



SUSTAINABLE TEXTILE PRODUCTION AND ECO LABELING IN MONGOLIA



Duration : March 2018 February 2022

Target beneficiaries: Mongolian textile factories and herder cooperatives

Coordinator: Agronomes & Veterinaires Sans Frontiers

Objective: Contribute to the establishment of sustainable textile consumption and production in Mongolia

Overall Impacts of the Action:

- 20% export increase of Mongolian sustainable wool and cashmere products
- At least 5% decrease in energy and water consumption and untreated wastewater discharge
- Reduce poverty of vulnerable herders in three target aimags



MONGOLIAN TEXTILE SECTOR

Historical Reference



Felt rug– 1st century AD,
Noyon Ula burial site

1934- Felt making

1934- Scouring plant

1955- Weaving factory

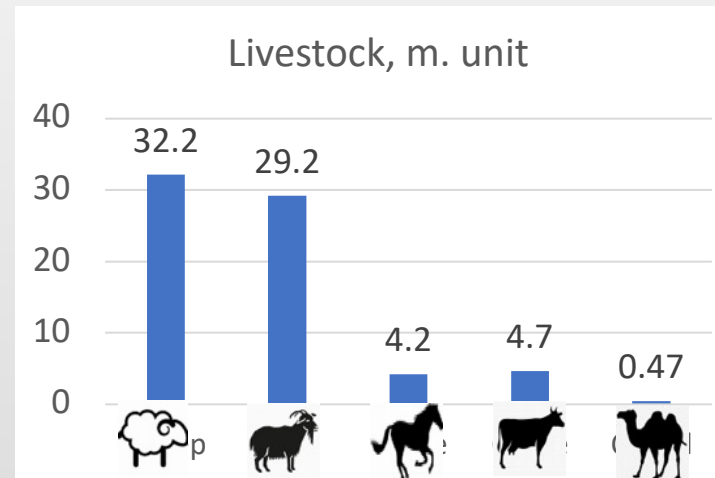
1971- carpet making

1974-Knitting factory

1982-Spinning factory



Current production



Fiber production

Sheep wool – 35 000 t
Cashmere – 10000 t (2nd
largest producer)
Yak wool- 260 t
Camel wool – 1400 t

Production capacity

Scouring	54310 t
Dehairing	5827 t
Spinning	2278 t
Weaving	2329 M m
Knitting	4500 M pcs



670 factories, 21700 employees

CONSOLIDATING SUSTAINABLE AND CERTIFIED RAW MATERIAL SOURCING OPTIONS

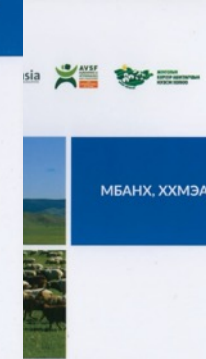


Regular trainings and workshops
Attendees: 3142 participants (M:2109, F:1033)
Area: 3 provinces, 312500 m² (equiv. Germany)



