



To:

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Subject: **Divestment from Industrial Livestock**

February 22nd, 2021

Dear Shari,

Thank you for your reply to our letter from 3 November, 2020 asking public development banks to show true commitment to achieving the SDGs and the Paris Agreement goals, by divesting from industrial livestock operations.

We appreciate the stated commitment of the IFC and other development banks to accelerating the just transition towards a more sustainable future. However, this cannot be achieved by investing in industrial livestock farming. Instead, as we document below, investments in the industrial livestock sector stall progress on the Sustainable Development Goals (SDGs), undermine the Paris Climate Agreement goals, and continue to violate human rights.

The undersigned organizations call on the IFC, the World Bank, the EBRD, the ADB and the AFDB to halt all financing for industrial livestock until they can develop a much more stringent SDG screen to ensure that all investments in the livestock sector do not contradict the SDGs or the Bank's commitments to fight climate change. Instead, the Banks should be focusing their resources on support for a just transition to a diversified, resilient food system.

Reports such as those from [IPBES 2018](#), [IPCC 2018](#), [IPBES 2019](#), [IPCC 2019](#), [EAT-Lancet 2019](#), [IPBES 2020](#), [multiple FAO reports](#), [Dasgupta 2021](#), [Chatham House 2021](#) and the [Making Peace with Nature](#) report that UNEP launched last week, all show that an urgent and profound change in our food system is required to meet the Sustainable Development Goals and the Paris Climate Agreement goals.

We can significantly reduce agriculture’s impact on climate — but only if we shift production away from industrial animal agriculture and energy intensive monoculture (for feed) to more diverse, ecological, climate-friendly plant-based and mixed crop and sustainable livestock production systems. These agroecological and sustainable farming systems, rooted in the knowledge of local and indigenous farmers, rely on natural practices — rather than energy intensive inputs — to produce food in a way that enhances soil fertility and protects biodiversity. This approach to food production also furthers **equitable rural development, gender equality, and food sovereignty, while contributing to healthy people, a healthy planet, and healthy animals — “One health”**.¹

The role of the IFC

While the IFC states it is committed to fighting hunger, protecting public health, biodiversity, the climate, and promoting healthy economies, a few recent examples of finance provided by the IFC to industrial livestock projects show that these commitments are not put into practice. Examples include finance for [Guangxi Yangxiang](#) to build a multi-story intensive pig farm which will produce 600,000 pigs; the [JV LLC Nyva Pereyaslavschny](#) intensive pig farm; the [Anyou II](#) intensive pig farm; the [Anova](#) feed production facility; the [SMTP Madagascar](#) intensive Poultry farm, and the [Adecoagro Dairy](#) Farm.

Below we provide more evidence on how investments in industrial livestock run counter to the stated goals of your development finance institutions.

1. Healthy people

1.1 End Hunger SDG 2

The Sustainable Development Goal to “[End hunger, achieve food security and improved nutrition, and promote sustainable agriculture](#)” (SDG2) recognizes that to achieve this goal, it’s essential to support sustainable agriculture, to empower small farmers, promote gender equality, end rural poverty, ensure healthy lifestyles and tackle climate change.

Investments in industrial livestock undermine food security in many cases. It drives more and more land to be used for animal feed, instead of food for direct human consumption. In a world with a growing population and a scarcity of land, producing animal protein at an industrial scale is a [very inefficient process](#) for producing food. Scientists estimate that if the grains used as animal feed were instead used for direct human consumption, [an extra four billion people could be fed](#). The production of meat, fish from aquaculture, eggs, and dairy, requires around [83 percent of the world’s farmland](#), while it provides [only 37 percent of our protein and 18 percent of our calories](#). It is unconscionable that the vast majority of [grains are used for the production of animal feed](#) while vulnerable communities in producing countries like [Brazil](#) and [Argentina](#) face malnutrition and hunger. While the production of soy and beef expands, Brazil is seeing a reduction in the amount of land planted with the four crops that are the [basis of national food](#): wheat, cassava, rice, and beans.

¹ One Health is an approach that recognizes that the health of people is closely connected to the health of animals and our shared environment. For more information, visit the [World Health Organization \(WHO\)](#)

A 2018 study published in Nature warned that [huge changes to farming are needed](#) to avoid destroying Earth's ability to feed its population. Though not all ingredients in animal feed could be directly consumed by humans, the land they are produced on could be used instead to produce food for humans much more effectively. This shift would also free up land for ecosystem restoration, which is important to fight the climate and the biodiversity crises.

