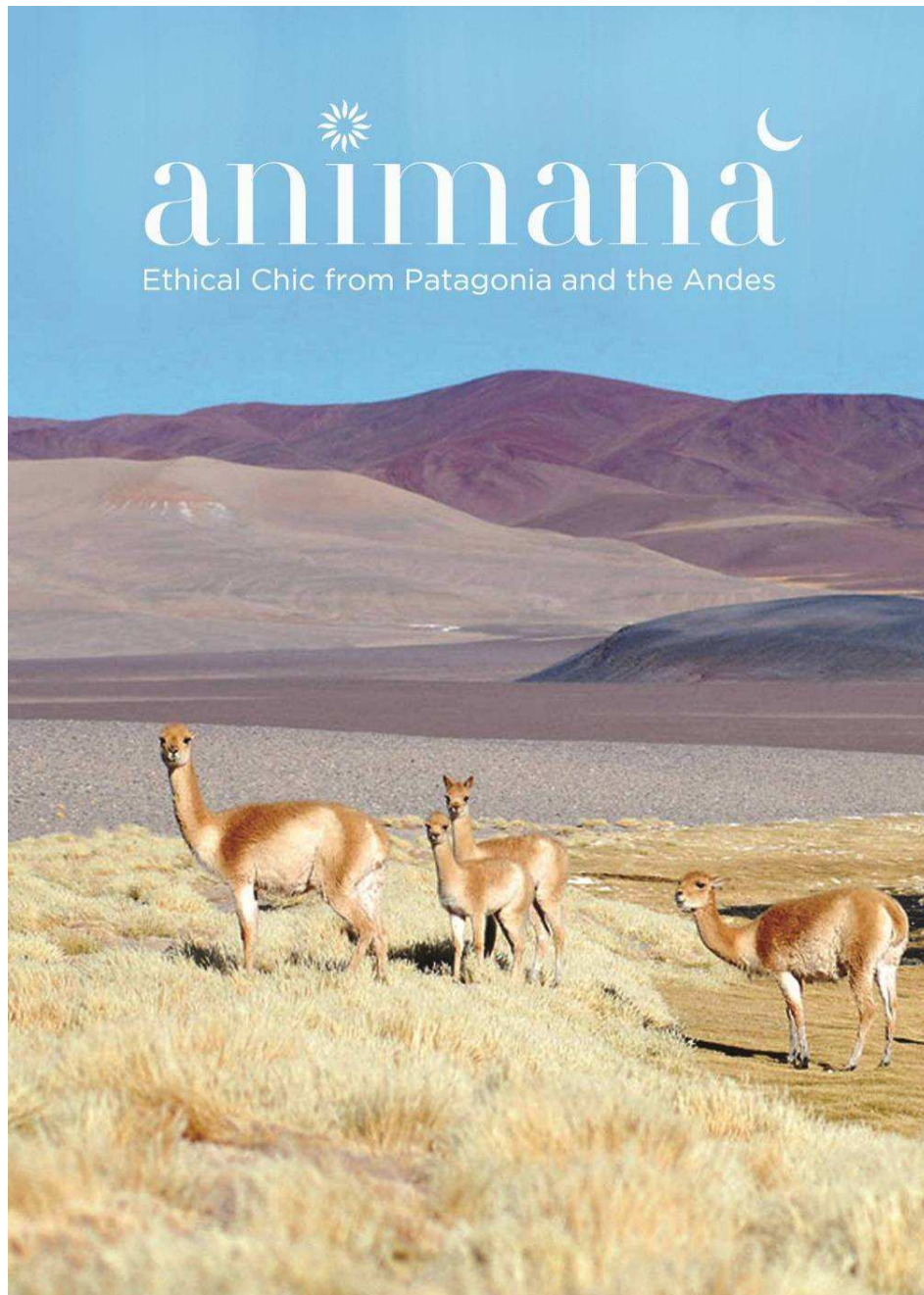


Communication on Progress 2012



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Period covered by Communication on Progress (COP):

From 20 June 2011, to 20 June 2012

Buenos Aires, 30 May 2012

One year has passed since our participation in the United Nations Global Compact, and I am pleased to convey that *animaná* continues to support its initiative to support the Global Compact's ten principles concerning human rights, labor rights, the environment, and the fight against corruption.

We support and seek to develop these principles within our sphere of influence, making of the Global Compact and its principles part of the strategy, culture, and daily actions of our company.

animaná is the result of over seventeen years of experience in projects related to its objective. It was conceived as an alternative to current production and consumption systems, and in reaction to the impacts of commercialization. As a social enterprise, it coexists with the environment and technology, as well as the people who inhabit different places around the world.

During this time, an interdisciplinary network of scholars, businessmen, foundations, designers, and people of good will have sought to understand the reality of life in Andean communities. We have taken steps towards inserting ourselves in the ethical fashion market-creating a concept, an image, and organizing a complex working system. We have received the support of international icons, foundations, renowned individuals of the area, and both local and international institutions that today give us the seal of a truly social and environmental enterprise.

animaná strives to achieve sustainable development in all its operations and practices, by being economically viable, environmentally and socially responsible and beneficial, transparent, and committed to the promotion and strengthening of marginal Latin-American communities.

During the last year and a half we have consolidated a network in Argentina and Peru, achieving a systematic processes for quality control, and giving work to hundreds of small scale fiber producers, weavers, and hand-knitters. We have finally reached a stable position in the European market, although the unknowns still present challenges.