3 series handbook of sustainable
herding practices

3000 copies printed and
distributed



МАЛЫН ГАРАЛТАЙ ТҮҮХИЙ
ЭД БЭЛТГЭЛ, ЧАНАР,
МӨШГӨХ ТОГТОЛЦООНЫ
ТЭРГҮҮН ТУРШЛАГУУД

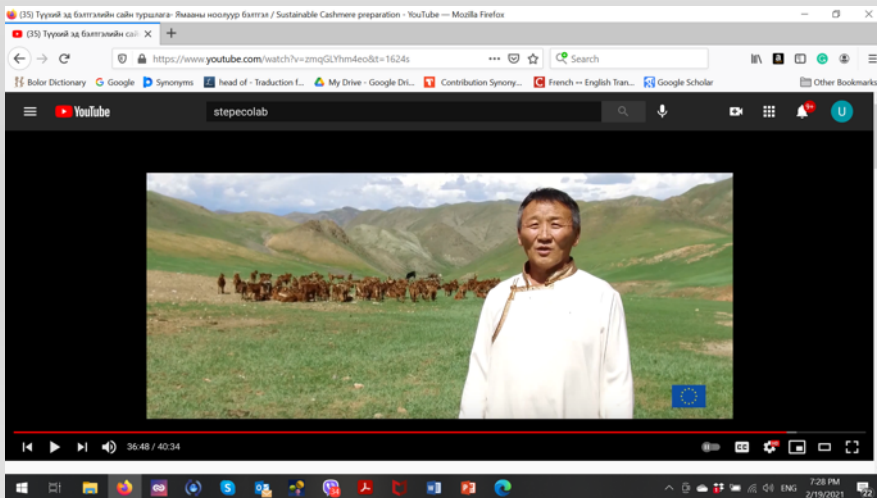
Цурал гарын авлага № 3

МЭНЭЖМЕНТИЙН
ТЭРГҮҮН ТУРШЛАГУУД

Цурал гарын авлага № 1

МОНГОЛЫН
ЗАСАГЛАЛЫН
ТЭРГҮҮН
ТУРШЛАГУУД

Цурал гарын авлага № 2

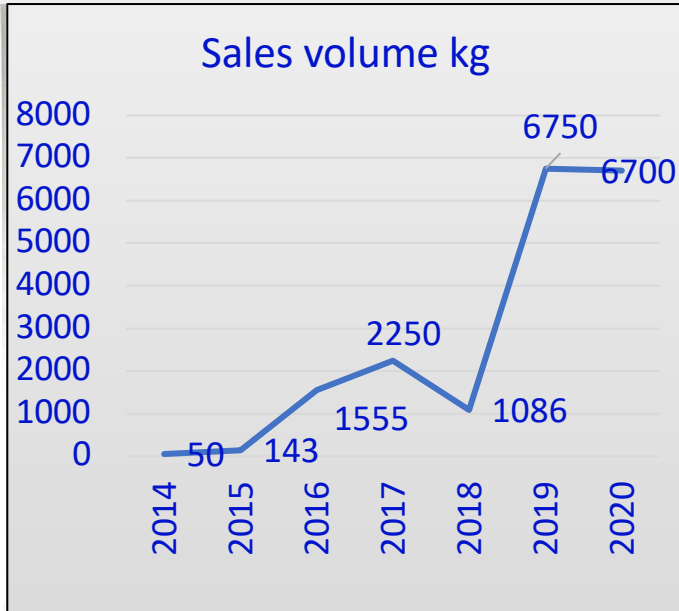


Video documentary of
sustainable herding practices

1 Month nationwide broadcast
on Mongolian broadcasting
company

CONSOLIDATING SUSTAINABLE AND CERTIFIED RAW MATERIAL SOURCING OPTIONS

Sustainable cashmere certification



Scaling up in new region



21 **sustainability criteria** applicable to upstream value chain

1st Auditing and certifying process in Mongolia

5 **herders cooperatives** certified yearly since **2014**

Recognized by international luxury brands

Export: 7 clients (2 regularly), **30 to 80 %** price increase

Domestic market: 8 clients (3 regularly), **20 to 30 %** price increase

Selling 60 % from the total production

Location	Cooperative	Members	Fiber production, kg
Bayankhongor	2	151	9200
Khentii	1	250	45000
Arkhangai	1	286	32000

IMPLEMENTING SUSTAINABLE PRACTICES IN MONGOLIAN TEXTILE FACTORIES

1st stage: Baseline study, handbook creation, guideline publication, and training



Environmental and social risks assessment

Hot spots: water efficiency & chemical application

Baseline indicators: water use $0.2 \text{ m}^3/\text{kg}$ vs $0.12 \text{ m}^3/\text{kg}$
energy efficiency 10 kWh/kg vs
waste water $0.2 \text{ m}^3/\text{kg}$

Training

Handbook “Sustainable wool and cashmere production”

- 200 copies distributed
- First publication for sustainable cashmere sector
- Best practices suitable for cashmere processing technology



- Training for trainers: 13 textile experts
- Online training for engineers: 5 days training appr. 50 engineers from 18 factories

IMPLEMENTING SUSTAINABLE PRACTICES IN MONGOLIAN TEXTILE FACTORIES

2nd stage: VCP for Sustainable production, green loan

Voluntary code of practice for sustainable textile production



18 textile factories committed to VCP



- ensure a strong sustainability profile of Mongolian wool and cashmere sector
- improve the environmental and social impacts
- allow for better recognition in the global market
- increase sales due to a sustainability performance

Creating favorable financial environment for green textile projects



- Green taxonomy – approved by Ministry of Finance and Mongolian bank in 2019
- Textile sector guideline to assess environmental and social risk
- Green finance market demand of textile sector
- Green credit criteria : under development

MAIN CHALLENGES

- Greenwashing vs sustainable practices - weak knowledge
- Dispersed herders in big territories
- Lack of sectorial target indicator for energy efficiency and water efficiency
- Scarce information on advanced green textile technologies
- Lack of sectorial expert with sustainability knowledge

FURTHER ACTIONS

- Scale up sustainable raw materials sourcing up to 4500 t
- Get Consensus of methodology for measurement of environmental impact
- Create authorized certifying entities in 21 provinces to audit upstream of value chain
- Provide online training platform dedicated to SPC of W&WS sector (MOOC)
- Set up information sharing centers on green textile technologies and equipment
- Prepare national sustainable textile auditors