access to <u>cashmere-connect.com</u> where they are visible to Mongolian herder organisations and can access valuable information about them. Events such as the "Herding Organisation and Processor Meet & Greet", which promote collaboration between processors and herders are also open to certified members. These offerings have been invaluable during the Covid pandemic, when traders who usually facilitate the connections were unable to travel.

4. Links to buyers

Access to <u>cashmere-connect.com</u> also provides visibility to other SFA members and Chain of Custody participants. The platform displays business contact details and in addition, certain processors may disclose the quantity of raw fibre they currently have in stock. It promotes trust between buyers and sellers of the cashmere sector through a common Standard.



BENEFITS OF CERTIFICATION

5. Focussed training for associate farms in China

As there are no direct counterparts to "herder organisations" in China, the SFA takes a different approach by working backwards from the primary processor level. In collaboration with ICCAW, the SFA offers training and assessment to farms that supply fibre to primary processors that participate in the SFA's Chain of Custody.

- 6. Invitations to SFA events
 - In addition to providing training on our Standards, the SFA offers many networking events, member meetings and conferences. Certified processors are also given the opportunity to speak at SFA conferences to present their perspectives on diverse topics related to the cashmere sector.
- 7. Greater understanding of their agency as cashmere processors
 The main objective of the SFA is to promote the production of sustainable and
 humane cashmere that adhere to global standards. In pursuit of this objective,
 the SFA encourages processors to source and process responsibly in order to
 protect their reputation and income. Additionally, an emphasis is placed on
 operating efficiently and transparently to ensure accountability within the
 industry.
- 8. Be better informed about opportunities to integrate SFA Standards

 The SFA's grassroots approach involves actively engaging with those who adhere
 to the SFA Standards into their day-to-day operations. Feedback from processors
 on how to demonstrate compliance and show improvements, including inputs on
 practical limitations, play a pivotal role in forming and refining the SFA
 requirements.



BECOMING CERTIFIED

To unlock these benefits your company will need to be certified against the SFA Clean Fibre Processing Standard. It will also need to be certified against the SFA Chain of Custody Standard, which ensures that your operations know how to securely keep and trade 'SFA Certified' fibre in a way that your potential customers will trust and recognise.

1. Register with the SFA

Registration with the SFA is a prerequisite for certification against any of the SFA Standards for the production, processing and/or trade of 'SFA Certified' fibre. Registering with the SFA will generate a unique reference number for your company. To get started, email membership@sustainablefibre.org.

2. Find a conformity assessment body

Conformity assessment bodies (CABs) are independent third parties accredited to carrying out certification and other activities related to the assurance of certification schemes. The list of CABs approved to conduct certification activities for the SFA Clean Fibre Processing Standard and SFA Chain of Custody can be found here: Sustainable Fibre Alliance - Conformity Assessment Bodies.

3. Complete an assessment and if successful become certified Your chosen CAB will be able to provide more information on the certification process including how long it takes and cost.