We have also created a formal office in Perú, trained and empowered community members to be leaders, and acquired the necessary legal and trading tools to answer the demands of the European and Japanese markets. Finally, we have adopted a piece of ancestral textile in order to preserve and promote the savoir faire.

Sincerely,



Sra. Adriana Marina
President

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Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

animaná is guided by the principles of The ETI Base Code in its work to improve the social and economic conditions of its employees. The Code was founded on the conventions of the International Labour Organisation (ILO) and for the improvement of the social and economic conditions of producers by the standards of the World Fair Trade Organization (WFTO).

Moreover, *animaná* is committed towards the continued implementation of progressive practices under the concepts of Ethical Fashion, Fair Trade and, Sustainable Development.

Concept definition and Principles of Guidance:

For *animaná*, Ethical Fashion means a new vision of fashion and trade, and a new approach towards design itself, submitted under ethical, social, and environmental principles. Its main aims are poverty alleviation and sustainable development through maximizing benefits to people and communities and minimizing negative impact on the environment.

The principles of Ethical Fashion are guided under the effort to protect people and the environment. Below is a list of its principles.

+ Fair Trade standards developed by the WFTO (World Fair Trade Organization): dialogue, transparency, equity in the trading conditions and partnership with workers and the communities.

The definition of Fair Trade that *animaná* adopts: "Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South." (WFTO, November 2009)

+ It promotes justice in International Trade: Quality of life for the communities of artisans and craftsman; Promotion of cultural Diversity; Corporate Social Responsibility.

+ Labour standards, developed by the International Labour Organization, and the ETI Base Code.

+ Organic raw material. (Without pesticides, insecticides, and GMO)

+ Use of natural, alternative, and recyclable fibers as well as natural dyes.

+ Minimizing the impact on the environment by giving objects continuous life, using less water and energy in the production process, and reducing waste.

+ Animal treatment: Any harsh treatment is prohibited.

+ Promotion of sustainable development through working directly with local craftsman to include participation of different cultures and to bring about the development of trade.

The change that Ethical Fashion promotes is reflected through transparency in production networks and trade. This concept includes the notion of artisan production as Brand Value (the final price reflects the social costs) that not only distinguishes itself by quality of raw materials and manufacture, but by the human resources involved in finishing procedures, creating a story behind the product.

The prices that are paid for producers reflect not only the costs of production but are also a guarantee that the basic needs and universal rights of manufacturers are met.



Members of *animaná* shall demonstrate commitment to:

Promote fashion designed and produced in conditions of respect for human beings by:

Raising awareness of the aim of Fair Trade and of the need for greater justice in world trade through Fair Trade. Boosting Fair Trade, sustained by the market and in mutually agreed conditions of dialogue, transparency, and equity in treatment of workers, justice in international trade, quality of life for the communities of craftsmen.

Meeting labour conditions in behalf of the persons involved in manufacturing of products, under the codes and norms of the ILO.

Promote fashion that preserves local abilities and the savoir faire by:

Facilitating trade associations with and between local craftsmen, guarantying participation, sharing diverse cultures, and favoring development of new trade relations.

Building capacity, facilitating the spread of resources and knowledge, favoring the empowerment of marginalized groups, and enabling them to set a fair price.

Facilitating access to markets for marginalized communities (locally, regionally, and internationally) and with agreements on pre – financing.

Guaranteeing sustainable, equitable, just, transparent, and responsible trade practices through promotion of participation and dialogue for women and men on equal terms.

Creating opportunities for and supporting marginalized/economically disadvantaged small producers, whether they are independent family businesses, or groups turned into associations or co-operatives, including development of skills and capabilities.

Seeking to enable marginalized communities to move from income insecurity and poverty to economic self-sufficiency, self-sustainability, and ownership by empowering them and supporting community development.

Implementing positive projects and alleviating poverty through tangible and intangible resources.

Raising awareness among consumers and defending universal human rights.

Following national socially acceptable minimum remuneration rates, considered by producers themselves to be fair and taking into account the principle of equal pay for equal work by women and men.

Protecting intellectual property.

Working conditions, *animaná's* adherence to ETI Base Code Commitment:

1. Employment is freely chosen. *animaná* ensures that there is no forced, bonded, or involuntary labour in the work place. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. *animaná* is committed to adopt an open attitude towards the activities of trade unions and their organisational activities. If the right to freedom of association and collective bargaining is restricted under law, *animaná* is committed to facilitate, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic. A safe and hygienic working environment shall be provided in compliance with national law and international conventions. Adequate steps must be taken to prevent accidents and injury to health arising out of, associated with, or

occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Access to clean toilet facilities, potable water, and sanitary facilities for food storage shall be provided.

The work place provided shall be clean, safe, and meet the basic needs of the workers.

Partnerships and alliances with other NGO's and Foundations to raise awareness of health and safety issues, and improve health and safety practices in producer groups through own efforts shall be made.

Contribution towards development of local communities of Patagonia and the Andes, through sustainable actions, raising awareness, eco-efficiency, social cohesion, and cultural identity shall be provided.

4. Child labour. If children or young persons under 18 are encouraged to participate in production process, its only aim is educational for the development of skills. This process shall be supervised by competent authorities.

Any involvement of children and young persons under 18 in the production of ethical Fair Trade products is always disclosed and monitored and does not adversely affect the children's well-being, security, educational requirements, or need for play.

animaná shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined in the appendices.

Children and young persons under 18 shall not be employed at night or in hazardous conditions.

