



AN INDUSTRY BRIEFING BY **ApparelInsider**



CASHMERE AND SUSTAINABILITY

A Guide for Fashion Brands



SUSTAINABLE FIBRE ALLIANCE

Creating a Sustainable Cashmere Value Chain



The **Sustainable Fibre Alliance** is a non-profit, multi-stakeholder organisation working with the extended cashmere supply chain. From herders to retailers, we promote a global sustainability standard for cashmere that aims to preserve and restore grasslands, ensure animal welfare and secure herder livelihoods.

For more information visit sustainablefibre.org

Foreword

Having grown up as a kid in the Selenge province in northern Mongolia, I witnessed land degradation firsthand and saw the impact it had on biodiversity and the rural communities from an early age. However, it was not until I moved to the city for university that the change in my home province really struck deep.

Encompassing both forest and grassland steppes, the biodiversity of the Selenge province was abundant when I was young. You would often hear the crickets chirping, the smell of wild herbs, see the tall pine tree forests and the three-river basin of Orkhon, Selenge and Buur at the heart of everything.

But when I would return home after university, just three years later, I saw so much devastation. The rivers and grasslands had shrunk taking many of the crickets and herbs with them. And, due to the fall of communism in Mongolia and the quick transition to a market-led community, the sudden up-scale of the timber trade saw many of the pine tree forests cut down with mass deforestation across the country.

At the time, I thought “surely someone will do something about this” but no-one ever did and every time I travelled home from the city, the drastic changes I saw across the region were getting worse. It was at this point that the Sustainable Fibre Alliance (SFA) and all that we stand for now was first envisioned.

We created the SFA to bring a much-needed balance of biodiversity and economic growth to environmental objectives. After all, it is people who are at the core of driving sustainability and making change.

From my childhood, I could see the world-shaping potential of indigenous knowledge and wisdom in tackling climate resilience. We wanted to bring that nomadic culture of Mongolia to the centre of the SFA by understanding how this approach could shape global standards and what they could provide to communities through a minimalistic and more holistic viewpoint.

Lots of large cooperations and other organisations approach issues of sustainability in silos, focusing on one issue at a time. But with the nomadic views of being more holistic, we created a ‘nutag’ conceptual framework for the SFA that focuses on regional thinking and indigenous wisdom – and not just from Mongolian herders, this holistic approach can be seen across almost all indigenous cultures.

There are often elements that can be seen in many global standards that make demands of developing countries and communities to make substantial changes to fit their frameworks. However, many herder communities have been herding and living nomadic lifestyles for over 4,000 years, so instead, I believe it is the global

standards that need to change their approach and be working with the herding communities to ensure indigenous views are considered and incorporated to better address the issues of climate change and sustainability – together.

We are working to bring the SFA and Rangeland Stewardship Council to the next generation of global standards in a holistic approach that addresses environment and social progress in developing countries. And we believe the best way to achieve this is through a market-led approach. I believe in the power of collective mobilisation, and we have a vision for the future that will see programmes and global standards improve herding and indigenous practices by promoting the use of natural fibres through global brands, helping to secure the long-term viability of the sector and in turn contribute to the well-being and livelihoods of millions and a better environment for all.



Una Jones
Sustainable Fibre Alliance
CEO & Founder

Cashmere and Fashion: an Industry Overview



The global cashmere industry has long been associated with luxury and elegance, providing a soft and luxurious fibre which has become increasingly popular among global fashion brands. Once associated mainly with luxury fashion, cashmere these days can be found in the mainstream fashion space, with cashmere sweaters retailing for well under US\$100 in many cases. Many people believe there has been a price to pay for the increasingly ubiquitous nature of cashmere. Some argue that the production of cashmere raises complex questions about the cashmere industry's long-term viability and impact on local communities and the planet. The flipside to this is that the global cashmere industry provides livelihoods to some of the world's poorer communities and, with roots going back hundreds of years, this is an industry worth cherishing and

The Geography of Cashmere

Cashmere is primarily produced in regions of the world that have the appropriate climate and conditions for raising cashmere goats. Some of the major cashmere-producing countries include:

Mongolia: Mongolia is one of the largest producers of cashmere in the world. The country's harsh climate provides an ideal environment for cashmere goats, which have adapted to survive in cold, arid conditions.