Research suggests that if diets shifted away from animal products, it would be possible to feed the world's present population with [as little as 50% of current agricultural land](#). On the other hand, it also suggests that it would not be possible to meet global food needs if everyone in the world consumed the typical resource-intensive high meat diet common in more industrialized countries.

1.2 End rural poverty, empower small farmers and promote gender equality SDG 1, 2, 3, 4, 5, 6, 7, 8, 10, 16

The massive amount of land required for industrial scale livestock — both pasture and animal feed production — leads to increased land concentration at the cost of small farmers who lose their land and their livelihoods to big companies. This process is often associated with land conflicts, the loss of livelihoods, and the loss of food sovereignty.

The expansion of the industrial livestock sector can be a violent process, violating the rights of Indigenous and local communities. In Brazil, in 2019, there were at least [37 cases of indigenous land invasion](#) by cattle ranchers and/or soy and maize producers. In Paraguay, cattle ranchers are invading the land of the [Ayoreo](#) — the only indigenous peoples living in voluntary isolation anywhere in the Americas outside the Amazon rainforest.

There is also the less visible violence of [small-scale farmers being swallowed](#) by the big meat companies. As they are absorbed in the company's supply chain, they [lose autonomy over their production](#) and are often paid very low prices that do not even cover production costs. Others lose their land to the expansion of the livestock sector. With it, they lose their ability to produce their own food and are at much larger risk of [facing food insecurity](#).

At the same time, the disappearance of small-scale farmers also causes the disruption of [local food supply chains](#), which are important for nearby urban areas. The current COVID-19 pandemic has shown that during a crisis, concentrated food supply chains can be quickly disrupted, and that it is important to strengthen local food supply chains. Communities that were able to grow their own crops were [more resilient](#) than those that weren't.

Food concerns hit women harder, as it is mostly women who carry the responsibility of stretching meagre budgets to feed several people. This is often at a high cost of their time and energy. It is [not unusual for women to go hungry in order to feed their families](#).

1.3 Zoonotic Pandemics SDG 3

The World Health Organization's chief has warned that the coronavirus crisis will not be the last pandemic, and attempts to improve human health are ["doomed" without tackling climate change and animal welfare](#). There is a huge risk of a new zoonotic pandemic emerging from factory farms.

A recent [UNEP report](#) warns that industrial livestock operations are major drivers of zoonotic disease emergence. Keeping genetically very similar animals in overcrowded, dirty, inhumane, and stressful conditions, makes the animals prone to suffer from inhibited immune response, and makes this farming model perfect [breeding grounds for zoonotic diseases](#).

In 2009, the swine flu [H1N1 may have caused the death of up to 575,000 people](#). Last year, scientists announced they have found a [new type of swine flu](#) that can also infect people, and thus poses a risk for human health. And though the origin of the COVID-19 virus is yet unknown, a mutant variant may have originated on [mink farms](#).

The social and economic costs of a pandemic can be tremendous, as COVID-19 has shown. Health services around the world are facing collapse, nearly [two and a half million people have died](#), and hundreds of millions are being forced into poverty while many of the [wealthiest people](#) and [corporations are thriving](#).

COVID-19 has also proven that industrial food production is dangerous for animals and humans alike, as contagion in slaughterhouses has been rampant. While the high line speeds and sharp cutting tools already make these jobs dangerous under normal conditions, during the pandemic, the poor working conditions exposed these workers to increased contamination risk. Though numbers are likely [underestimated](#), in the United States there have been at least [56,000 reported positive cases](#) tied to meat and poultry processing facilities and at least 277 reported [worker deaths](#). In Brazil, an estimated [20% of the industry's workers have been infected](#). [Large outbreaks in meat plants](#) were also reported in other countries, including the United Kingdom, Portugal, and Germany.

1.4 Antimicrobial resistance SDG 3

According to the World Health Organizations, if no action is taken, drug-resistant diseases could cause [10 million deaths each year by 2050](#) and damage to the economy could be as catastrophic as the 2008-2009 global financial crisis.