Policies and procedures of *animaná* shall conform to the provisions of the ILO standards, national, and international laws that protect the rights of the child.

5. Living wages are paid. Wages and benefits paid for employees and members (including homeworkers) shall meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs and to provide some discretionary income.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Women and men shall be paid on equal terms for equal work.

6. Working hours are not excessive. Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with two days off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis, and will be compensated at a premium rate.

7. No discrimination is practiced. There must not be any kind of discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation, HIV/Aids status, or age.

Job vacancies, opportunities for leadership positions and/or skills development programmes shall be provided on equal terms for women and men.

Special health and safety needs of pregnant women and breast-feeding mothers shall be taken into account.

8. Regular employment is provided. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment, and verbal abuse or other forms of intimidation are prohibited in *animaná*.

Trading Practices.

animaná commits itself to monitor impact and to elaborate politics of agreement, accountability and responsibility. It commits itself and its staff members to produce constant statements on environmental and social achievement and to elaborate impact reports corresponding to its chain production, developed activities, trade projects and practices, and to make them public.

animaná commits to conduct its businesses and trading relationships with transparency, respect and integrity, and to act with honesty, integrity, and respect to all published information and promotional material relating to its business practices.

animaná is committed to ensure that accurate information is available to their customers and the general public with regards to its ethical business policy, supply chain, and business practices.

animaná is accountable to all its stakeholders and respects the sensitivity and confidentiality of commercial information supplied. *animaná* involves employees, members and producers in its decision-making processes through appropriate and participatory mechanisms.

animaná commits to deal fairly and respectfully with trading partners and competition, encouraging and promoting partnerships and collaboration in order to achieve social and environmental goals through sustainable networks. It ensures that relevant information is provided to all its trading partners and all levels of supply chain are open.

animaná trades with concern for the social, economic and environmental well-being of marginalized small producers and does not maximize profit at their expense. It is responsible and professional in meeting its commitments in a timely manner. An interest free pre payment of 50% is made if requested, ensuring that this payment is passed on to the producers and craftsman who develop Fair Trade products.

In case there is cancellation of an order, an adequate compensation is guaranteed for work already done. Suppliers and producers are asked to consult in case there is any inconvenience in the production stage (because of a lack of raw materials or other features for an ethical production) or a problem with delivery. *animaná* is committed to ensure compensation is provided when delivered quantities and qualities do not match those invoiced.

The organization preserves long term relationships based on solidarity, trust, and mutual respect that contribute to the promotion and growth of Fair Trade and a virtuous cycle.

animaná is against uncontrolled consumerism and encourages its clients to be conscious and responsible in its choices.

Implementation

We develop activities with different NGO's and other social enterprises of the sector, reinforcing projects that value the skills and knowledge of Andean communities and marginalized groups. We work together with universities, craftsmen and our suppliers in order to facilitate access to information, design and price setting.

We work in networks by forming alliances with projects dedicated to education, sexual education, providing health information, and prevention and treatment for disease, fomenting good practices. We give an incentive to the conformation of solidarity groups and self-sustainable cooperatives, helping to produce solid results from the NGO's work.

The NGO "*Hecho x Nosotros*" is a fundamental branch of our enterprise. It sets its efforts on guaranteeing fair trade practices along the production chain. It recovers and documents ancestral techniques such as the use of natural fibres and dyes, and also promotes them. It cooperates in getting access to international certifications and in the creation of social and economic networks that later have an impact on local development.

Mission: *Hecho x Nosotros*¹

To act as a platform that offers tools and opportunities, creating a secure frame for different people with different skills, low economic resources, and the will to grow. Be it in urban settlements or in scarcely developed areas, pursuing depth in the preservation of their regional identity. Encourage valuation of the manual arts and the sustainability of the cultural patrimony as elements which generate socio-economic change.



¹ For more information visit: www.hechoxnosotros.com

Together with *Hecho x Nosotros* we promote the creation of eco-friendly poles of development and local culture based on the principles of "Ethical Fashion."

We have been organizing a platform of different social agents in order to be able to empower the artisans in the areas of training, association, management, design, commercialization, and access to markets of consumption with the least amount of intermediaries possible. In this way we create and strengthen a critical mass able to be self-sustainable.