China: China has a significant number of cashmere goats and produces a substantial amount of cashmere fibre using traditional farming methods. Inner Mongolia and Xinjiang are known for their cashmere production.

Iran: Iran has a long history of cashmere production, particularly in regions like Kerman and Khorasan.

Afghanistan: Afghanistan has a well-established tradition of cashmere production, especially in provinces like Herat and Badakhshan.

India: In India, regions such as Ladakh and Himachal Pradesh are known for their cashmere goats.

Nepal: Nepal's cashmere production is focused on small-scale, artisanal production methods.

Kyrgyzstan: This Central Asian country is home to a considerable number of cashmere goats.

Pakistan: Certain regions of Pakistan, such as the northern areas and parts of Balochistan, engage in cashmere production.

preserving. On top that this, cashmere garments are known for their durability and longevity, and lend themselves to being easily mended and repaired (see page 32) – making cashmere fibres a good fit for progressive, sustainable fashion brands.

Environmental impacts
One of the most widely debated sustainability challenges facing the cashmere industry is its environmental impact, particularly related to overgrazing and desertification. Cashmere goats, which produce the highly sought-after cashmere fibre, are primarily raised in regions characterized by arid and semi-arid climates. Such areas often struggle with fragile ecosystems that are sensitive to overgrazing.

The growing use of cashmere in mainstream fashion has led to a substantial increase in goat populations in these regions, contributing to overgrazing and land degradation.

Nick Keppel-Palmer, interviewed on page 34 of this briefing, tells us there are now 70 million animals in Mongolia grazing on land which has a carrying capacity of less than 30 million. This growth has been driven by the demand for cheap cashmere, and the trend is upwards.

The production of cashmere also presents challenges in terms of resource intensity. The traditional processing of cashmere involves various stages, from the shearing of goats to processing and dyeing fibres. These processes can be resource-intensive, consuming significant amounts of water and energy.

Water scarcity is a growing

concern globally, and the cashmere industry's reliance on water for processing exacerbates this issue, especially in regions already facing water stress.

The resource-intensive nature of cashmere production has led to influential industry bodies such as Worldly – formerly the Higg Index – scoring cashmere poorly in terms of its carbon impacts. While many have debated cashmere's poor score on Higg (and with good reason) this is another area where the cashmere industry requires improvements – both in production processes and also in terms of providing industry stakeholders with more robust lifecycle analysis (LCA) data at the farm level. More on the latter on pages 30-31.

Animal Welfare and Community Livelihoods

The cashmere industry's ethical and social aspects also warrant attention. Animal welfare concerns have arisen from reports of inhumane treatment of cashmere goats. As this report was being published, PETA published the findings of an investigation which claimed to have uncovered evidence of animal cruelty in cashmere production.

The animal rights organisation raised concerns around American brand Ralph Lauren's use of cashmere after a PETA Asia investigation claimed to have found evidence of abuse against goats in its supply chain.

Cashmere and Quality

Cashmere quality is typically measured based on several key factors that determine the softness, warmth, and overall desirability of the cashmere fibres.

The diameter of individual cashmere fibres is a crucial factor in determining the softness and quality of the fabric. Finer fibres – found in younger and female goats – generally result in softer and more luxurious-feeling cashmere. Cashmere with a smaller diameter is considered higher quality. The measurement is often given in microns (µm).

Longer cashmere fibres are generally more desirable, as they can be spun into finer yarns that are less likely to pill and create a smoother, more durable fabric.

The natural colour of cashmere can vary from white to shades of grey and brown. Lighter colours are preferred because they can be more easily dyed to achieve a wider range of colours.

What is desertification?

Desertification is a process of land degradation in which previously fertile and productive land becomes increasingly arid, barren, and desert-like. This phenomenon is often driven by a combination of natural factors, such as climate variability and drought, as well as human activities that accelerate soil erosion, reduce vegetation cover, and disrupt the delicate balance of ecosystems.

Desertification typically occurs in regions with dry climates, where water resources are limited and vegetation is crucial for maintaining soil stability and moisture retention. Human activities, such as unsustainable farming practices, overgrazing, deforestation, and improper land management, can exacerbate this process by depleting soil nutrients, compacting the soil, and exposing it to erosion by wind and water.

