

Dear Anup

Many thanks for your letter of 24 March in response to our letter of 7 March 2025 regarding IFC 's webpage 'Striving for Sustainability: IFC's Role in the Livestock Sector'.

As we have said previously, we welcome the constructive relationship that is being built between IFC and ourselves and do not want to jeopardise it. However, we are concerned that your reply does not really engage with the specific points we made in our letter.

The IFC website characterises the following statements as myths and hence as inaccurate:

- That industrial livestock production results in poor animal welfare
- That industrial animal production is bad for food security
- That industrial animal production is bad for the environment
- That industrial systems undermine the socio-economic potential of small-scale farmers in the developing world.

In each case our letter provides concrete evidence based on published scientific research and, in the case of the impact on small-scale farmers, on the World Bank report *Recipe for a Liveable Planet* that none of the above propositions are myths but instead are disturbingly true.

We think our points deserve a more specific reply from IFC and would welcome the opportunity of discussing them with you and your colleagues in a meeting.

We are concerned that IFC's approach is to some extent out of step with the World Bank which more readily recognises the legitimacy of concerns about the current food system. For example, 87 highlights the environmental damage caused by substantial use of synthetic nitrogen fertilizers stating: "Fertilizer is a key culprit in nitrogen pollution, which fouls the air and water worldwide". A substantial proportion of nitrogen fertilizer use is to grow cereals and soy as feed for industrially farmed animals.

*Recipe for a Liveable Planet* is critical about several aspects of the current food system. Your reply states that by improving efficiency in livestock operations, it is possible to reduce global GHG emissions. In contrast to this *Recipe for a Liveable Planet* states in relation to reducing GHG emissions: "demand-side measures to curb meat demand are much more cost-effective than these supply-side measures". Improved efficiency can

reduce GHG emissions per unit of meat/milk produced, but if an IFC investment is contributing to an increase in global livestock production it will be adding to global GHG emissions. Nor will IFC investment in factory farming contribute to eliminating deforestation, as even in efficient operations, the soy in the diet of industrially reared animals will often drive deforestation.

Your reply highlights IFC's commitment to poverty reduction but IFC seems not to recognise that industrial livestock production undermines poor rural communities, while *Recipe for a Liveable Planet* states that the "global agrifood system disproportionately and detrimentally affects poor communities and smallholder farmers who cannot compete with industrial agriculture, thereby exacerbating rural poverty and increasing landlessness".

We understand that IFC's agribusiness portfolio reflects in part the demand from livestock producers and their supply chains. However, it does not follow that IFC's website needs to present as "myths" statements that are grounded in scientific and economic research, including World Bank sources as cited above.

Yours sincerely