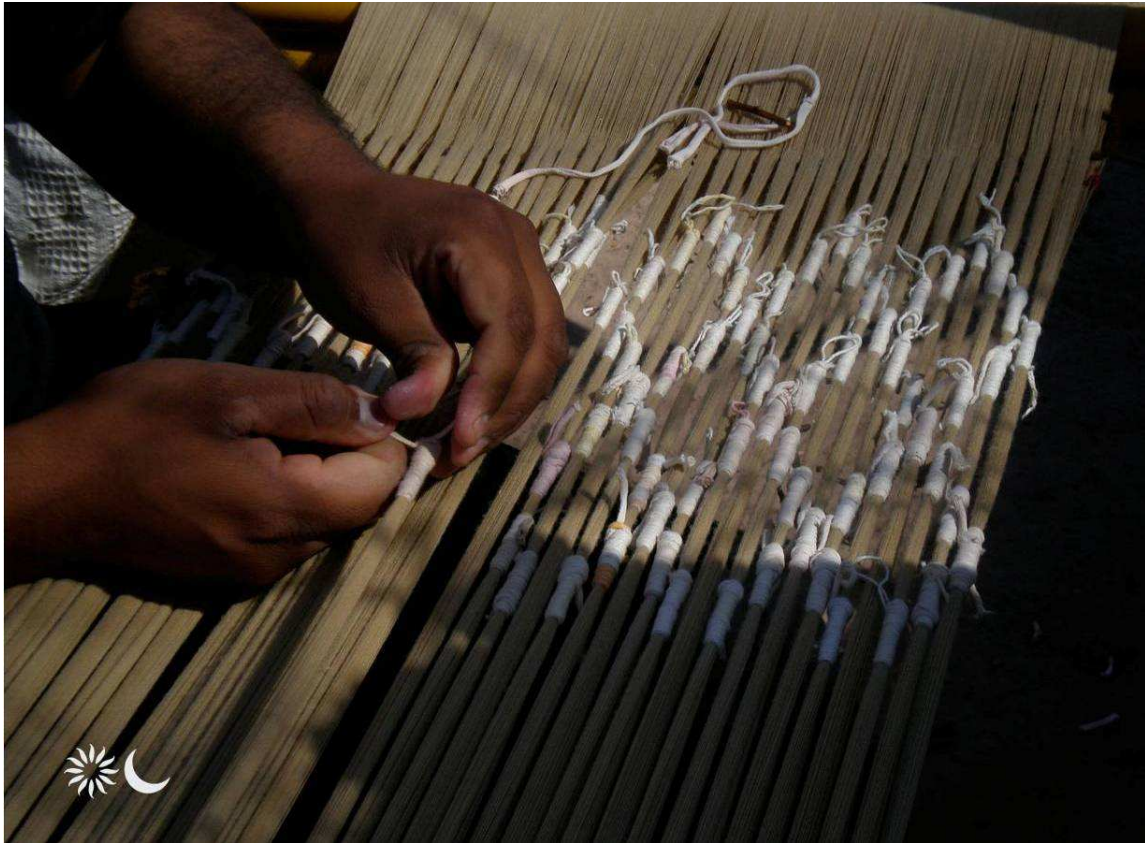
The communities that *animaná* works with in the Andes are largely made up of small-scale family-run farms. As a result of the great benefits and the world's appreciation of raw materials that proceed from the animals they breed, those families sometimes sell these raw materials to large intermediaries. They are the ones who hold the greatest profits in the production cycle.

animaná, together with other organisations, provide a trade network that bypasses the middlemen thus giving added value to the production activities of these families. We seek that transactions are made under the principles of Fair Trade.

animaná brings information to remote places and promotes the South American camelids' fibers classification. *animaná* strengthens projects of use and care of different animal and vegetable species in order to achieve the best quality in the final product.

animaná seeks to improve the levels of competitiveness of producers in order to achieve their integration and consolidation in the productive chain, promoting equity in the commercialization of raw materials and the resulting product. We work on information networks, prices, design and help build up their own networks, to associate and receive a fair profit and revalue their activity.

We are intimately linked to the artisans, communicating inside and outside of our network their achievements and capabilities. We bring them closer to the available resources so that their stories can be told to the world.



Moreover, *animaná* helps various enterprises with their CSR (Corporate Social Responsibility) by facilitating agreements between cooperatives of farmers and those that produce the fibres and the final handcrafted or semi-handcrafted products.

During these past years we have developed many different workshops together with *Hecho x Nosotros* in order to build the producers' capacities in Design and commercialization, involving schools students focused on Design and local artisans in the North of Argentina. Some of those workshops *animaná* financed itself and others were financed by third parties, through Competitions, who in turn monitored all the activities put in place to carry out the programmes.

Some of our workshops being developed are:

- **Young-entrepreneur training workshop:** A project financed by Ashoka at a school in Cafayate, Argentina. Eighty youngsters were trained in management, business, design and production. They were helped in commercializing their production in order to be able to create their own, self-sustainable businesses. Some of their alpaca and felt products were placed in Lyon, France.
- **Project Animaná:** Technique-training days, provisioning of raw materials, workshops on design and entrepreneurial vision for women of Animaná in Salta, to better the

quality of their knits, create an organization, give support to the group, and develop the commercialization of their products.

- **Reading and artistic expression workshop:** We have developed reading skills as well as pictorial expression of different traditional stories in school children.²
- **Project “A little piece of heaven” in Puerto Santa Cruz:** We are leading two projects of breeding guanaco in captivity to achieve a growing and stable production of the fiber, which is the finest fiber after vicuña.
- **Project “Pedacito de cielo” in Puerto Santa Cruz:** In order to have a growing and stable production of guanaco fibre we have started two guanaco breeding projects. Next to vicuna, this fibre is the most exquisite fibre.
- **Innovative design project:** This project supports the export of handmade products made from materials, techniques and talents previously unexplored. These products are made by artisans in Salta.
- **Macacha (Gral.Güemes) workshop project:** We installed a nickel silver workshop in the city of Güemes, in Salta. It is equipped with all the tools necessary for its development. A group of women artisans were trained to elaborate the product and they were given a sample to work with as a model. Also, new products were designed and elaborated from different techniques.
- **Showroom in San Ignacio.** In Buenos Aires (Capital city) we have a showroom where we exhibit the products made by the artisans we work with.

We have also set up workshops for the recovery of ancestral techniques and have a project of natural dyes.

We work on telling the world the real life stories that are behind the producers, the materials, the natural fibers, the know-how, the savoir faire of the ancestral techniques, the real process that is involved in the final products.

We mean to create a self-sustainable model that includes and actively empowers marginal urban and rural communities. We investigate, preserve, document, and spread traditional values and inherited techniques, as well as the use of natural fibers.