The consequences of desertification are far-reaching and can have significant impacts on both the environment and human populations.

They include loss of productive land, biodiversity loss, increased soil erosion, water scarcity, climate change. On the latter, loss of vegetation and soil degradation can contribute to climate change by releasing stored carbon into the atmosphere and reducing the land's ability to sequester carbon dioxide.

All of these issues have social and economic impacts. Desertification can lead to displacement of populations as communities are forced to migrate in search of better conditions. It can also result in increased poverty and food insecurity, particularly in regions heavily reliant on agriculture.



Ensuring the ethical treatment of animals is essential for the cashmere industry's long-term sustainability and reputation.

Moreover, the cashmere industry plays a vital role in the livelihoods of many communities in regions where cashmere goats are raised. This is a double-edged sword. On the one hand, these communities rely

heavily on cashmere production as a source of income and employment. However, the industry's sustainability challenges, such as overgrazing and desertification, can threaten the very livelihoods it seeks to support.

As this briefing will explore, addressing sustainability challenges in the global cashmere industry requires collaborative efforts from various stakeholders – governments, fashion brands, consumers, and non-governmental organizations. From our research, we have identified several potential solutions which could contribute to a more sustainable future for the cashmere industry:

Better Grazing Practices: Encouraging sustainable grazing practices, such as rotational grazing and controlled stocking rates, to help prevent overgrazing and land degradation.

Technology and Innovation: Embracing smarter technologies and innovations to improve processing efficiency, reduce water and energy consumption, and lower the industry's carbon footprint.

Animal Welfare Standards: Implementing and enforcing robust animal welfare standards can ensure that cashmere goats are treated ethically and humanely.

Supporting Communities: Investing in the well-being and economic development of communities dependent on the cashmere industry to help mitigate the social impacts of unsustainable practices.

Consumer Education: Raising consumer awareness about the environmental and ethical issues associated with cashmere production.

Certification and Traceability: Implementing certification schemes and traceability systems to help consumers make informed choices and provide storytelling around the global cashmere value chain.

Cause for optimism amid cashmere challenges

In the past few years, natural fibres industries including mohair, angora, alpaca and cashmere have come under-fire from animal rights groups. Are such fibres inherently cruel due to their production methods, as these groups have claimed? Our own take is no – but with a caveat. Investigate any globalised industry involving animals and one will invariably find pockets of bad practice. While such industries are not perfect (and may never be) we don't think they are beyond reform, as some would have us believe. Cashmere is ultimately all about the animals. So the issue of animal distress and suffering in the production of cashmere fibres seemed to be good a place to start when interviewing Zara Morris-Trainor, head of research and policy at the Sustainable Fibre Alliance (SFA), and the organisation's CEO and founder, Una Jones. Over the last eight years, the SFA has evolved into the world's first global organisation for cashmere sustainability, with a training

and certification programme now reaching over 20,000 herders in Mongolia and China. It was the first organisation to develop an animal welfare standard for Mongolian livestock production. When we sat down to speak with the SFA, the team had recently been dealing with a crisis after an animal rights organisation claimed to have found evidence of cruelty in the cashmere supply chain. Morris-Trainor was candid and open when discussing the issue and animal welfare challenges related to cashmere. She told us: "We tend to avoid phrases such as 'cruelty-free' as cruelty is an emotive word and what is cruel and what is not depends on personal perspective. "Some people believe producing animals for human use is cruel, period, whereas our focus is on preventing and minimising distress, pain and suffering wherever possible. Our programme is helping to ensure goats live in a way that supports their physical and mental well-being and maintains their health. "If there is avoidable suffering, then that is unacceptable. There is definitely room for improvement in welfare practices and there are several areas where we are working to raise the bar. But the reality of the production systems we work in is that you may not always be able to avoid hunger, or thirst, or some level of discomfort from the elements. "The flip side is that, particularly in Mongolia, is that goats roam on open rangelands, interacting freely with their conspecifics with ample opportunity to express natural behaviour which is very important for well-being. Domestic goats share the same landscape as wild grazing species, but with the benefit of additional care such as shelter, veterinary treatment and supplementary food provided by the herders. "Overall, we feel that cashmere can be and often is a welfare-friendly production system when you consider all the animals' needs holistically." Jones says cashmere production systems have remained remarkably unchanged over generations, particularly in Mongolia.

