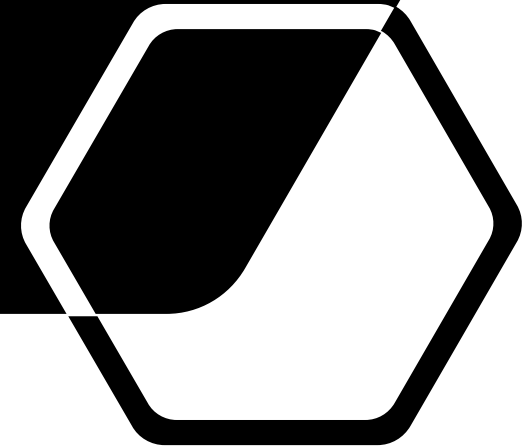
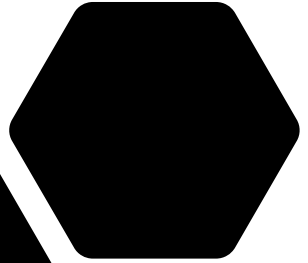


THE AFGHAN CASHMERE COMMUNITY AND THE SFA

- PRESENTATION
- BY RONNIE LAMB
- DEVELOPMENT SPECIALIST AT
USAID
- FEBRUARY 2ND 2023



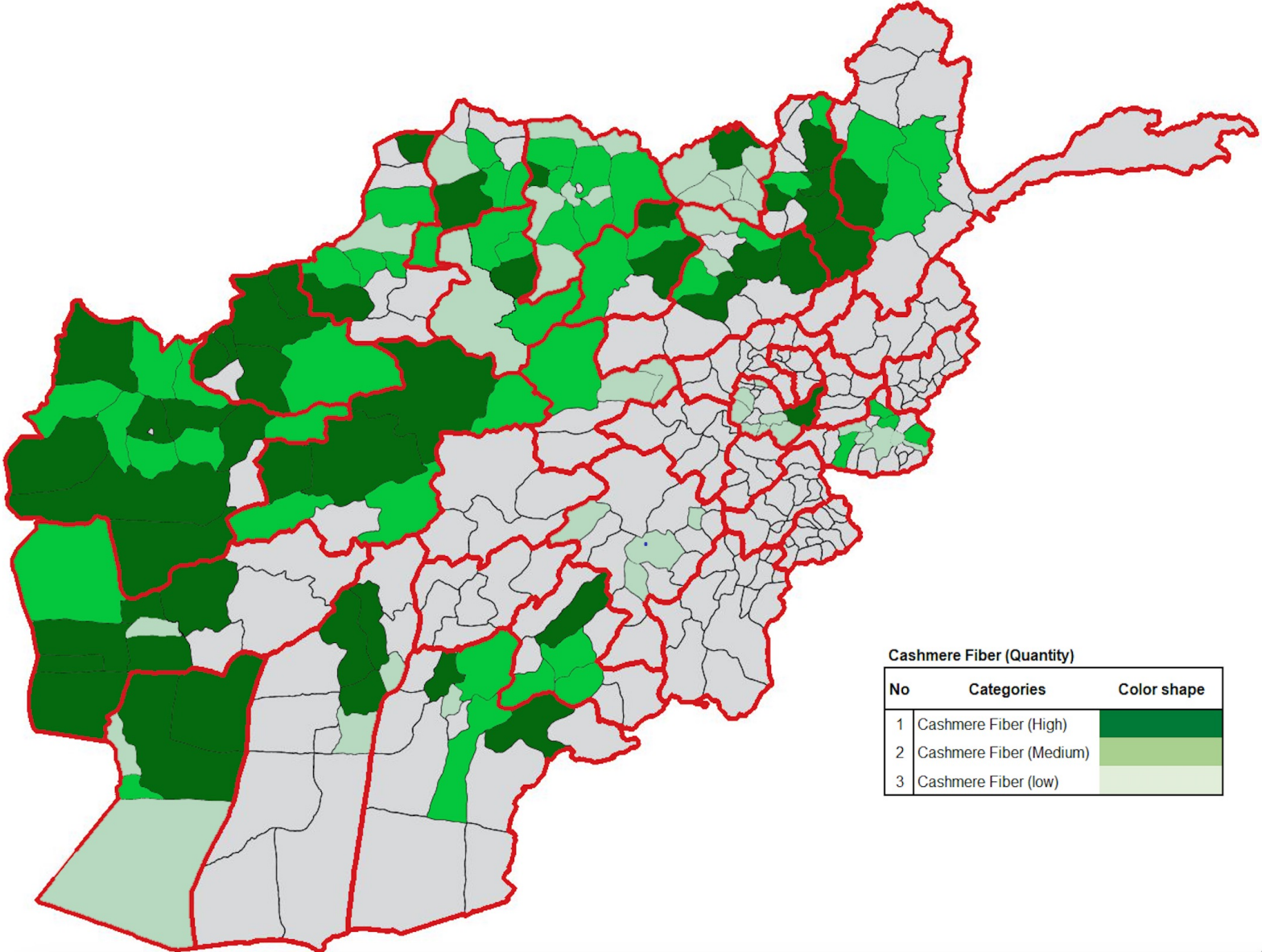


The SFA, at the request of the Cashmere Value Chain expert from ACEBA (Afghan Competitiveness of Export Business Activity), funded by