² A video of one of the experiences is available here: http://www.youtube.com/watch?v=W2me_dQcahU



During the last 2 years, we have empowered and strengthened our team in Perú, installing an office in Lima with permanent collaborators with no previous experience in Fashion or administrative management of a company.

We are constantly involved in our project, monitoring and controlling the impact we have.

We assess our impact together with Observatory Centres related with universities worldwide. Its objective, in order to achieve local sustainable development, is to be a bridge between the situation and the needs of the artisans by transferring knowledge. These Centres for investigation and education are non-profit organizations studying local development issues and alternative policies to aid vernacular communities.

Since 2008, we have been collaborating with "Instituto Qampulu," a nonprofit center of research and education for the study of local development issues and policy alternatives to help communities solve their development problems.

This Centre of Study was tasked with developing indicators to measure local development and the impact of NGO activities with researchers from public and private atmospheres.

They established a management system with university scholars who collaborated on research that could contribute to the self learning, generating thesis topics. Surveys were developed to assess the socio-economic situation and productiveness of local suppliers.

We promote interaction between local and international university investigators, government agencies, private agencies, private industry, and local communities. Based on respect for the cultural values of each region, they exchange, analyze, document and propose good experiences of local development.

Incorporation of disadvantaged or marginal groups.

Type of group: Andean and Patagonian rural communities marginalized from the society and the production system, and economic revenues.

In the Andean culture, men and women knitted side by side. With the passage of time and the transformation of the roles we play in society, this job is now left to the women. When men are left out of a project however, due to chauvinism or fear, it ends up causing the project's deterioration.

Because of this *animaná*, together with other organizations and NGO's, promotes the integration of men into handicrafts, in order to recover his identity and strengthen family enterprises.

animaná also incorporates groups suffering from mental disorders.

In Peru, we have been working with a group of people who are deaf, who also have an unequalled sensitivity to weaving.

Since its inception, *animaná* has encountered many challenges often associated with ethical fashion initiatives: poor quality of design, lack of transparency in the supply chain, and inadequate consumer communication, difficulty in accessing European markets (associated to Latin American enterprises). Additionally, the production, processing and finishing of products made from camelid fibres and other natural materials are not certified despite being completely organic.

All these difficulties were addressed with the creation of the Foro de Moda Ética Latinoamérica³ (Ethical Fashion Forum Latin America or shortly "The Foro"). The Foro unites professionals, academics, designers, commercial organisations, foundations and artisans in order to change the Latin American fashion industry from within. It encourages alliances between ethically-minded fashion stakeholders to support local sustainable development and encourage a responsible sector.

The Ethical Fashion Forum Latinamerica is a platform connecting the fashion industry with the producer by transferring knowledge and skills, empowering groups with no access to the industry, adding value to their products, supporting investments in the less favoured

³ For more information visit: www.modaetica.com; [foro.modaetica\(a\)gmail.com](mailto:foro.modaetica(a)gmail.com)

communities, generating employment and means of life and promoting respect for their identity and interests.

The Ethical Fashion Forum Latinamerica, by definition a neutral space, is where all those worlds are merged together: people, skills, knowledge, to look for areas to work on, to present projects and strengthen the Andean clothing sector in order to commercialize it to the world.

It looks to gather existing information, promote the principles of ethical fashion in universities, connect the actors (suppliers, retailers, intermediaries, designers, artists, and professionals), create awareness in consumers, and multiply sustainable alternatives for future professionals and scholars related to fashion.

Together with The Foro we have given seminars to professionals and students of the area of fashion in Peru, Argentina, as well as in New York, Paris, and London.⁴



Adriana Marina, president of *animaná*, giving a conference at the Source Expo 2011, organized by the Ethical Fashion Forum, in London.

Last year (2011) we collaborated with The Foro in launching the Latin American Competition: Sustainability in Action, a contest organized together with the Ethical Fashion Show (Paris), with the aim of linking the local ethical fashion with international markets. 6 winners (local ethical fashion producers from Peru, Mexico and Argentina) were able to show their products at the Ethical Fashion Show (Paris), a renowned international Ethical Fashion trade place.

⁴ A video of a conference organized in May 2011 by the Foro and *animaná* at the CMD –Centro Metropolitano de Diseño, Argentina, is available here: <http://www.youtube.com/watch?v=0CBV3QSevhg&feature=plcp>



One of the winners, René Niño de Rivera from "Moda para el Desarrollo de Oaxaca" at the Stand in the EFS 2011 (Paris).

One of the areas of our organization is aimed at cultivating Arts & Crafts centres for local artisans. These centres are supported by *animaná*, Hecho x Nosotros and the Foro. We consider that many of the capabilities and talents of the northern Andean regions are weak when it comes to capturing innovative design and tendencies, in getting away from the obvious, in being able to make a synthesis of the past and of each product.

The Arts & Crafts centre is an open space for creativity and dialogue between designers, artists and artisans: a space where ancestral techniques are revived and are mixed together with modern design; a space where artisans are welcome and where they may receive training and management skills.

This space acts as a centre for recovery and diffusion of ancestral techniques, which are often forgotten among our richest inhabitants.

It is dedicated to creating experimental workshops which will activate the furthest memories. This allows us to document and write down these secrets that form an essential part of our lost Andean culture. From these spaces appear art books, films, and cultural manifestations aimed at not only recovering our past, but also creating awareness of the benefits this entails.