"The changes we do see on the rangelands," she says, "are driven by climate change and over-grazing." Much has been written about rangeland degradation and its link to cashmere production. Cashmere goats make up more than 60 per cent of all livestock in Mongolia today, up from around 20 per cent 30 years ago. Their numbers have swelled as international demand for cashmere by brands and retailers has grown. The combined effects of a warming climate and expanding goat herds are leading to degraded pastures that are less able to support people, livestock and wildlife. The SFA Cashmere Standard promotes traditional land management practices and collective action by herding communities that maintain and improve pasture condition and protect wildlife. The Standard requires the development of a Rangeland Management Plan that states boundaries for communal grazing, coordinates seasonal movements and

identifies areas for reserve pasture. Jones tells us that pasture degradation remains a major sustainability challenge facing the sector, but that it's also a complex, nuanced matter which requires holistic, locally-relevant solutions. She says: "In Mongolia, there is widespread over-grazing but the severity varies depending on geographical location. For instance, in arid regions such as the South Gobi, pasture is more influenced by climate and less impacted by livestock, so can recover more easily than some of the more central areas." There is some debate within the industry about the environmental impact of grazing. Morris-Trainor adds: "Research suggests a moderate level of grazing in these rangeland systems is often beneficial for biodiversity as they've evolved with a grazing from wild species. "However, too much grazing – otherwise known as 'overgrazing' – can degrade the

"Overall, we feel that cashmere can be and often is a welfare-friendly production system when you consider all the animals' needs holistically"

pasture and impact local wildlife, and that is when things start to become a problem." The overgrazing issue as well as the evolution of the cashmere industry itself can be traced back to the break-up of the former Soviet Union in the early 90s. Mongolia was previously a Soviet satellite state in which all livestock production was state controlled. With the transition to democracy, Mongolia opened to global markets. Land remained the property of the state but livestock were privatised and herders became responsible for their own income. With cashmere's growing popularity in luxury fashion, herders focused increasingly on cashmere and goat numbers soared. Over the border, China has become globally dominant in the cashmere market. Cashmere production in China – including the Inner Mongolia Region – is more akin to Western-style, sedentary farming, while Mongolia has retained the traditional practice of nomadic pastoralism. Across both countries, social and political changes have impacted grazing practices and contributed to land degradation. Morris-Trainor says: "In Mongolia, we now see reduced mobility, reduced use of reserve pastures, increased crowding around towns and water sources and more conflicts over pasture.

"Markets are also influencing herd management. Herders are less likely to sell their castrated male goats – which have poor fibre quality – for slaughter, as meat prices are so low compared to cashmere. Financially, they're motivated to maintain large herds, which means more pressure on the pasture and lower overall fibre quality from the herd."

How big an issue is over-grazing and land degradation at the present time? "It is a major issue, but it depends where you look," Morris-Trainor says. "In China, herders are now sedentary and goat numbers are state controlled, so the issue of overgrazing has essentially been removed. However, whether this move was necessary and has resulted in the restoration of China's rangelands is still under debate. One must also consider the loss of the traditional pastoral culture that has resulted from this change."

The dominant narrative for Mongolian rangelands is one of widespread degradation. But the respective contributions of overgrazing from livestock and climate change and the extent of degradation are strongly contested, with estimates of ranging from 9 to 90 per cent. The concept of 'tipping points' is often used in the context of land degradation and refers to a situation where damage done to pastures becomes hard to reverse. Fortunately, there is definite cause for hope. Recent studies indicate that over half of the degraded rangeland can be fully restored within ten years if good land management practices are adopted, in particular maintaining mobility and adjusting stocking rates so they are appropriate for the available pasture.

"The general consensus is that most of Mongolia's rangelands have not reached these tipping points and there is good potential to restore their condition," Morris-Trainor says. "However, it will require the rapid, large-scale adoption of good grazing practices and coordination between herders and local government to ensure effective management at the landscape scale. This is a massive challenge, but standard systems can play a major role in bringing people together and incentivising the types of practices we wish to see."