The industrial livestock sector routinely uses large amounts of antibiotics to promote growth and prevent diseases that inevitably occur when animals are kept in poor conditions. In some countries, up to [80% of the medically important antibiotics are utilized in the livestock sector](#). This high exposure to antibiotics leads to antibiotic resistance, which undermines the efficacy of antibiotics in human medicine.

1.5 Human health SDG 3

Access to nutritious food is fundamental for human health. Poor diets, including those heavy in processed meat, have been linked to [20% of all deaths worldwide](#).

Diets based on animal foods, particularly red and processed meat, are associated with increased [risk of cardiovascular diseases](#), [higher levels of cholesterol](#), type 2 [diabetes](#), and some types of [cancer](#).

Multiple studies have stressed the importance of a [shift to ecologically regenerative](#), diversified and resilient food systems and of adopting healthy, predominantly [plant-based diets](#), especially in regions with overconsumption of animal foods. Such a shift has the additional benefit that these diets are more affordable, accessible, contribute to local [food security for the world population](#) and provide health

benefits such as [increased protection against heart diseases and certain types of cancer](#). A recent Lancet study has found that implementing agricultural and dietary policies that would stimulate healthier diets, with less meat and more vegetables, legumes and fruit, would not only help meet international climate goals, but could also [save millions of lives](#).

1.6 Contamination with pesticides

SDG 3, 5, 6, 8, 12, 14, 15

Demand for animal feed drives the energy-intensive, hazardous pesticide industry. In 2018, close to [half of highly hazardous pesticide sales were used for soya and corn](#). Around [three-quarters](#) of all soy and corn ends up as animal feed.

Pesticides are associated with a series of acute and chronic health impacts, ranging from [dermatitis, to neurotoxic effects, and cancer](#). In Brazil, a country that is one of the largest consumers of pesticides, every year, thousands of people suffer acute pesticide poisoning. But the population is also exposed to the chronic effects of prolonged pesticide exposure, as many food products contain [more pesticides residues than is legally allowed](#).

Argentinian activist [Sofica Gatica](#) lost her infant child to pesticide poisoning. In 2012, she won the Goldman environmental prize for her fight to stop indiscriminate spraying of toxic agrochemicals in neighboring soy fields.

The massive use of pesticides and chemical fertilizers also impacts biodiversity, from the massive [killing of bees](#) and other insects and endangered species to extensive [dead zones in our oceans](#).

2. Healthy Planet

2.1 Biodiversity loss

SDG 14, 15

Livestock production is [the single largest driver](#) of [biodiversity loss](#) and [reduced ecosystem services](#).

This happens through the conversion of natural ecosystems into pastures for livestock or into crop fields to produce feed for farmed animals, such as maize and soy. The production of cattle is the [single largest driver of deforestation of the Amazon](#) in Bolivia and Brazil, while soy and other grains are also major drivers of land conversion in countries like [Brazil, Argentina, Paraguay, and Bolivia](#).

Fragile ecosystems are less resilient to changes in the climate and to impacts of pests, invasive species and diseases. [Biodiversity loss is therefore a direct threat to food security](#).

The IPBES report on Biodiversity and Ecosystems Services warns that [preventing ecosystem collapse and future pandemics](#) necessitates that public and private actors take urgent steps. It calls for an urgent shift to agroecological practices to stem the biodiversity and extinction crisis. It also [recommends reforming financial aid for land-use](#) so that benefits and risks to biodiversity and health are recognized and explicitly targeted.

2.2 Global warming SDG 13

The livestock sector is responsible for 14.5% of anthropogenic greenhouse gas emissions globally. If trends continue, experts project that in 2050 the livestock sector will account for 80% of the [world's allowable greenhouse gas emissions](#), for a 1.5°C temperature increase scenario.

Even if fossil fuel emissions were eliminated immediately, [emissions from the global food system](#) alone would make it impossible to limit warming to 1.5°C and difficult even to realize the 2°C target. To avoid climate breakdown, [rapid and far-reaching transitions in land use are required](#), and a [huge reduction in meat-eating is essential](#).

The [savannization of the Amazon is close to reaching a point of no return](#). And if that happens, it will be impossible to halt climate change within the 1.5C target. [Protecting primary and mature secondary forests](#) today is the most important urgent action for curbing climate change. Since livestock is the main driver of their destruction, investment in it should be halted immediately.