In these Arts & Crafts centres we have worked with many renowned personalities and expert professionals. Marcelo Senra, Argentinian designer with 20 years of experience in reviving ancestral techniques in dyeing and knitting; Mariela Oliva; Jimena Cornejo; Paula Bellsola (PD from Marangoni Milan); among others, collaborated with *animaná*.

We are working hand in hand with Dominique Peclers, a renowned international fashion consultant of the highest caliber. She helps us to acquire knowledge and gain experience to develop *animaná* as an alternative way of production by sharing knowledge (and spreading it to the world) and her expertise in the markets.



Dominique Peclers, giving guidelines in Design to the producers in Northwest of Argentina.

In 2010, Dominique visited the Andes, taking the first steps towards working in alliance with organisations, universities, and cooperatives, and Peruvian, Bolivian, and Argentine companies. Dominique became familiar with the working possibilities of the artisans there, before developing a line of products for the European market. Thanks to her invaluable expertise, many Andean artisans have started to create, out from traditional triangular shawls, beautiful contemporary blankets that are being sold in Japan and Europe today.

During 2011, *animaná* received the visit of Miss Mathilde Georget⁵, on behalf of UNESCO's "Equity for Applied Arts" ("Equidad para las Artes Aplicadas", in Spanish) programme, for the promotion of quality craftsmanship worldwide.⁶

⁵ Reference of her contact: mathilde.georget(a)hotmail.fr and her supervisor from UNESCO: Denise Bax D.Bax(a)unesco.org

⁶ A video of her experience is available here (in Spanish): <http://www.youtube.com/watch?v=YXxEVMnLKOY&feature=plcp>



(Left) Mathilde Georget with the community of artisans in Moquegua, Perú.

(Right) Mathilde Georget with the community of artisans in Northwest of Argentina.

(Below) animaná's stand at the International Heritage Show (Carrousel du Louvre, Paris) where all the work of the artisans were exhibited.

This project is about collaborating with young designers in helping Andean producers to settle and establish themselves, with their products, in the market. Designers and experts can live and spend time in our arts & crafts spaces in order to collaborate with *animaná*. We have opened such spaces for investigators, photographers, film directors, etcetera, so that they may share their knowledge and bring their experiences to the world.

Also in 2011, we have received the visit of Suzie Hall⁷, who previously worked for the Design team of *People Tree*. She has developed several designs and patterns for *animaná* to make

⁷ Reference of her contact: [suzie.hall\(a\)gmail.com](mailto:suzie.hall(a)gmail.com)

from Argentinean organic cotton (in process of certification). We are planning to develop swatches out of these patterns with a Fair Trade cooperative in Buenos Aires.

In conclusion, we have empowered around 500 artisans directly in Argentina. Given that each one influences a family of approximately 7 members, indirectly we have empowered the lives of 3500 people.

In Peru, we have worked directly with 300 families of artisans and are in contact with more than 100 organizations.

We have actively integrated our proposal to 100 young professionals such as Designers, Fashion Managers, Economists, and Sociologists and given ethical fashion courses to more than 200 students. And we expect that this will grow exponentially with the development of this enterprise.

Ethical Fashion trade expositions' participation and institutional memberships

In 2011, *animaná* has taken part in the Ethical Fashion Show - Paris and the Source Expo - London (organized by the Ethical Fashion Forum). We have also been in Nolcha Fashion Week sponsoring and supporting the work done by the Ethical Fashion Forum in USA.⁸

Since 2011, we have been chosen twice to be part of the Fellowship 500 membership, EFF's initiative.⁹

Measurement of outcomes

Social certifications & Standards met

As a young enterprise we have yet to acquire the necessary tools to be able to apply for certification. However, through our transparency, we can guarantee that all our work is done under the principles of fair trade, is natural, and is organic.

We work in alliance with governmental agencies such as PROMPERU in order to achieve international social standards. We are working on developing local certifications that can be introduced to small-scale producers.

⁸ Reference of the person in charge of the EFF USA: Anna Amiradaki (anna.amiradaki(a)gmail.com)

⁹ The FELLOWSHIP 500 is an initiative of the Ethical Fashion Forum, uniting 500 pioneering innovators in fashion and sustainability globally.

The EFF is the industry body for sustainable fashion, dedicated to promoting and supporting the highest ethical and sustainability standards by businesses throughout the fashion industry supply chain.

This system of certification is very complex given it requires getting together all the participants of the process, knowing the process in detail, incorporating technology into the communities, foreseeing investments, etcetera. As a result, the time it takes to respond is longer, slower, and more complicated, characteristic of developing countries.

animaná works with suppliers that employ production processes that are certified by respected third parties.

animaná supplies its products from artisans in the Andean regions of Peru, Bolivia and Argentina, as well as Patagonia.

These suppliers and producers are associated and are protected by NGOs dedicated to monitor their working conditions and promoting solidarity commerce and responsible consumption.

Transparency:

We are working on traceability system of the garments, on diversifying and prolonging their life cycle, and on uniting efforts to link the sale of the product with social goals.

Our entire internal production process is transparent. We show our spaces to businessmen, foundations, organizations and interested individuals who become spokesmen of our work and our auditors. We invite experts, scholars, investigators, institutions, NGO's, and all those interested in discovering our chain of production to experience in the Andes with the artisans and producers. *animaná* connects techniques, materials and craftsmanship from the region together with local and international quality standards and design by having continuous dialogue with international experts such as individuals or foundations. They monitor the production processes.

We familiarize suppliers and producers with Fair Trade and we invest in the communities engaged in the chain of production. We use 100% natural and organic fibres, many of which undergo certifications such as SKAL, GOTS, and FLO, when possible.

