

# BUILDING A GLOBAL AGENDA OF ACTION IN SUPPORT OF SUSTAINABLE LIVESTOCK SECTOR DEVELOPMENT



**CONSULTATION ON FOCUS AREA NUMBER 1:  
CLOSING THE EFFICIENCY GAP IN NATURAL RESOURCE USE  
Rome, 2-4 April 2012**

**Introduction**

The consultation was organized and hosted by the interim Secretariat at FAO headquarters in Rome and was opened by FAO's Assistant Director General Mr. Modibo Traore. The broad goal was to consider how to move ahead under the Focus Area "Closing the Efficiency Gap" of the proposed Global Agenda of Action in support of Sustainable Livestock Development (GAA), with the specific objective of clarifying what is implied by closing the efficiency gap and how to move forward under the GAA. An issues paper, Greening Livestock Sector Growth: Closing the Efficiency Gap in Natural Resource Use, was previously posted by the Secretariat.

About 40 participants attended from different regions including East and South East Asia, Europe, North America, Latin America, South Asia and Africa, from governments, international organizations, private sector, academia and CSOs/NGOs (see List of Participants).

**Summary of Discussions**

Participants were briefed by FAO on earlier discussions among potential stakeholders leading towards establishment of a GAA in Support of Sustainable Livestock Development and on the rationale for choosing Closing the Efficiency Gap in Natural Resource Use as the first area of focus. Participants generally agreed with the basic proposition that there was still enormous scope for productivity gains applying known technologies to meet expected strong growth in demand for livestock products in the 21<sup>st</sup> century while improving resource use efficiency and achieving other economic, environmental and social objectives.

The workshop heard and discussed a number of presentations by invited experts (see Agenda) on the questions of defining natural resource use efficiency (NRUE) and of finding relevant and comparable measures as related to livestock production when conducted under a wide variety of systems and in very diverse ecological, social and economic contexts. Two basic types of methodology were used: production frontier efficiency analysis modified to incorporate natural resources, and life cycle analysis that looked at a commodity or service in biophysical or material flow terms (LCA). While the latter served to measure efficiency in the use of one or more resources in absolute terms, the former had the capability of measuring trade-offs between natural and other production resources. While the two are complementary when applied independently, linking of the approaches by starting with LCA and then moving to a frontier efficiency analysis to capture trade-offs between resources both physically and economically was, was raised as a possibility to more explicitly combine the strengths of each approach.

Regarding boundaries/scope, although some participants argued in favour of considering the full life cycle in order to capture important factors such as food transport and wastage at the distribution and consumer stages of the value chain, a more general preference was to stick with the 'feed to farmgate' (or primary processing) stage that had been adopted at previous GAA meetings for practical reasons, though the importance of efficiency in the final distribution stages was also recognized.

In discussion, it was also noted that, given the difficulties of establishing a common numeraire for NRUE analysis, it was essential not to raise the level of expectations too high. For purposes of the proposed GAA it was considered sufficient to work with:

- Agreed sets of definitions and boundaries
- Agreed lists of variables to be observed and measured
- Simple but valid means of verifying directions of change

For if the focus was mainly on the direction of change and not on absolute NRUE values, the need for a sophisticated method and/or comprehensive ‘metric’ measuring the efficiency ‘gaps’ of multiple natural resources, would become less important and therefore the identification of ameliorative actions less onerous.

It was agreed that as a minimum there should be clarity and agreement on the above before any meaningful programme of action for this Focal Area could be prepared. Consequently, it was necessary to adjust the workshop objective and, instead of looking to agreement on a detailed work programme, attention was shifted to considering what interim actions were needed in order to make the above feasible and within a reasonable time.

In the three commodity-based working groups different approaches were evident, with the cattle and ruminants group facing the hardest problem of bridging the distance between very diverse production systems and regional contexts, but useful progress was nevertheless made toward agreeing on relevant variables to be observed and measured for efficiency gaps to be identified. But a widely expressed view was that trying to compare NRUE efficiency between different LS production systems and regions was simply not possible or, even if it were possible, wasn’t necessarily useful or appropriate. So it was accepted that, for now at least, efficiency gaps would be identified *within* production systems.

Stakeholder working groups<sup>1</sup> also had varied discussions on the priorities for and potential value-added of the proposed GAA. The private sector group expressed continued support for the GAA concept provided that due care was taken to ensure that analyses were carried out in an open and scientific manner and took account of economic as well as purely environmental factors. This group also made suggestions for more use of communications rather than large meetings and for drawing upon its own experience and expertise to deliver relevant pilot schemes for technical innovation.

The public sector group also expressed continued support for the GAA and emphasized the importance of advocacy, particularly in the short-term, to increase government acceptance and support for the more action-orientated functions of the GAA such as technology transfer, piloting, capacity building and policy development. Additionally, a stock-take of existing relevant government policies and programmes not only designed to enhance NRUE, but also those established to improve ‘conventional’ productivity with consequences for NRUE, was identified as a critical step in preparing an Action programme, with the objective being to complement existing programmes, where

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<sup>1</sup> Participants broke into three such groups: public sector (government + IO), private sector and academia; the two civil society participants joined with the public sector group for the purpose of this discussion.

possible. The Indian National Development Board's National Dairy Plan to improve productivity was identified as one possible example.

The academic group put forward a proposal to build an analytical framework to measure and enable change in NRUE during the next six months, if resources were available and TORs issued very soon, but it was felt that this proposal was probably unrealistic and might overlap with work already carried out by the Partnership or other initiatives. Nevertheless, selective calls would continue to be made on specialists from academia to help with needed analytical work. A call was also made to share information about the partnership programme objectives and activities more widely with the GAA stakeholders to ensure full synergy between the two initiatives and to avoid possible confusion or overlap.

It was agreed that necessary steps towards drawing up a work programme were, first, to inventory and assess relevant work already done or being done by others (hereafter referred to as "stock-taking") and, second, to identify the additional needs or opportunities for action of various kinds under a GAA (hereafter referred to as "scoping"). To this end the GAA secretariat will prepare a questionnaire for circulation to participating commodity groups and then would carry out a preliminary assessment of potential efficiency gaps to be addressed under the Agenda based on information collected. It might be necessary to form a small task force with representation from each commodity group to agree on the TORs and design of this assessment.

Recognition that interim activities needed to prepare a meaningful work programme under FA1 could take up to a year, led into discussion of the timing of the official launch of a GAA and of what such an event would actually imply. Many participants felt that quality of work should take precedence over speed and that, even if an additional year of preparation is required this would not be excessive. The reality is that work of the GAA had already started and launching it just meant going public. Having a detailed work programme with costs and budget was neither a necessary nor a realistic condition for a public announcement.

## **Conclusion**

According to views of most participants, there was no need to change plans for launching the GAA agreed among the stakeholders (currently aiming for September 2012). What many participants wanted was for communications to be strengthened, meetings (including virtual meetings) to be kept light and frequent, information to be open and analytical work to be rigorous and transparent.

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