We asked Morris-Trainor about climate change issues and how they are impacting – or might impact in future – cashmere supply chains. "Climate change presents a major threat to cashmere in both China and Mongolia, contributing to pasture degradation and increasing the vulnerability of herder livelihoods," she says. "We're seeing more extreme weather events such as storms and droughts, along with

decreased rainfall and increased temperatures. There is also some indication that climatic change may negatively impact fibre quality, because goats need dry, cold conditions to produce the lightest, fluffiest down. "Dzuds are extreme weather events that result in mass mortality of livestock and these events used to happen once a decade and are now happening every few years. Herders are being pushed to the edge and many have given up and moved to the towns and cities. Overall, climate change is making an already tough life even harder."

Finally, we ask about the perception of organisations such as the SFA from herders in China and Mongolia. Is the SFA's work well received and are locals generally receptive to the changes they are attempting to implement?

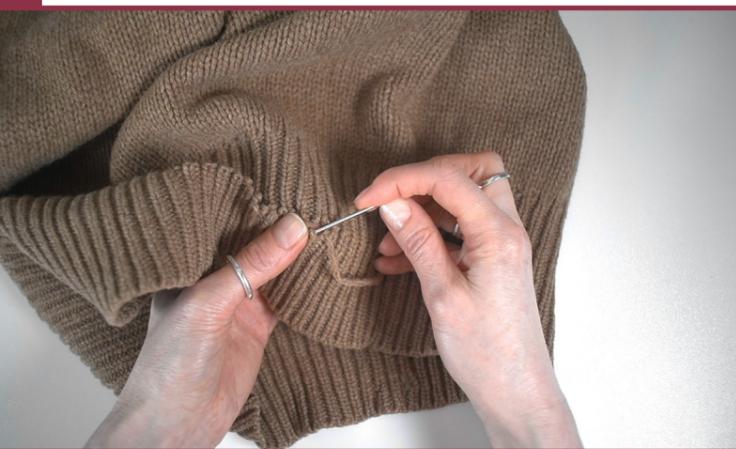
According to Jones: "Our general perception is that our efforts working with herding communities have been well received. The fact that we're Mongolian-led and founded makes a big difference. We have found herders to be very well engaged and keen to learn, and we seek their input into our certification programme on a regular basis. There is a strong sense of pride amongst herders for their cultural heritage, and they're motivated to better their situation.

"We are a multi-stakeholder organisation that's both grassroots and connected to international brands and retailers. Along with promoting more sustainable practices, we help herders to have a stronger voice on the market, add value to their fibre and achieve better financial security. They'll often say to us, 'how can we make something people want to buy?' "Ultimately, they view us as a conduit into the international market."

Cashmere repair and circularity

While cashmere is not generally associated with the circular economy, its properties dovetail with the notion of circularity – much more so, arguably, than cotton, another natural fibre which is often promoted in the context of recycling. A major draw of cashmere from a sustainability perspective is its durability and longevity, including the possibility of garments being repaired to extend their lifespan significantly. To find out more about cashmere mending and repair, we spoke to Cashmere Circle, a business which was founded by cashmere industry icon Belinda Robertson. Cashmere Circle is the only business of its kind purely devoted to invisible mending. It has repaired over 2,500 garments to date and demand is growing, with a team of menders based in the UK and

the training of new members team being carried out via a newly created online programme. Robertson told us: “The art of invisible mending has a long history that predates the use of cashmere as a fabric. Invisible repair is a technique used to repair textiles, including cashmere, by carefully weaving new threads into damaged areas to create an invisible repair. “Invisible mending gained prominence in the 18th and 19th centuries when fine fabrics like cashmere, silk, and lace became more prevalent in high-end fashion. The demand for skilled menders grew, and the art of invisible mending became an essential service for those who owned valuable and luxurious garments. “Today, invisible mending remains a specialised skill performed by highly skilled artisans. These skills were in abundance when we had more woollen mills manufacturing in the UK but sadly it is almost a dying skill. This is something we are actively tackling with our new online mending training programme, training new candidates in the art of invisible mending to meet the demand for cashmere repair.” So, what makes cashmere a good fit in terms of repairability? Robertson told us: “Cashmere is a fine product that needs care, if it does have care it can last for years. “Because of Cashmere’s fine and smooth fibres, repair specialists find it to be a good material to work with when mending tears or holes. The fibres are less likely to fray or create uneven edges during the repair process. Cashmere garments are often knitted with a tight weave, which can make it simpler to repair small holes. The tight-knit structure provides stability and support during the repair. Cashmere has a lovely lofty quality which helps to make invisible repair undetectable and helps to prolong the life of garments.” Robertson says all cashmere repairs are carried out by hand by skilled artisans, with repair time varying depending on the amount of damage.



