Priorities, Activities and Partnerships
World Bank Global Livestock Team

“Innovations in meat production with low carbon emission: experiences and challenges in Latin America and the Caribbean” – Regional Event in Montería, Colombia, 28-29 August 2018
Outline

1. What does the World Bank (WB) do and how?

2. WB livestock portfolio: A “new generation” of livestock projects.

3. Examples of current livestock work: Colombia, Bangladesh

4. Summary and key thoughts going forward
Outline

1. What does the World Bank (WB) do and how?

2. WB livestock portfolio: A “new generation” of livestock projects.

3. Examples of current livestock work: Colombia, Bangladesh

4. Summary and key thoughts going forward
1. What does the World Bank do and how?

World Bank = IBRD + IDA

- **International Bank for Reconstruction and Development (IBRD)**
  - Mostly Middle-income countries (Gross National Income per capita of between $1,045 and $12,746 per year)

- **International Development Association (IDA)**
  - Mostly Low-income countries (Gross National Income per capita of less than $1,045 per year)

- **IFC**
  - 1956

- **MIGA**
  - 1988

- **ICSID**
  - 1966
1. What does the World Bank do and how?

Financing instruments to achieve the WB mission

- Investment Project Financing (IPF)
- Trust funds and grants
- Program-for-Results
- Private sector options
- Development Policy Financing
1. What does the World Bank do and how?

Financing instruments to achieve the WB mission

- Investment Project Financing (IPF)
- Trust funds and grants
- Program-for-Results
- Private sector options
- Development Policy Financing
1. What does the World Bank do and how?

World Bank Portfolio Today

Active projects
1,777 projects - $241.74 billion in commitments

Active analytical work
3,395 analytical products - $1.43 billion in commitments

Approved trust fund grants
$25.81 billion in commitments
2. How has the World Bank been engaging in livestock globally?

Current WB priorities include climate change, gender, jobs.

World Bank Agriculture Priorities

- Maximizing finance for development
- Fragile, violent, & conflict states
- Nutrition-sensitive agriculture
- Technology and innovation
- Food loss and waste
- Climate change
- Gender
- Youth
- Jobs

“A well-functioning food system provides a range of public benefits from public health to the state of the environment, the economy and society”

J. Voegele  
Agr. GP Sr Director
Current WB priorities include climate change, gender, jobs.

World Bank Agriculture Priorities

- Maximizing finance for development
- Fragile, violent, & conflict states
- Nutrition-sensitive agriculture
- Technology and innovation
- Food loss and waste

**Climate change**

- Gender
- Youth
- Jobs

"A well-functioning food system provides a range of public benefits from public health to the state of the environment, the economy and society"

J. Voegele
Agr. GP Sr Director

All AG projects undergo:

1. Climate Risk Screening
2. Ex-ante GHG Accounting
3. Climate co-benefits ($) to reach **28%** by 2020
4. Shadow price of carbon
Outline

1. What does the World Bank (WB) do and how?

2. WB livestock portfolio: A “new generation” of livestock projects.

3. Examples of current livestock work: Colombia, Bangladesh

4. Summary and key thoughts going forward
Historical investments in livestock activities reflect shifting WB priorities.

2. How has the World Bank been engaging in livestock globally?

(Number of WB projects with major livestock-related investments approved for Latin America, 1959-1980)

(No mention of climate change/emissions)
Today, WB livestock investment is on the rise…but mostly in Africa & Asia.

Amount of approved Bank financing for new **stand-alone** livestock operations, Global (FY 2009-2019)

Amount of approved Bank financing for all livestock activities, Regional (FY 2000-2019)
2. How has the World Bank been engaging in livestock globally?

Current livestock investment represents a “new generation” of projects that demonstrate current WB priorities…including climate change

- **Comprehensive**, addressing multiple sectors and contributing to multiple public goods.
  - E.g. projects with targets and indicators for livestock emission intensity reductions

- **Foster innovation** by contributing to improved systems, piloting technology, developing and utilizing tools.
  - E.g. project finances livestock emissions baselines and inventories, enabling linkage to NDC and carbon markets

- **Work in partnership** to learn and share good practices and success cases.
  - E.g. collaborating with technical partners (FAO, CGIAR, and others)...
  - …and leveraging additional funds (CCAC, BMZ, DFID, others)
Outline

1. What does the World Bank (WB) do and how?

2. WB livestock portfolio: A “new generation” of livestock projects.

3. Examples of current livestock work: Colombia, Bangladesh

4. Summary and key thoughts going forward
3. Examples of current work

Colombia – Mainstreaming Sustainable Cattle Ranching Project

Example active project
1. What does the World Bank do and how?

