

Responsible Wool Standard International Working Group Meeting Notes – AU/NZ

June 24, 2017

Meeting Agenda

1. International Working Group
2. Certification Updates
3. Accreditation
4. Kick Start Program
5. Brand Updates – Eileen Fisher
6. Training
7. Mongolia

Competing non-mulesing wool initiatives are being worked on

ZQ Equivalency

- Any site since the MoU was signed (this year) has RWS-equivalent accepted wool, but anything previously in the pipeline would not qualify as RWS.

Q: Are there separate audits done for ZQ and RWS?

A: No, it is done in a single audit. TE is also looking to see if this can be done for meat audits as well.

CB comment: Trying to work with the supply side down in Australia. Quite a bit of interest from everyone, but waiting to see what contracts are written.

The Chain of Custody requirements for RWS are the same for all TE standards. So, if you are already certified to a TE standard, it will be a very efficient process to become certified to the RWS Supply Chain Scope (starts at the scourer down to the final business to business seller).

TE RWS Training Events

Farmer Trainings

- Engagement and interest has been good
- Challenge has been getting brands to commit to buying wool

Brand Trainings

- High level of engagement – 30-40 people in attendance at most of them

Upcoming Events

- Stuart Adams in Argentina on June 27th speaking at STS Focus Trelew about the RWS

- Stuart Adams will be in Australia on August 6th for “Sheepvention”

Q: What feedback are you getting from the brands during these trainings? We are hearing shorten the lead times, get them product faster.

A: TE does speak about the long lead times that they are not used to, offer some ways to manage it. TE has also seen brands dig deep into their supply chain and get them to commit to carrying buffer stocks so lead times can be met (50% more). It has to be a lot of collaboration and communication. One major brand has committed an entire person to making this happen.

Tools and Resources

- PR Guide is available upon request. This is how to deal with media and animal activist groups.
- TE will be creating more training materials, including online Mindflash trainings for CBs.

Q: The farmer training in Argentina, that is important. Will you be doing that elsewhere?

A: Stuart happens to be in Argentina for licensing shadow audits, so there was an opportunity to join a LETIS event that was already occurring for the RWS. Please let TE know if there are grower events that we could join and present at.

- Can also organize for Valentina in AU to come present from a retailer’s perspective about the RWS
- Reach out to us!
- Trying to use technology as much as we can – pre-recorded, skype calls, etc.

Comment: There is a general feeling that farmers are not receiving the same training that brands are. It is intimidating for farmers to approach all these documents with no support.

Q: Is anyone paying a premium for RWS?

A: Some are, but mostly not and TE is not promoting is a price premium. It is more related to commitment in the supply chains; direct market access and forward contracting. The auction style market in Australia is going to be hard to get away from, education will be necessary. RWS wool is now being listed in the AWEX auction system, so at least it can be identified as. Other examples:

- In Uruguay, they are engaging directly with the farmers, and they do pay a premium
- BKB in South Africa doesn’t, but they are promoting the wool
- In NZ, it’s all about brands coming back to look for opportunities, having direct links with growers and creating contracts with them

Close & Action Items

- Join the Kick Start program!
- Keep an eye on Find RWS portion of website for updates
- Let us know if you would be interested in joining the RWS Advisory Group or one of the Technical Committees