USAID, (United States Agency for International Development) are currently conducting a scoping assessment, in Afghanistan:

- Animal welfare
- Land management
- Decent work
- Management practices

In order to assess the potential for Afghan cashmere to be SFA certified.

Map featuring the cashmere producing regions



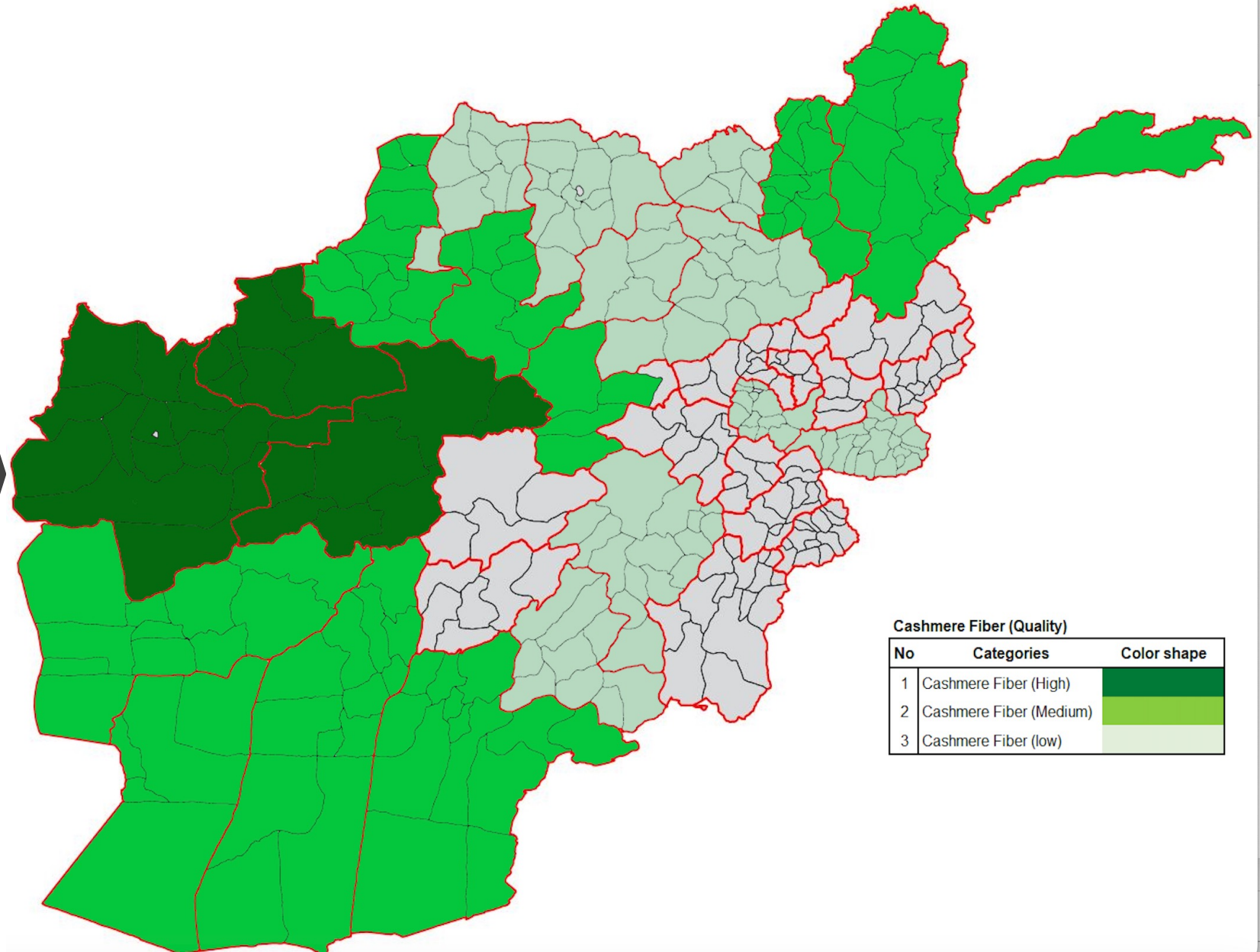
Afghan cashmere : Used for cost cutting?