The [IPCC](#) estimates that by 2050, dietary changes could free several million km² of land and provide a technical **mitigation potential of 0.7 to 8.0 GtCO₂eq yr⁻¹**, relative to business as usual projections.

3. Healthy Animals

3.1 Animal Welfare SDG 12, 14, 15

In the industrial livestock sector, most animals are kept in very small cages or overcrowded, unsanitary spaces for their entire lives. They are exposed to high levels of stress and cannot execute their most basic natural behaviour. Many will spend their lives in [small cages](#), stand on [slatted floors](#), suffer [painful mutilations](#), undergo [stress from excruciating boredom](#), experience [terrible conditions](#) during long [transportation](#), including weeks long overseas shipments, and will never see the sun.

While the [IFC's good practice note on animal welfare](#) calls for respect for the Five Freedoms, these are hardly ever respected in industrial-scale livestock production. In particular, the freedom to express normal behaviour is not granted, as in most cases it's impossible for animals to forage for food, take a (sun/earth/mud) bath, explore their surroundings, build relationships with group members, follow their own sleep pattern, mate, nest or nurse their young.

4. Healthy economies

4.1 Improve rural livelihoods SDG 8, 10, 11, 12

The industrial livestock sector poses a threat to rural livelihoods. It leads to a concentration of animals, land, money and power in the hands of a few, [while local communities lose their land and their livelihoods](#).

The expansion of the [livestock industry is causing devastation on a massive scale](#) throughout South America's key biomes, including the Pantanal, the Amazon, the Cerrado, and the Chaco. Not only is this completely undermining the way of life of Indigenous Peoples and traditional communities, but an ever-

increasing number of environmental and human rights defenders are being killed, threatened, and criminalized for standing up for their communities. The ancestral practice of [pastoralism by the Mbororo Indigenous Peoples](#) in the Sahel in Central Africa, for example, has ensured food sovereignty for local communities since time immemorial, while at the same time conserving forests and carbon rich grasslands through a deep connection to their environment. Today, however, the Mbororo also suffer numerous human rights violations centered on climate change, extractivism, and land-grabbing, and have had to fight for their rights and freedoms to be respected.

4.2 Job creation SDG 8, 10, 11, 12

A switch to healthier, more sustainable, and more plant-based diets, [would create 19 million new jobs](#), in Latin America and the Caribbean, according to a study by the IDB and the ILO. This would largely compensate for the loss of 4.3 million jobs from the industrial livestock and fisheries sector.

While the industrial livestock sector creates big profits, it only creates a few, mostly badly paid and [dangerous jobs](#). A [Human Rights Watch](#) study found that in the U.S., workers in slaughterhouses have some of the highest rates of occupational injury and illness. They are surrounded by moving machine parts that can cause traumatic injuries by crushing, amputating, burning, and slicing. The cumulative trauma of repeating the same, forceful motions tens of thousands of times each day can also cause severe and disabling injuries. In addition, particularly in poultry plants, workers are exposed to irritating chemicals that can cause chronic respiratory and other health issues. Most workers in the industry are people of color, many are women, and nearly one-third are immigrants. Some workers described constant pressure from their supervisors to keep the line moving, sometimes with insults and humiliation. Such conditions may amount to gender-based discrimination at the workplace, as the right to health of women workers may be impacted by policies and practices that create practical barriers to managing menstruation or disproportionately impact pregnant workers by limiting regular access to restroom facilities.

Finance should go to projects that create decent work and offer good jobs throughout the commodity chain, instead of concentrating market power in the hands of a few companies.

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The global public financial system must play an important role in the shift to more sustainable food systems by channeling financial investments away from the destructive industrial livestock sector toward economic activities that enhance our stock of natural assets and encourage sustainable consumption and production activities.

We look forward to your response in the coming month. We would also welcome an opportunity to discuss our concerns in greater detail with you in a meeting, and to explore pathways for the IFC, the EBRD, the World Bank, the ADB and the AFDB to shift their finance to sustainable food systems. Replies can be sent to Merel van der Mark, at mvandermark@sinergiaanimal.org.

Sincerely,

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Kari Hamerschlag and Mary Lou Malig, **Friends of the Earth US**

Simone Lovera and Isis Alvarez, **Global Forest Coalition**

Carolina Galvani, Eduarda Nedeff and Merel van der Mark, **Sinergia Animal**