We have the support of *Ashoka*, a foundation we spent time working with during 2009. The idea was to carry out a training workshop in the North of Argentina with the goal of empowering young local artisans.

We participated in and won the *Entrepreneurs Contest*.

Medium Competence: use of technology in marginal areas. We had an interesting mention with suggestions on how to better the project.

We also participated in the *BiD Network Argentina*, coming out as one of the ten projects with most impact on local development.

We participated in *BiD Network Businesswomen*, coming out among the twenty most interesting projects around the world on local development.

In May 2009, we were a part of the third international UN meet, "Fashion For Development", together with Bengali designer and ambassador Bibi Russell as the special godmother of the event. Here, we received full support from the Argentine Consulate.

We presented the project before the Argentine Consulate in New York, showed them our products and held meetings with businessmen, designers, foundations and the UN.

We also presented the project before the Argentine Embassy in Paris, with the presence of Dominique Peclers and Marcelo Senra, an argentine designer well known for his long career in craftsmanship.

Bank BICE (Argentina), Bank RIO (Argentina), Centro Metropolitano de Diseño (Argentina), UNESCO, Red Puentes Internacional, IPAC (Perú), PROMPERU (Perú) among many others, are acquainted with our Project.

The institutions and organizations listed above are some of the many entities we have been in contact, and which can guarantee our reliability and transparency.

The *animaná's* work and project is being presented worldwide as a case study in diverse colleges and educational institutions. For example, at the time being, Watson Fellowship student, and Fellowship 500 member, Julia Wilber¹⁰, who is carrying out research on a global level on ethical fashion, with a focus upon "Bridging the Gap" between community and fair trade suppliers and fashion brands, is visiting us from 1 June to 21 June. She is gathering all the information on our work, visiting our offices in Argentina and having interviews with our staff members.

We are also in contact with a professor from Oxford College in order to present *animaná* to His students.

¹⁰Her contact reference is available here: [juliaannwilber\(a\)gmail.com](mailto:juliaannwilber(a)gmail.com);
http://www.watsonfellowship.org/site/fellows/11_12bios.html

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility;

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

Members of animaná shall demonstrate commitment to promote fashion that minimizes environmental impact of the textile and apparel industry, from design to finishing procedures by:

Maximizing the use of raw materials from sustainably managed sources, buying locally when possible.

Spreading the use of raw materials that have the least overall impact on the environment, during its raising, as well as use.

Respecting the international, regional and national laws that protect animal and vegetable species.

Promoting the use of alternative, organic, natural and recyclable fibres, without additives such as pesticides, insecticides, and GMO seeds.

Introducing new behavior such as recycling, reduced use of water and energy for production, and minimizing waste materials through upcycling.

Using technologies that seek to reduce energy consumption, and supporting renewable energy technological systems that minimize gas emissions.

Using recycled and biodegradable materials for packing to the extent possible, and dispatching goods abroad by sea wherever possible.

Implementation

Speaking of raw materials



In terms of the raw materials, *animaná* works with natural fibres of the Andes and Patagonia. Fibres obtained from camelids such as llamas, guanacos, alpacas and vicuñas are highly valued for their softness and durability and *animaná* endeavours to protect all camelid species. The camelids roam free in large pastures in their natural habitat in the Andes and Patagonia. The animals are sheared using manual processes (scissors), and the best fibres are selected. A wide variety of natural undyed colours are chosen ranging from white and light beige to intense blacks.

Other fibers we work with include andean silk, organic pima cotton (in its natural colours which range from natural to yellows and browns), merino wool, chaguar, and other natural raw materials such as onyx, nickel, and silver.

We collect natural fibres (from indigenous species which grow and in other cases are raised spontaneously) and other raw materials under the law system which protects these species, keeping the environment unaltered.

We work together with UNIDO and other local and regional organizations dedicated to the protection and care of the camelids, under the guidelines of international conventions as the CITES - Convention on International Trade in Endangered Species of Wild Fauna and Flora.

Artisans spin the fibres by hand and dye them with pigments obtained from native plants, reviving the techniques inherited from our rich history. We also work with industrially spun fibers, but only in their natural shades or naturally dyed, without any chemicals.

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In addition to this, *animaná* supports the re-cultivation of a native Peruvian cotton variety that was grown for some 5000 years until it was replaced by white cotton production of the nineteenth century. The production, processing and export of all these natural fibres are vital for the development of local communities.

animaná promotes and communicates the preservation of and recovery of the historical heritage of techniques and natural dyes used by local Andean ancestors, devastated due to the use of anilines. We are working together with the Peruvian Museum "Museo Nacional de Antropología y Arqueología e Historia del Perú" which is located in Pueblo Libre (Lima, Perú). In this museum we have adopted a piece called CHUSPA in order to further support the activities of the museum in reservation of ancestral techniques and spreading them to the world.

Natural fibres (from indigenous species which grow spontaneously) are healthy. They provide natural ventilation as they act as a thermal insulator. They are also an excellent renewable resource and 100% biodegradable. Their production has a neutral carbon footprint. They are a high-tech option as they have a good mechanic resistance, a light weight, and a low cost. They are also a responsible option: their production, processing, and exportation are of great economic importance to developing regions such as the Andes.

By choosing natural fibres we are fighting hunger, poverty, the disintegration of the environment, and assisting rural communities in their projects.