- CASHMERE QUANTITIES (estimated)

Roughly 100 tons of Afghan cashmere has been exported annually over the last two decades, either as *greasy*, *scoured* or *dehaired*.

- The biggest export market has been China, mainly for greasy cashmere, with only a token amount scoured. Post Covid legislation, by Chinese customs authorities, mandated that all animal by-products, including cashmere, must be *clean* and *free from any diseases*. This is slowly filtering through the system but there is still a significant amount of *greasy* cashmere that slips under the radar.
- Ironically, not all the Afghan cashmere imported into China comes out as Afghan cashmere.

Differences in
cashmere
quality across
the provinces

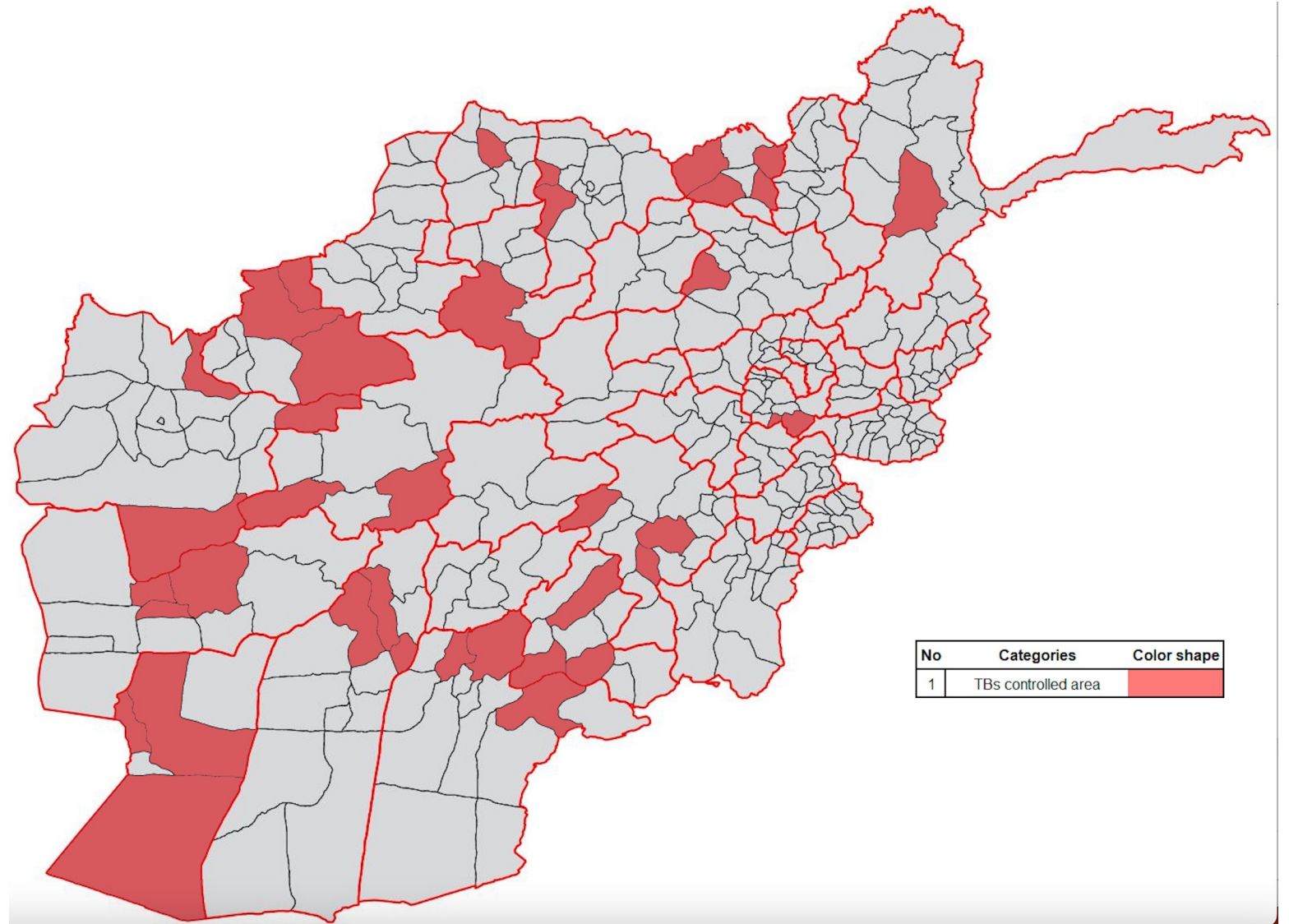


Afghan cashmere : Quality as per regions

AFGHAN CASHMERE QUALITY

- The general perception of Afghan cashmere is that it is *coarse, short and low yielding*, which may be true of some regions in the **North and North-east**
- However, the majority of Afghan cashmere comes from the **Western provinces**, where it is **16.5 -16.7** microns and **36mms** in length, post dehairing
- Only two dehairing facilities in Afghanistan are currently operational - *one* of which produces dehaired cashmere of a very high standard?

Map of formerly Taliban controlled regions



Opportunity in a crisis

There was little or no awareness about the volume and quality of cashmere available in these regions due to its dire political situation dating back to 1994

However, we haven't faced any objections to our project work from the Taliban as our interventions help with animal welfare and herder livelihood

Challenges to sourcing Afghan Cashmere

- Kandahar & Helmand – Former Taliban strongholds with little to zero contact with the international cashmere market. Herders had no idea about the value of their Cashmere, which even led them into mixing their cashmere with sheep wool to get some kind of revenue

Sold for 50 - \$1 as opposed to \$25-30

- We discovered through our Stop shops in these provinces that some herders owned over 500 goats and the weight of cashmere from each goat is up to *250-300 grams*.

The Stop shop concept

- In 2021 ACEBA introduced the concept of Stop shops for the buying and selling of cashmere and wool.
- The Afghan traders, located in Herat, controlled the market, they in turn were guided by their Chinese buyers on what prices to pay. The herders were completely at their mercy because they had no access to market information and were therefore routinely exploited.
- Village shopkeepers and mobile collectors would buy the cashmere from the herders at village level before aggregating the cashmere and selling it to the major traders
- The traders would take the greasy cashmere to their warehouses where the raw cashmere would be sorted before processing or export.



