



GLOBAL AGENDA FOR SUSTAINABLE LIVESTOCK

INVESTING IN SUSTAINABLE LIVESTOCK

AN ACTION NETWORK TO INCREASE, DIVERSIFY AND IMPROVE THE EFFECTIVENESS
OF INVESTMENT IN THE LIVESTOCK SECTOR

Background

On September 25th, 2015, the UN general assembly adopted new Sustainable Development Goals – SDGs. The livestock sector plays a key role for achieving most of these goals, particularly regarding the food security nutrition and health element (goals 2, 3 & 4), the environmental objectives, such as goal 6 (water), goal 13 (climate change), goal 14 (oceans and marine resources) and goal 15 (terrestrial ecosystems), and the poverty, economic growth and inclusive development dimension (goals 1, 5, 8 & 10). These goals could not be achieved without adequate and specific attention to the livestock sector.

In parallel, more than 180 countries have committed to reducing climate emission through their Nationally Determined Contributions – or NDCs – to the UN Framework Convention on Climate Change (UNFCCC) in the run-up to or during its 21st Conference of Parties (COP21) in Paris. The NDCs spell out countries' commitments to reduce emissions and adapt to climate change. Fifty four countries have specifically included livestock management as one of the strategies they intend to put in place.

Recent work has shown that ending poverty and addressing climate change cannot be separated – that if left unchecked, climate change impacts could push more than 100 million people into poverty over the next 15 years. This calls for an immediate implementation of “climate-smart” development to mitigate and adapt to climate impacts.

The impact of livestock on climate and natural resources is well established, and a wealth of mitigation practices are available for implementation at scale. The adaptive capacity of livestock in climate change is equally known, although practices and supporting policies to increase resilience are less understood.

The momentum of COP21 commits Governments, International Organizations and Private sector to enact their INDC and bring change to the ground. For example, the World Bank Group has committed to increase the share of its portfolio devoted to climate finance from the current 21 percent, to 28 percent over the next five years. When including financing generated from other partners and associated private sector financing, such financing amounts to a potential US\$29 billion a year by 2020.

Rationale

A limited but growing number of initiatives are already bringing about the practice changes that will lead to increased productivity and resilience, while at the same time reducing GHG emissions per unit of livestock product. Among others, FAO and the World Bank are engaged in such operations, in Ecuador, Uruguay, Colombia, Niger, Kenya, and Mongolia, drawing on solid evidence and on partnerships developed in the context of the Global Agenda for Sustainable Livestock (GASL) and the Livestock Global Alliance (LGA). After successful piloting, these projects now aim for practice change at scale, with budgets ranging from 10 to over 100 million USD. Implementation involves private sector organizations, companies, NGOs and Governments.

While the principles of practices and technologies are generally known, their implementation is not straight forward and requires attention, especially with regard to: i) designing cost effective integrated packages tailored to local conditions, ii) designing the financing and institutional mechanisms that will bring practice change at scale, and iii) measuring performance of livestock systems through the new lenses of CSA.

As countries move forward with the implementation of their INDCs, there is an acute need for integrating climate aspects into livestock sector investments and policies. Comprehensive packages of financing, technology and capacity building will be required to help countries adapt to climate change and transition to a low carbon economy.

The proposed program aims at guiding investors to large scale implementation of sustainable livestock, focusing on food security and viable farming, climate change adaptation and mitigation with special consideration for the poor and vulnerable (Development Policy Objective - DPO).

Concept and target audience

Despite the wide-spread acknowledgment of progress in this area, much remains to be done to integrate climate change and natural resources concerns into livestock development planning and investment decisions. This is mainly because of:

- a lack of understanding of the multiple benefits that investments in livestock can generate and in particular of livestock's potential contribution to climate change mitigation and adaptation, as well as natural resource management;
- caused by the above, an incomplete assessment of the returns on investment achieved in the livestock sector, and thus an underestimation of the economic justification for investing in livestock;
- a lack of specific policy and technical approaches to improve climate and environmental performance of livestock systems;
- a lack of expertise and capacity in developing countries in this field; and
- a lack of interaction and knowledge exchange by stakeholders and practitioners.

Each of these constraints will be addressed by the proposed program through a set of complementary products and events, as described in the following section.

The program will essentially target donors in bilateral and multi-lateral organizations, private sector and project developers, placing particular emphasis on decision makers that are not necessarily considering livestock as part of their portfolio, e.g. Green Climate Fund, BioCarbon Funds, Private foundations interested in carbon offsets, and investors in the area of nutrition. To refine the identification of the target audience, and also improve our understanding of specific needs among different target groups and best ways to address them, the program will carry out a background study of current investment flows in the sector. It will address questions such as: Who invests in the livestock sector? What are the investment flows that currently make livestock growth possible? How do different investors in the sector shape the way production (and consumption) growth is achieved in the context of broader development objectives?

