



Asociación
Internacional
de la Alpaca
International Alpaca Association



BULLETIN

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EDITORIAL

THE INTERNATIONAL CONTEXT AND ITS EFFECTS ON THE TEXTILE SECTOR

The armed conflict between Russia and Ukraine has affected the cost structure of the textile sector worldwide, but specially Europe and specifically Italy, one of the main destination markets for Alpaca products from Peru and a large textile producer. Europe has a strong energy dependence on gas from Russia and due to the remarkably high increase in gas prices in European bloc, it has caused the increase in production costs; in some cases, for example, the cost of production of dyes that have gas intensity for boilers has doubled.

On the other hand, inflation in the world is reaching levels that we have not imagined since World War II. Currently, the inflation in Europe, United States and Latin America oscillates around 8% reaching in some countries an inflation of more than 10%, all this will certainly affect the consumption of alpaca textile products worldwide.

The alpaca supply chain has also been affected by logistical problems and due to Covid-19 lockdowns. China, another of the main destination markets for alpaca products from Peru, ordered the confinement (March to June) of several cities including Shanghai, which affected production and caused conflicts in China's shipments to the world and from the world to China. Many containers were stranded in ports, and others were eventually never cleared because letters of credit were not opened. Likewise, regarding Covid-19, a new wave of infections threatens the United States, Europe and Latin America and generates concern due to the probable confinements and other restrictions that would further affect the world economy.

Finally, midterm elections in the United States are a crucial factor. The results of these elections will allow us to know where economic policy will go in the next two years, and if Joe Biden will be able to sustain his government until 2024, the year in which the presidential elections will be held, in which he will probably seek re-election as his party's candidate.

In this context, it is relevant to continue making efforts to promote economic and sustainable reactivation, and to have the capacity to face what is to come and for this, it is essential to have a consolidated and united sector.



Chairman at International Alpaca Association



IMPLEMENTATION OF THE RESPONSIBLE ALPACA STANDARD IN PERU

Since Textil Exchange (TE) activated the International Working Group (IWG) of the Responsible Alpaca Standard (RAS) in mid-2020, the International Alpaca Association (IAA) and the Alpaca Civil Association of Peru (ASCALPE), joined forces to channel the contributions and opinions of Peruvian Alpaca Breeders and professionals.

The participation of representatives of both guilds was active and productive, both in the virtual meetings of the IWG, and in the digital platform that TE kept active throughout the design and development process of the RAS.

At the RAS Round Table in December 2020, IAA and ASCALPE receive the invitation from TE to elaborate, develop and lead the implementation of the RAS in Peru. This challenge was taken up with great enthusiasm and at the last RAS Round Table in March 2021, the Chairman of IAA presents the first proposal to implement the RAS in Peru.

After the publication of Version 1.0 of the RAS in April 2021, it begins with the detailed formulation of the **RAS Guild Project** that involves the implementation and certification of 3000 alpaca farms over the next 05 years. This RAS Gremial Project has been reformulated according to the requirements of the sources of financing and is beginning with the implementation with pilot funds and pre-operational diagnostic actions in the second half of this year (2022).

Technical Details of the RAS Guild Project

- It is a Project of National extension of 05 years
- Priority has been given to the Regions of: Puno, Cusco, Arequipa, Pasco, Huancavelica and Junín
- Includes the gradual implementation of 3000 production units or alpaca farms
- The project is focused on small and medium breeders
- By the fifth year, the following results are expected:
 - 3 thousand farms implemented with the capacity to certify annually
 - More than 1 million certified alpacas
 - 20% of the national production Certified with RAS

In parallel to this work, some companies which transform and/or trade alpaca fiber in Peru, in response to the demand for Fibra RAS, have begun implementation and certification actions independently, we call these initiatives **Private RAS**. The results have been surprising because there are already 380 Certified farms and/or Farms in the Certification Process. It is expected to offer this year 2022, approximately 165 MT of Certified Fiber (equivalent to tops) with RAS and according to estimates, 227 MT (equivalent to tops) could be offered for this alternative and 295 MT (equivalent to tops) at the end of 2023 and 2024 respectively. Note that 90% of the fiber is from Huacaya and 10% are from Suri; in terms of qualities, 25% are Baby, 35% Fleece, and 40% Thick.





