

NEWS

# This Is Natural Capital 2018: Natural Capital Project: Cross-sector Collaboration

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The Natural Capital Project has partnered on a cross-sector project that brings together businesses, environmental scientists, non-profits, a global development institution, and the world's largest space exploration agency.

Luxury fashion house Kering, owners of Gucci and Stella McCartney, identified a challenge in their supply chain: exponentially increasing demand for cashmere had led to a four-fold increase in goats nationwide over the span of a decade.

The challenges were multi-faceted. The overabundance of goats were devouring local vegetation, even the roots. With nothing to anchor the soil, giant dust storms began to form, causing significant problems for the herders and reducing air quality in cities from Beijing to California. Local biodiversity suffered, with less forage available for already rare wildlife. Herders were also struggling; as the quality of the cashmere was decreasing, prices per goat were falling.

Meanwhile, a large mining operation in the region needed biodiversity offsets to comply with performance standards required by its lender, the International Finance Corporation. By partnering across these sectors, Kering could intervene in their supply chain with additional resources from mining offset commitments, to secure a future supply of better quality cashmere while also securing the livelihoods of the herders, improving the local environment, conserving biodiversity and even enhancing the air quality of major cities almost 10,000km apart.

Under the Sustainable Cashmere Project, herders receive better or more reliable market prices in return for best practices. They are also afforded more direct market access, and support for improved quality and sustainable, wildlife-friendly grazing practices, pioneered by Wildlife Conservation Society. With support from NASA, the Natural Capital Project is enabling real-time verification of impacts of the Sustainable Cashmere Project through a fusion of satellite remote-sensing and ecosystem modelling techniques. This unique partnership provides a roadmap for private sector actors to promote more regenerative agricultural production.

Read the full report [here](#).