We promote and strive for the formation of Arts & Crafts centres. There we dedicate ourselves to recovering natural techniques and the way of handling the raw materials. The Andean

region is one of the world's richest and largest deposits of biodiversity. It has a significant percentage of genetic resources economically profitable. This percentage includes natural colourings in plants such as the woodlouse or "cochinilla." Other sources of natural colourings or dyes are plants, animals and minerals rich in colours; all of them raised in the Andes.

animaná works with Incalpaca, a Peruvian enterprise which promotes the recycling of alpaca fibre products, helping them to promote strategic design as a way of giving waste material a second life by upcycling them into new blankets.

Packaging and Transportation

We are also engaged in the process of developing an eco-friendly packaging system. We have developed designs of an eco-friendly packaging using organic cotton, wool waste, and other materials. We usually use recycled carton/cardboard for the transportation and packaging of products.

We try to develop the network with the intervention of other professionals who collaborate in local development for the transportation of merchandise to the central dispatching points to other countries.

We are planning to work hand by hand with other enterprises, organizations and people related to cargo transportation. We privilege those that have less impact on the environment (trains, maritime transport, combined when necessary with road transportation), re-group deliveries and share cargos. Also, those which inform us of the daily itineraries of the different means of transport, aiming at reducing the amount of vehicles in circulation, kilometers per vehicle and kilometers per ton, by increasing the cargo factors and therefore reducing "empty" or "half-empty" circulating vehicles.

When dealing with road transportation we are planning to turn to truck-drivers who transport food to the Andes and return empty.

Measurement of outcomes

Environmental certifications & standards met

It is important to remark that production, processing, and finished products from camelid fibres do not have certification in spite of the fact that they are absolutely natural. Only some cotton wool projects have certifications, most of them being in Perú.

In Peru we are associated with a rank of very advanced cooperatives and NGO's which provide us with natural and organic products.

We work together with UNIDO, foundations, and local NGO's from the Andes which promote sustainable use of the environment, species of animals, vegetables, and minerals.

We also incorporated our projects to museums, institutes, and art spaces which are dedicated to the recovery of Latin American history.

It is vital for us to collaborate together with other organizations because we believe working as a network boosts our actions and the results we may obtain.

animaná interacts and is enriched by the work of institutions linked to local governments, international organizations (i.e.: FFD, UNESCO, World Bank, UNIDO), financial organizations willing to provide micro-credits, investigation institutions which provide critical analysis of reality and offer alternative solutions, institutions which provide legal advice, and, lastly, universities of fashion and design in Argentina and around the world.

We are engaged in using natural elements in our production process, fibres from animals raised in the wild in order to preserve their conservation. That is why we develop, promote, and participate in workshops and trainings for the recovery of techniques, the correct use of technology, and clean water and energy processes.

We involve local people in the handicraft work and semi-handicraft work. We promote natural energy use and encourage the implementation of solar energy in drying processes.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Assessment, Policy and Goals

animaná is committed to conduct all of its business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly, and with integrity and transparency in all our business dealings and relationships in our daily operations.

Our policy is directed and applied to those working for *animaná* or associated with *animaná*, including our staff members (whether permanent, fixed-term or temporary or homeworkers), suppliers, consultants, agents, etc. Its purpose is to provide recognition and to help in dealing with bribery and corruption issues.

animaná is critically against all forms of corruption, bribery and extortion (as defined by the Global Compact and International Transparency). We adhere to the OECD Guidelines and Recommendations for Businesses in monitoring internal performance and accounting of the company (Good Practice Guidance on Internal Controls, Ethics and Compliance, included as Annex II to the 2009 Anti-Bribery Recommendation) and support the UN Convention against Corruption.

Concept definition and principles of guidance:

Corruption, as defined by Transparency International is "the abuse of entrusted power for private gain," whether financial or material gain or non-financial.

Extortion, as defined by the OECD Guidelines for Multinational Enterprises is "The solicitation of bribes is the act of asking or enticing another to commit bribery. It becomes extortion when this demand is accompanied by threats that endanger the personal integrity or the life of the private actors involved."

Bribery, as defined by Transparency International is an offer or receipt of any gift, loan, fee, reward or other advantages such as taxes, services, donations to or from any person as an inducement to do something which is dishonest, illegal unethical, or a breach of trust, in the conduct of the enterprise's business.

Members of *animaná*, at any time, must not, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage.

In order to avoid any kind of bribery actions, *animaná* shall develop a system of financial and accounting procedures, with internal controls, designed to ensure the maintenance of fair and accurate books, records, and accounts.

animaná is committed to encourage and provide support for measures against foreign bribery, at all levels of the company.

Members of *animaná* shall not accept material or non-material gifts or benefits for improper or dishonest performance of duties, whether as an inducing or rewarding action offered for the member itself or any other third party contacted during the course of work.

Members must never offer, promise or give a financial or other advantage to any person with the intention of inducing or rewarding improper performance by them of their duties.

animaná is committed to involve itself only with those suppliers and associated organizations and entities that those do business with take a similar zero-tolerance approach to bribery and corruption.

This Policy is supported and led by the CEO. The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all members and associated organizations, institutions and individuals comply with it.

Implementation

All members of *animaná*, suppliers and associated organizations and individuals are aware of our zero-tolerance policy for corruption, bribery, and extortion.

Measurement of outcomes

No case of corruption has been seen or acknowledged yet. We are a small company that employs and contacts itself only with respectable partners.

Wherever possible, in *animaná* we try to make informed choices and contact only with suppliers and partners that act with transparency and integrity, and undergo procedures for local and international certifications and standards.