

SUSTAINABLE CASHMERE
TRILATERAL
PROJECT



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PROJECT INTRODUCTION

For four consecutive years, Gobi JSC has been effectively implementing the "Sustainable Cashmere Trilateral Project" in alignment with its sustainable development principles and commitment to social responsibility.

PROJECT NAME

Sustainable Cashmere, Trilateral Project

PROJECT CO-PARTICIPANTS

The Mongolian University of Life Sciences Herders

PROJECT FINANCIER

Gobi JSC

DURATION OF THE PROJECT

2020 ~ 2025

Phase 1: Oct. 2020 ~ Oct. 2021

Phase 2: Oct. 2021 ~ Dec. 2022

Phase 3: Jan. 2023 ~ Dec. 2023

Phase 4: Jan. 2024 ~ Dec. 2024

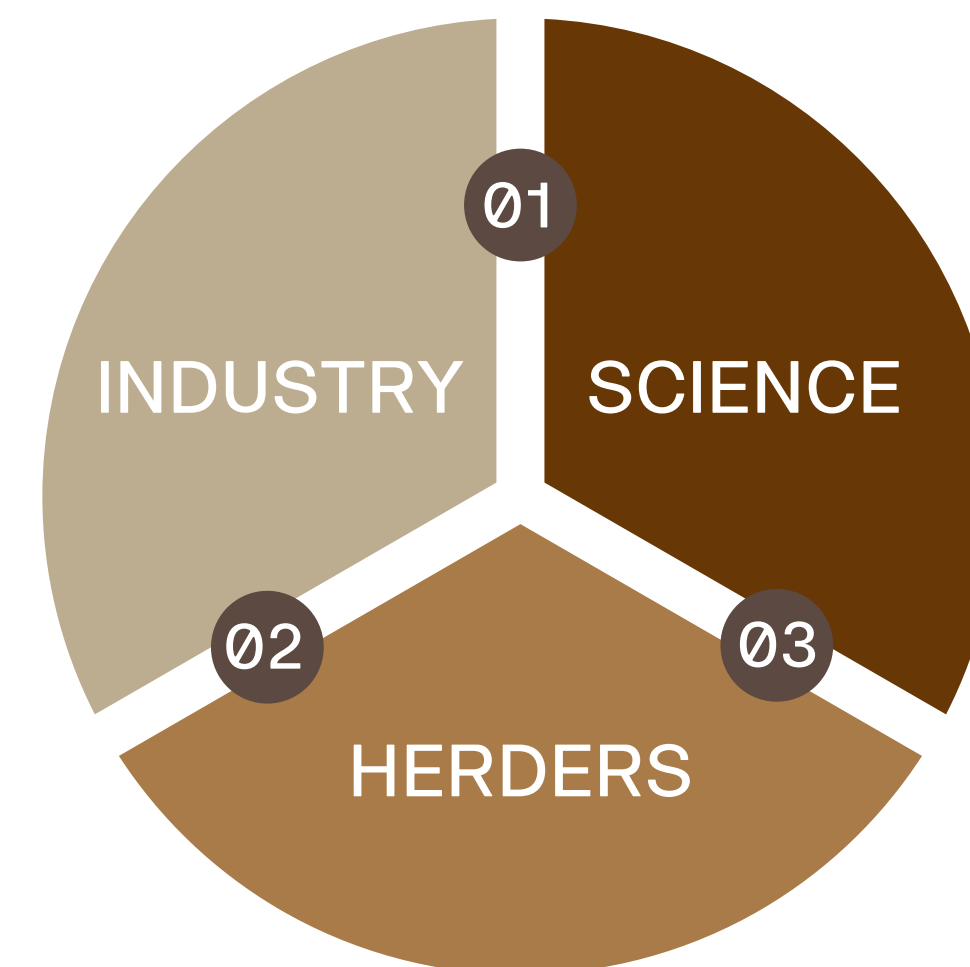
PROJECT SITE

Khuvgsul province, Ikh-Uul soum

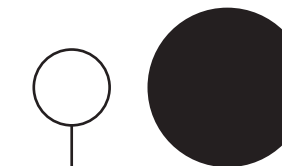
Baynkhongor province, Jinst soum

PURPOSE OF PROJECT

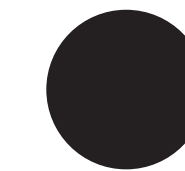
The project aims to strengthen the connection between Science, Industry and Herders. It seeks to advocate for animal health and the preservation of local breeds while educating young herders in the proper techniques for preparing goat cashmere. This will ultimately lead to an enhancement in both the yield and quality of raw materials. Through this process, an improvement in the quality of raw materials sourced from individual animals will result in increased animal productivity and a reduction in overall animal numbers, thereby mitigating the adverse environmental impact.