IS THE ALPACA AND VICUÑA INDUSTRIAL PROCESS SUSTAINABLE? - MIKE SAFLEY

Summary by Raul Rivera



The current use of the term sustainable has become on "green washing". Usually, the word sustainability refers to the combination of the problems of global warming, climate change and environmental impact.

Unfortunately, many garment brands and textile companies indicate that products made from petroleum products and specially designed for "fast fashion" are somehow "sustainable". The valuation of the word sustainable by the consumer has made brands take advantage of using this word incorrectly since they do little or nothing in this area.

However, natural fibers such as alpaca and vicuna are demonstrably sustainable and should be a model for the textile industry, especially compared to fibers made from petroleum derivatives. It is important to note that the production of both alpaca and vicuna is remarkably small within the world of natural fibers. They are only produced between them as 7 thousand tons vs for example 20 thousand tons in cashmere or 2 million tons of sheep. In other words, it means that alpaca and vicuna represent 0.0035% of the total natural fibers.

To process alpaca and vicuna requires fewer chemicals thanks to the low-fat content of these hairs compared to other natural fibers. Likewise, the inputs used for their processing have certifications, for example, the dyes and auxiliaries that are used comply with the REACH and OEKOTEX standard. In the energy issue, it is also efficient because the alpaca textile factories in Arequipa, the center of alpaca industrialization in the world, works with hydroelectric energy that is renewable and has zero emissions. Likewise, alpaca textile industry follows all the guidelines of Peruvian law regarding worker's wages, health insurance and retirement. In addition, it is important to mention that Peru has an incredible biodiversity both in flora and fauna in the Peruvian Andes that the Quechua native communities have been able to protect for several centuries.



Now, if we compare alpaca vs cotton which is a natural vegetable fiber, there is a lot of talk about being sustainable for the latter by brands. However, it is not mentioned for example that it takes 5,263 gallons of water to produce 2 pounds of cotton, as well as pesticides and much less of the chemicals that are used from processing to yarn to making. One "remedy" that brands use is to include the use of "organic cotton," which is a small production that accounts for 10% of all total global cotton production, so saying whether they are sustainable tests our imagination.

If we compare how alpacas and vicunas are raised, they feed on natural pastures and have a low water consumption, as well as in the fields where the grasslands feed it captures CO2 which helps reduce global warming.

According to the Synthetics Anonymous report, Changing Markets Foundation argues that brands use polyester or nylon, as well as other synthetic fibers which are made of fossil fuels that throw microplastics into the environment, are having a negative impact on water sources, flora, fauna and even on human health. On the other hand, conferences such as COP26 [United Nations Conference of Parties for climate change], try to put on the table the environmental and social impact of the textile industry and how to reach zero emissions, so to ensure the future of the fashion industry.

Final customers nowadays are looking for brands that are really working on sustainability, and now it is a requirement to be sustainable to be able to compete, it is no longer a strategy of differentiation. Therefore, the alpaca and the vicuna are an example of sustainable textile manufacturing that should be taken as an example in the world since the breeding and use of fiber dates to 6 thousand years.





INTERVIEW – LUCA ALVIGINI

Luca Alvigini was Partner and Director of Alpha Tops S.a. until 2018 and President of IAA until 2020. He is the son of Pier Giuseppe Alvigini, who is internationally recognized as "Mister Alpaca" and first to introduce Alpaca and other noble fibers in Italy since 1955. He is currently CEO of Alvigini Fibre Nobili S.r.l., President of the International Committee of IAA and Vice President of "Fondazione master delle Fibre Nobili". Since 1983 it has been promoting and selling Alpaca and other noble fibers (cashmere, mohair, and vicuna) on the world market.

How do you see the natural fiber market and specifically how do you see alpaca?

Currently, the demand for natural fibers remains strong, although in the case of Europe it has been affected by the euro-dollar exchange rate, the increase in the price of energy due to the armed conflict between Russia and Ukraine and the international situation. In the specific case of alpaca, the market looks good at the moment, the price has remained stable unlike other fibers such as mohair which does not compete directly with alpaca and remains at a high price due to the low supply.

What do brands and consumers demand of natural fibers?

The big brands demand sustainability and traceability, this is obviously a fashion trend. About consumers, there are currently several layers of the market. The consumption of textile products with natural fibers in general terms is quite large in terms of turnover, but not in terms of volume. The demand for luxury products remains stable but there is also a medium-low market layer that looks a lot at the price, so you must look for the "saleable" price despite the increase in costs due to the international situation.