Trader
warehouses

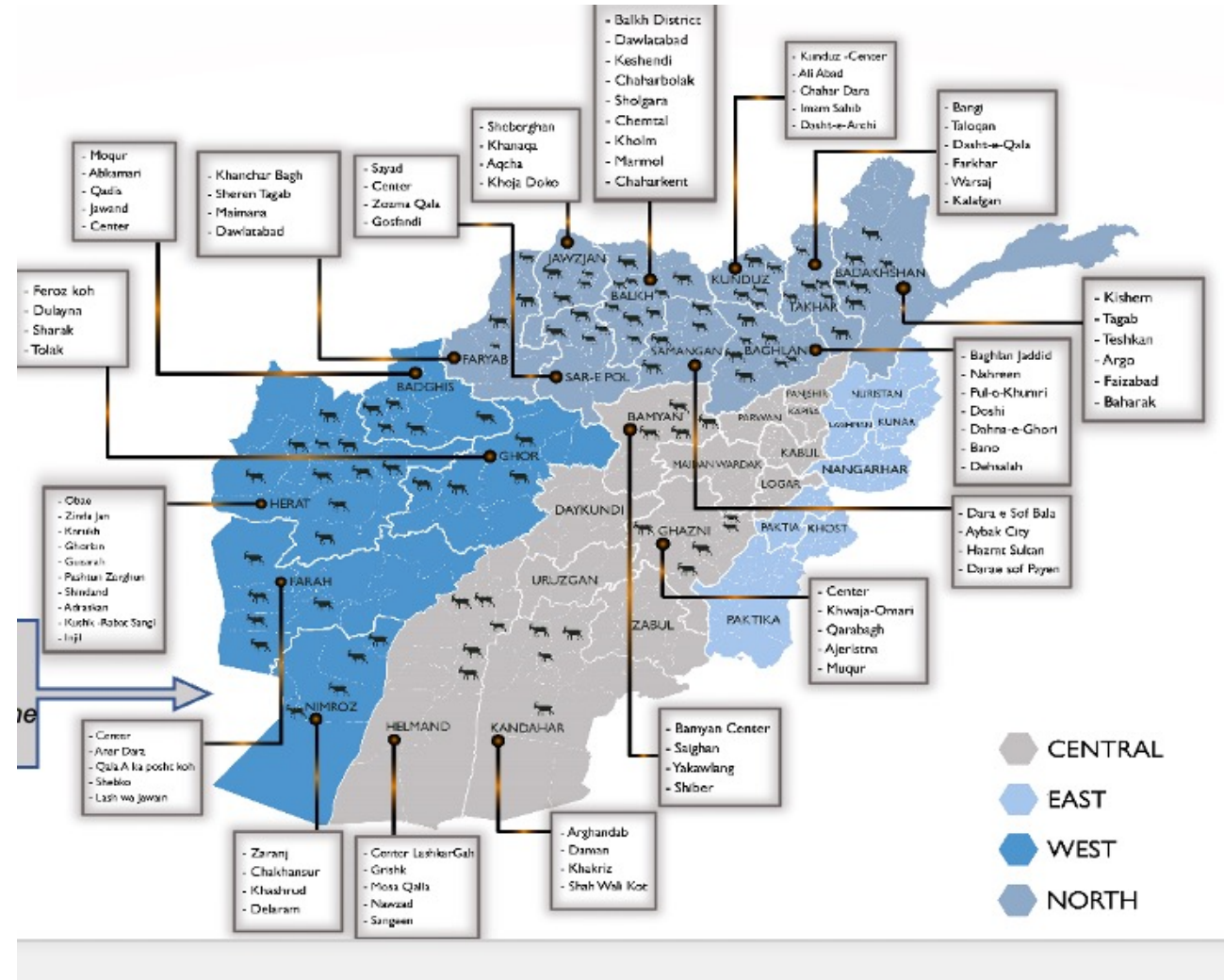


ACERA, in co-operation with DCA, who were sub-contracted to implement the Stop shop concept, collaborated in the selection and location of the Stop shops.

The Stop shops were strategically located in the main cashmere regions to allow the herders to deliver their cashmere to a point close to where they live

235 Stop shops were opened in the first phase of the project and a further 215 will be opened during the second phase, which began in November of 2022

The Stop shop concept



In addition to establishing the Stop shops as *collection centers*, ACEBA and DCA provide the herders with training on:

- Cashmere cleaning and sorting
- Pasture management
- Animal welfare
- Disease prevention





The herders were also provided vouchers to the value of \$40 :

\$10 - Medication

\$30 – Animal Fodder

Stop Shops and the impact on the herder's livelihood

We have been monitoring the purchasing and selling prices through the stop shops to see what effect the Stop shops have on the price of the cashmere and wool to the herders.

The training provided by DCA/ACEBA field staff to the herders in *cleaning, sorting and grading* has provided the traders with a '*better*' product, which effectively means that the trader does not incur any additional costs in recruiting and paying women in the cities to do the tasks that the project staff have taught to the herders and their families.

Our records show that the price to the herders for '*project standard*' wool has more than doubled and for cashmere there has been an increase of 20%



SFA certified cashmere

- The conclusions from the SFA scoping assessment on what needs to be done by the cashmere community to meet the criteria demanded by the SFA for certification will be actioned by ACEBA and DCA through the Stop shops.