“While it is time-consuming, it is incredibly rewarding when we see cashmere returned to our clients like new. Once maintained properly there is no reason why cashmere can’t be worn for years to come”

She says: “Most of the repairs we see coming in are the result of moth damage or tears from general use. One garment could have as many as ten holes that require attention.

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In addition to fixing holes, menders can also repair seams and if the holes are too large, they can be patched with a design to enhance the garment. Robertson notes there is at present a UK shortage of skilled people who can invisibly repair garments. To address this, her business recently developed an online training programme which teaches students the art of invisible mending online.

“Our menders repair garments that can be worth thousands of pounds, they need to be confident to handle such luxury garments,” she says. “[Our course] is a first for the industry and we are working with various industry partners to train new menders.”

With new laws around extended producer responsibility springing up around the world, Robertson foresees growing demand for garment repair services. “New legislation which places more responsibility on textile producers to ensure the correct disposal of their garments is a very welcome development,” she says. “We already support brands to reduce cashmere waste by repairing customer returns for example and enabling a higher volume to be resold rather than destroyed. The introduction of EPR will serve to heighten demand.”

Further Reading:
www.cashmere-circle.co.uk

CCMI: leading the fight against cashmere fraud

BOSTON - Like all textile fibres, cashmere has experienced challenges with supply chain fraud over the years. Fake cashmere refers to cashmere products labelled or sold as cashmere, but which also contain materials such as acrylic, viscose, or other cheaper fibres. As well as deceiving consumers, fake cashmere undermines the reputation of genuine cashmere products and can result in financial losses for companies that invest in producing and selling authentic cashmere goods.

Various efforts have been made to tackle this issue, including a few programmes involving traceability technologies to track cashmere through supply chains. Leading the fight against cashmere fraud is the Cashmere and Camel Hair Manufacturers Institute (CCMI). To find out more about its work and the issue of cashmere fibre integrity generally, we spoke to CCMI president, Fabio Garzena.



CCMI is an international industry association, founded in 1984 to protect the integrity and reputation of cashmere fibre and the products made from it. The role of the Institute has evolved over time. Initially, it focused on monitoring the market for mislabelled cashmere products and taking legal action to stop their sales. In recent years the Institute has extended its mandate to sustainability concerns of cashmere.

Garzena told us: “Fake cashmere products damage the reputation of true cashmere fibres, consumers and the entire supply chain working with cashmere. The CCMI works in several countries to counter mislabelled products. Cashmere supply chains are complex, and our work is influenced by legal and consumer protection tools available in each jurisdiction.”

Garzena notes that fraud can occur at almost any stage of the cashmere value chain, and subsequent links of the supply chain may well be unaware fraud has taken place.

He adds: “For fraud that implies a lower cashmere content than advertised, this usually starts at the spinning phase. In cases of products containing no cashmere at all, this can happen even at the retail stage – just before sales – whereby labels on products which are made of other fibres are swapped with cashmere products. We have seen multiple cases of this.”

“It is important to note that cashmere used to be blended with wool, but these days it is blended with even cheaper manmade fibres like acrylic or polyester or viscose,” he adds.

Identifying fake cashmere was once a challenge, however, the Institute has played a leadership role in ushering in a more robust testing and identification regime.

Garzena says: “Complex blends of cashmere with wool or yak are no longer a challenge due to recent developments in advanced instrumental methodologies based on proteomics analysis and DNA. Distinguishing real cashmere from manmade fibres has never been

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As indicated, the CCMI’s mission has broadened to include sustainability issues, which it views as a huge opportunity for industry stakeholders.