What do you think about the new RWS, RMS, RAS certifications?

In general terms it is positive, although the certification will be complicated and will take a long time for the case of the alpaca of Peru and for the cashmere of China and Mongolia. In the case of wool and mohair, the certification process has been easier. Regarding wool, everything has been very controlled since there are few producers and an exceptionally large concentration of calf population in Australia, and on the mohair, there is already an advance of 50% due to the low supply of mohair and because there are few breeders.

What is your message to everyone involved in the alpaca sector?

Alpaca is the only fiber on the market that has remained in quantity and even a little more than it is. In addition, the improvement of the alpaca in terms of finesse has been good during the last years, but it is important to continue adding efforts to face the demands of the market.



NEWS

Natural Fibre Connect Conference

The International Alpaca Association-IAA in partnership with Mohair South Africa (Mohair), The Schneider Group / Wool Connect (Wool) and The Sustainable Fibre Alliance, SFA (Cashmere) will hold Natural Fibre Connect (NFC), an international conference aimed to build consensus across the four industries, identify solutions to common challenges, and highlight the grower's perspective. NFC will be held from September 7 to 9, 2022, in virtual format.

Natural Fibre Connect includes 3 days of live sessions with expert speakers from around the world (includes live translate in English, Spanish, Chinese and Mongolian for live sessions), recorded talks and panel discussions aimed at tackling the common challenges of the alpaca, cashmere, mohair, and wool industries.

We invite you to be part of Natural Fibre Connect, with the opportunity to network and access the virtual exhibition hall where you might connect with companies in the fiber supply chain and other organizations that invest in making natural fiber industries more sustainable. The NFC virtual platform will be available in English, Spanish and Chinese, and will remain open until the end of the year.

The graphic features the Natural Fibre Connect logo (a stylized four-lobed knot) in the top left. Below it, the text reads "NATURAL FIBRE CONNECT". To the right of the logo are four photographs: a brown alpaca, a grey sheep, a brown alpaca, and a white sheep. Below the photos, the main text says "THINK NATURAL A WORLD WITH MORE NATURAL FIBRES BY 2030" in bold, followed by "CONFERENCE | 7-9 SEPTEMBER 2022" in a teal box. At the bottom, there are four logos: Asociación Internacional de la Alpaca, MOHAIR SOUTH AFRICA, SFA SUSTAINABLE FIBRE ALLIANCE, and WOOL CONNECT.

Learn more on the event landing page ([here](#))

Register-Purchase your Tickets online ([here](#))



INTERNATIONAL ALPACA ASSOCIATION 38TH ANNIVERSARY

The International Alpaca Association-IAA in July of this year celebrates 38 years promoting and protecting the image of alpaca fiber in Peru and the world, and although we know that there is still a long way to go, we are proud of the growth and goals achieved. Likewise, the date of our anniversary is an opportunity to present the new image of IAA thus beginning a new stage with a renewed design.

IAA's commitment to its Associate Members (textile companies, breeders, specialized professionals, among others) is to provide them with the institutional support of an Association that disseminates, promotes, guarantees, and protects the quality and benefits of alpaca fiber. Currently, additional to our Honorary Members, the IAA brings together various Peruvian national companies and international companies from countries such as Italy, Germany, the United Kingdom, the United States, New Zealand, Finland, Japan, and others. See Associate Members ([here](#)).



IAA Strategic Actions:

- Management of use of the collective mark "Alpaca Mark", the only trademark that guarantees the content and quality of the alpaca fiber used in the various products that contain it, being registered in more than 30 countries.
- Articulation with the alpaca value chain of Peru and the world.
- Institutional relationship and management of strategic alliances.
- Organization of national and international events (Alpaca Fiesta, Alpaca Moda, forums, seminars, workshops, among others).
- Research, training, and advice on issues related to alpaca.

Benefits of being an Associate of IAA:

- Access to the use of Alpaca Mark, after evaluation.
- Promotion on IAA's website and social networks.
- Access to training and research conducted by IAA linked to alpaca.
- Access to the IAA audiovisual material bank.
- Presence and discount at events organized by IAA, such as Alpaca Fiesta and others.
- Preferential access to the IAA Bulletin.
- Preferential access to The Home of Alpaca-THOA platform (coming soon).



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