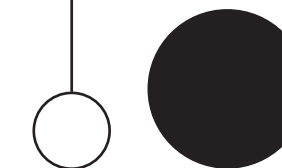
IMPROVING LIVESTOCK
GENEEOLOGY

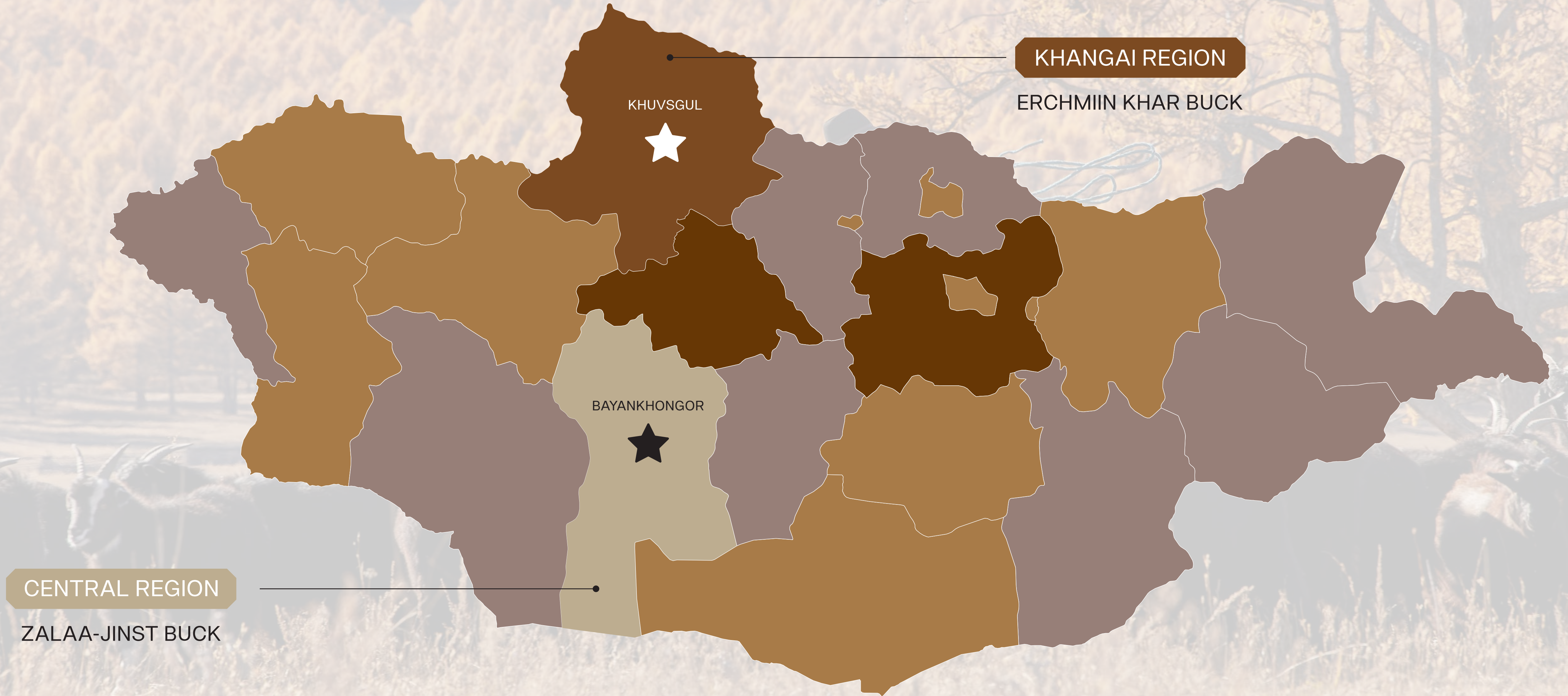


ENHANCING THE QUALITY
OF RAW MATERIALS



INCREASING INCOME
FOR HERDERS







The project is scheduled to continue until the end of 2025. Throughout this duration, we are actively engaged in establishing a robust framework for cashmere goat herds in Bayankhongor and Khuvsgul provinces. Our aim is to facilitate the direct purchase of cashmere from herders at market prices, eliminating unnecessary intermediaries in the process.