“Like for all significant social, technological and economical changes, [sustainability] is challenging and will require years of adaptation,” Garzena says. “There have been a few early adopters, and there are also some who are resistant and not interested or willing to face this needed change. What is important in the medium term is a general shift towards sustainability by the majority of the industry, to maintain and enhance the reputation of cashmere.”

Driving sustainability in cashmere supply chains requires industry collaboration. On this front, CCMI and its members are working closely with the SFA and International Cooperation Committee on Animal Welfare (ICCAW) to develop and implement a more sustainable cashmere supply chain.

“This starts with the herders, through manufacturers and brands to consumers,” Garzena says. “Efforts to achieve sustainability must be clear and well understood by all players in the supply chain. If procedures are excessively complicated, they create confusion and will not be widely adopted.”

Garzena suggests that sustainability is another challenge to embrace. “Manufacturers are used to continuous change – quality, service, compliance to safety standards or product regulations, new technologies have been the norm in the past. “Sustainability is about tackling several challenges as an industry across the supply chain rather than as a single company.” CCMI can support and lead from the front on this issue, providing a common approach from the perspective of manufacturers.

Cashmere: focus on landscapes

Nick Keppel-Palmer talks a lot about the economics of cashmere. “The price of cashmere should be at least double,” he tells us. “Raw cashmere is currently sold at 35 dollars per kilogram. [In some cases] you can have a cashmere sweater retailing at 60 dollars, containing 300 grams of cashmere. Remember, that 35 dollars for is raw cashmere is prior to washing and processing. After those processes, you might be left with half of kilo for your 35 dollars. That 60-dollar sweater is an economic impossibility.” In fact, lots of people we spoke to for this briefing raised their eyebrows when about some of the prices being paid for cashmere garments in stores. Are cashmere garments being used as loss-leaders? Quite possibly, which seems a noteworthy turn of events for a product which was once prized for its luxuriousness. Keppel-Palmer’s wider point is that not enough money in the cashmere value chain is making it back to the landscapes on which cashmere goats graze. He suggests the industry is built on a fundamentally exploitative business model which sees the fashion brands getting cashmere from Mongolian landscapes to retail stores for as little cost as possible, in a model which pays no attention to the true impact of those chains on the environment. Over time the focus on cashmere, to the exclusion of other fibres, has driven up animal numbers, accelerating overgrazing.



“Cashmere has become a very transactional process. Something is very broken,” he says. “It sees nature subordinated to economics”

In contrast to this top-down approach, Keppel-Palmer and his colleagues at Good Growth have developed a business model for animal fibres, including cashmere, which begins with landscapes. Get the landscapes right, put in place the right conditions to ensure landscapes and their people can thrive, and then work backwards from that. “We come from the position that if you want sustainability in cashmere, you have to design out from sustainable landscapes,” he says. “You can’t have sustainable fibre without sustainable landscapes. Mongolia currently has 70 million animals in a country that can support 20 million. This has been driven by cheap cashmere.” Good Growth’s approach is to contract with and assume the economic risk for landscapes – pre-committing to purchasing all the fibres from a grazing area for an agreed price. For multiple years. This price is based on sustainable grazing regimes which generally mean reduced animal numbers. By buying all the fibres, the income received by the herders will typically be more than they receive by selling just cashmere at the prevailing market rate, which itself is only so low because it is based on a highly commodified chain driving goat numbers which are inherently unsustainable. Keppel-Palmer launched Good Growth in 2019 and is now overseeing three landscapes in the Gobi, each between 25000 and 55000 hectares in size. Satellite analysis is being used to analyse pastoral lands as well as

providing real-time information to herders on when and where to move herds. “The way you assess the health of a range of land is based on what kinds of plants are growing there,” he says. The business is working on using machine learning to assess plant and soil health at scale using photo-monitoring gathered on the ground via the herding communities. The goal is to scale this tech-led approach, combining it with the deep and rich knowledge of local herders and other industry stakeholders to build a holistic picture of the local ecology. Good Growth has received support from luxury brand Kering as well as a group of private investors committed to reversing climate change and biodiversity loss. Keppel-Palmer wants to see more brands get involved and support its landscape-led model. He believes a landscape-led approach could cascade right through the cashmere value chain and all other fibre chains. At the moment, he suggests this is a very unstable business with no price stability for herders, who are bounced into making short-term decisions by transactional buyers (often Chinese) in an annual selling window. “Cashmere has become a very transactional process. Something is very broken,” he says. “It sees nature subordinated to economics.” Keppel-Palmer makes a compelling argument, and it is hard not to draw parallels with other natural fibres sectors such as cotton, where the case for a complete industry ‘reset’ which begins with the needs of cotton farmers has never been stronger.