Deliverables

The proposed program will deliver a set of complementary products and events:

A series of face-to-face **knowledge sharing and learning events** will be organized to draw attention to the rationale for investing in the livestock sector, refine understanding about specific needs of investors, share the lessons learned, practices and approaches identified by the program. The events are part of the knowledge generation and consolidation process, to support investment in sustainable livestock. They will target specific regions or audiences, addressing traditional investors in the sector but also those that are not necessarily considering livestock as part of their portfolio. The venue and timing of the face-to-face events will be selected strategically to reach out to these potential partners outside the sector.

Part of the events will address “Why” investing in the livestock sector, placing livestock in their agenda and providing evidence about the multiple benefits that investment in livestock can generate. The events will also address “How” and “Where” to invest in sustainable livestock. These interactive learning sessions will aim at equipping project teams with the tools and resources to prepare and implement livestock operations (cf. Part 2 of the guide below). Depending on the region and audience, they will focus on specific production systems, global benefits addressed and particular aspects of interventions’ preparation and implementation.

The material developed to prepare and facilitate the sessions, as well as the outcomes of discussions at these events will be consolidated and fed into the preparation the guide and web platform (cf. below).

An Investor's Guide to Investment in the livestock sector. This document will provide comprehensive support to decision makers and operational teams associated with investment in the sector, from identification to design, implementation and supervision. The Guide will tentatively address 3 main areas: Why and where to invest? Practical guide to investment, and Cross cutting issues and recommendations.

A web-based resource, providing interactive access to the material included in the Investor's Guide, as well as additional information and updates. A search engine will allow users to easily access the specific support they need, e.g. success stories, expert rosters, templates for project design, standard ToRs for project development. The web pages may also host forums and webinars for project developers and practitioners. The web resource will be publically available and hosted under one or more of the existing portals on sustainable livestock development, such as those of GASL and the LGA. This will ensure visibility but also durable maintenance and servicing. It may also be considered to host the web resource under the website of the Animal Production and health Division of FAO.

Methods and modalities at work

An FAO-WB team will lead the development of the Guide, within the framework of the Global Agenda for Sustainable Livestock (GASL) and the Livestock Global Alliance (LGA). Two to three part time technical officers, supported by a research assistant and a part-time editor will be the core team in charge of writing and coordination.

The team will primarily draw on the expertise, practical experience and data available at FAO and WB, as well as among the members of GASL¹ and the LGA². Participation in key meetings of the LGA and GASL will ensure adequate reporting and coordination. Through these platforms, the team will engage with additional key partners (including CGIAR, NGOs, National research institutes, private sector organizations and multi-stakeholder organizations³) to carry out specific background papers, reviews and targeting work. The rationale for investing in livestock will, in particular, benefit from existing document such as the "joint livestock Narrative" prepared by the LGA, the consensus document of the GASL, and other materials, such as the review of how livestock may contribute to SDG, currently under preparation by GASL. A strong interactive process will be put in place with ongoing pioneering activities on the ground. The team will engage with project implementation units (including in Ecuador, Uruguay, Colombia, Niger, Kenya and Mongolia) to harness lessons learnt and outputs that can adapted and replicated in different contexts. These ongoing operations will serve as "open labs" for the implementation of new practices and institutional arrangements proposed by the program. Specific missions and monitoring and evaluation surveys will be carried out to document the interventions put in place and their results. Additional best practices will also be gathered from the broad portfolio of livestock operations, at the WB and among other public and private investors.

A selected group of experts will be consulted throughout the process. It will provide high level guidance on work plans and review products, providing the perspective of ODA decision makers, investment banks, private investors, academia, NGOs and governments having placed livestock in their INDCs. Consultations and reviews, especially focusing on given regions and systems, will also be organized through GASL, mostly drawing on the GASL platforms and regular gatherings, keeping additional face-to-face meetings to a strict minimum.

The program will gather, consolidate and review existing data and information where they exist. Specific effort will be carried out to search for "forgotten" and underexploited sources of information, and carry out new meta-analyses to

¹ <http://www.livestockdialogue.org/partners/en/>

² FAO (Food and Agriculture Organization of the UN), IFAD (International Fund for Agricultural Development), ILRI (International Livestock Research Institute), OIE (World Organisation for Animal Health), WB (World Bank), with financial support from BMGF (Bill & Melinda Gates Foundation) and Government of France

³ Such as such as the Round Table on Sustainable Beef, the Global Dairy Platform and the Climate and Clean Air Coalition.

produce new syntheses and state-of-the art knowledge and lessons learnt. Where information to guide investment is missing, however, the program will contract partners to lead

CONTACT INFORMATION

Pierre J. Gerber

Senior Livestock Specialist

pgerber@worldbank.org