- Breeding High-quality Cashmere Goat
- Quality Assessment of Raw Cashmere
- Good practices in raw material preparation
- Procurement of Raw Materials
- Manufacturing Process
- Herder Support Program
- Winter Preparedness and Animal Health
- Transparency in Information
- Project Closure

Breeding High-Quality Cashmere Goat

As part of the project, we are enhancing the quality of cashmere and lowering the goat population by incorporating the best goat breed into our breeding and selection efforts.



Gobi JSC entered into a three-party agreement and established partnerships with an overall 106 herders.



Gobi JSC acquired 200 bucks for breeding purposes, leading to notable enhancements in cashmere quality.

Quality Assessment of Raw Cashmere

As part of the project, samples of cashmere are annually collected from the goats of participating herders. These samples undergo quality assessment through laboratory techniques. The outcomes are transparently shared with partners, facilitating discussions and analyses of the results.

The project's three-year span has yielded positive results, notably in the narrowing micron of cashmere. Additionally, there has been a reduction in both the presence of coarse guard hairs and impurities. These results demonstrate significant progress in improving the quality of cashmere over the course of the project.

Procurement of Raw Materials

Beginning in 2023, Gobi JSC initiated the purchase of raw materials from the project-involved herders at an elevated price. This served as a foundation for augmenting the income of these herders, thereby providing them with a significant economic benefit.

Manufacturing Process

Our focus is on creating products with a clear traceability path, starting from the procurement of raw materials all the way to delivering them to our valued consumers.



Herders Support Program

A team headed by experts and educators from the Mongolian University of Life Sciences organizes yearly training sessions for the project-involved herders, covering essential topics such as "Best Practices for Goat Care, Breeding, and Cashmere Preparation".

Additionally, we are planning to collaborate with specialized organizations that concentrate on addressing the social concerns of herders, including areas like health, financial stability, succession planning, gender equality, and responsible pasture management. This underscores our commitment to comprehensive support for the well-being of the herding community.



Winter Preparedness and Animal Health

Each year, a regimen of sterilization, disinfection, and vaccination is diligently administered to ensure the well-being of the goats involved in the project.

Additionally, essential grass and fodder are supplied to assist them in preparing for the winter season. This proactive approach underscores our commitment to maintaining the health and welfare of the goats throughout the project.



Transparency in Information

Updates on the project’s progress are documented in quarterly “ESG” [Environmental, Social, and Governance] reports, while the outcomes of the project are detailed in “Sustainable Development” reports. Additionally, information regarding the project is made accessible to the public through the company’s official website and online network. This transparent communication approach ensures that stakeholders and the wider community are well-informed about the project’s developments and achievements.

Project Closure

Annually, Gobi JSC holds meetings with the project’s co-participants, providing them with a comprehensive report on the year’s accomplishments. Upon the project’s conclusion, a factory tour is arranged for the participating herders, offering them an opportunity to become acquainted with the facilities. This closing ceremony serves as a valuable way to engage with and acknowledge the contributions of all those involved in the project.

ADB – TECHNICAL ASSISTANCE

“GOBI” JSC, our company, has entered into a partnership with the Asian Development Bank for the execution of the **“Piloting Climate-resilient Solutions to Pasture Degradation with Nomadic Herders Groups”** project. This collaboration, driven by social responsibility, aims to address climate change challenges.



OPERATIONAL PRIORITIES:

- OP1: Addressing remaining poverty and reducing inequalities
- OP2: Accelerating progress in gender equality
- OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability
- OP4: Promoting rural development and food security

GOBI
MONGOLIAN CASHMERE

SUSTAINABLE CASHMERE

THANK YOU FOR
YOUR ATTENTION.

SUSTAINABLE DEVELOPMENT DIVISION