More on the landscape approach to cashmere can be found at www.goodgrowth.earth

Peter Hahn shows value of supply chain knowledge

For more than two decades, Heike Hillebrecht has been visiting Inner Mongolia to gain a better understanding of local cashmere production. Head of buying at leading German cashmere retailer, Peter Hahn, we spoke to Hillebrecht about cashmere quality, sustainability and other issues.

What are your own experiences of working with cashmere and when did you first start sourcing it for collections?
We as a company, Peter Hahn,

and myself personally have had a great working relationship with our cashmere producers for over 25 years. We know the complete supply chain.

What, in your experience, are the biggest challenges to sourcing cashmere?

Stable quality, fibre fineness and length, achieving a good price, performance and sustainability.

Which parts of the world do you source cashmere from and where can one find the best quality cashmere?

We source from Inner Mongolia. The best quality is from the Northwest and Alashan area.

Is cashmere a sustainable fibre in your opinion?

Yes! The risk of animal welfare, protection of the environment and fair working conditions for the farmers is guaranteed by us through our involvement with the Good Cashmere Standard of which we are a founder member.

High-quality cashmere goods have a long life with proper care.

How important is it to build relationships with cashmere supply

chains in your experience?

It is very important to know the material and production processes. There has to be a constant dialogue with suppliers.

How can the fashion industry ensure cashmere suppliers receive a fair price for their products?

While market prices fluctuate, at Peter Hahn, we buy very high-quality cashmere which means the prices we pay are much higher than other retailers.

Peter Hahn and Madeleine (our sister company) is the only company using the premium ‘black label’ of the Good Cashmere Standard. We have known our cashmere suppliers for many years and the prices we pay are guaranteed.

FTC showcases unique approach to sourcing

Is it possible to source truly sustainable cashmere?

Most people we spoke to while writing this paper suggested that forming close, personal ties with sourcing hubs in China and Mongolia is the best way to offer complete assurances to end users.

Fair Trade Cashmere (FTC) is a European premium brand of high-end cashmere products which has been working with goat farmers in Shaanxi, China for two decades.

We spoke to Adrian Knezovic, part of the second generation to work at the family-run, Switzerland-based company. Knezovic said his father has been visiting Asia since the 1990s and has spent two decades establishing relationships with goat farmers in Shaanxi.



FTC now has now developed a fully integrated cashmere supply chain and owns farms, factories and facilities in Shaanxi, Hebei and Europe. The company’s cashmere goat farm in Shaanxi sees farmers offered secure and long-term income opportunities and living wages. Animal care is a top priority, with goats examined every two weeks to ensure they are healthy, with the cashmere harvest taking place annually between April and June.

Knezovic told us the goats are even fed with self-developed feed (in the form of pallets) based on alfalfa (Alfafa) and corn, which FTC grows near the goat farm.

Over the years, Knezovic said his father even helped to build a school for local children, which opened in 2009. He remains the only foreign member of the China Cashmere and Sheep Association.

“In two decades in this industry, it still surprises me that you can sell a cashmere piece at retail level for 90 euros,” Knezovic

tells us. “For some of our heavier pieces, the cashmere raw material alone would be 60 per cent of the cost.”

Could FTC’s approach be scaled?

Its unique nature suggests that would be difficult. The company is so deeply integrated into local life, and its approach stands in stark contrast to the fast fashion industry at large, where supply chains are often a case of out of sight out of mind.

We would not rule out this localised, niche approach to sourcing being replicated, however. For luxury fashion brands which are more particular about where and how they source cashmere, FTC’s approach provides multi-level assurances while offering the kind of providence and story-telling opportunities progressive brands are increasingly seeking out.

Further Reading:
<https://shop.ftc-cashmere.com/de-de>



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