Financing instruments to achieve the WB mission

- Investment Project Financing (IPF)
- Trust funds and grants
- Program-for-Results
- Development Policy Financing
- Private sector options

The World Bank Group has two ambitious goals: end extreme poverty within a generation and boost shared prosperity.
3. Examples of current work

**Mainstreaming Sustainable Cattle Ranching Project in Colombia**

Global Environmental Facility (GEF) funding $7 million + BEIS (UK)
Additional Financing $20.7 million

- Small GEF financed Regional Pilot 2002-2008
  3 countries (incl. CO) – $4.5 million

- GEF grant for CO Sust. Cat. Ran. project 2010-2015 (extended 2018) - $7 million
  Co-financing $12.9 million

- BEIS AF 2014-2020 - 20.7 m
  Additional PES scheme piloted – Area expansion – TA - Policies
Mainstreaming Sustainable Cattle Ranching Project in Colombia

Global Environmental Facility (GEF) funding $7 million + BEIS (UK)
Additional Financing $20.7 million

3. Examples of current work

Moricchal ecosystem

iSPS in establishment

iSPS and live fences (Yopo *Mimosa trianæ*)
Mainstreaming Sustainable Cattle Ranching Project in Colombia

Global Environmental Facility (GEF) funding $7 million + BEIS (UK)
Additional Financing $20.7 million

3. Examples of current work

iSPS in establishment

Moricchal ecosystem

iSPS and live fences (Yopo *Mimosa trianae*)
Emerging lessons

- Transformation does not take place over night: it is a gradual process
- It is not about planting trees, it is about building systems (sustainable strategies for tree production and dissemination; service provision)
- Avoid simplification of climate-smart approaches (build a business case; invest in knowledge generation)
- Finding the right set of incentives to create a critical mass and ensure long-term sustainability requires an adaptive learning approach
- Methodological approaches for measuring impacts challenging, but are the foundation to support transformation at scale.
3. Examples of current work

Bangladesh: Dairy Revolution and Meat Production Project

Example pipeline project
Financing instruments to achieve the WB mission

1. What does the World Bank do and how?

- Investment Project Financing (IPF)
- Trust funds and grants
- Program-for-Results
- Private sector options
- Development Policy Financing
The Bangladesh livestock sector faces numerous challenges:

- Over **70% of rural households** are engaged in livestock production.
- Production is growing, but is not yet keeping up with **consumption**.
- Rates of **malnutrition** in Bangladesh are among the highest in the world.
- The presence of **contaminants** in food and the menace of adulteration have been long standing challenges in Bangladesh.
- **Climate change impacts** on livestock production will be drastic.
- The livestock sector currently has an **outsized environmental footprint**.

**Project objective ($500 million)**

*To improve productivity, market participation, and resilience of small-holder farmers and agro-entrepreneurs operating in selected livestock systems and value chains in target areas.*
3. Examples of current work

Aiming for continuity and value creation in project mitigation efforts, through partnerships:

Analysis  →  Investment  →  Climate Finance
3. Examples of current work

Bangladesh: Dairy Revolution and Meat Production Project

Relationship between milk production and emission intensity of milk in Bangladesh (each dot = 1 district)

- CCAC-funds for enhancing mitigation outcomes (150k)
- FAO collaboration on the baseline analysis (productivity, emissions…)
- FAO collaboration on modeling intervention options (GLEAM)
- Specific attention to GHG through multi-stakeholder workshop in Bangladesh
3. Examples of current work

**Bangladesh: Dairy Revolution and Meat Production Project**

**Project “results chain”**

**Components include:**

- Support for improving production practices
- Computation of Tier 2 emission factors

**M&E indicators include:**

- Reduced GHGs per unit of milk/beef in project areas
- Renewable energy production systems established
Bangladesh: Dairy Revolution and Meat Production Project

3. Examples of current work

Bangladesh: Dairy Revolution and Meat Production Project

Analysis ➔ Investment ➔ Climate Finance

Developing countries with livestock in scope or specifically mentioned in NDC

Stronger livestock and emissions MRV enable:

- Contributing to NDC
- Attracting climate finance
- Participation in mitigation outcome sale and transfer under Article 6 of the Paris Agreement
- Collaboration with WB Climate Change colleagues and FAO on potential carbon trading
1. What does the World Bank (WB) do and how?

2. WB livestock portfolio: A “new generation” of livestock projects.

3. Examples of current livestock work: Colombia, Bangladesh

4. Summary and key thoughts going forward
Low-carbon livestock in LAC: a global public good

A new generation of WB livestock projects is…

- Multi-sectoral (health, trade, jobs, etc.)
- Developing science-based approaches aligned with national agendas
- Building on high level agendas (climate/carbon)
- Linking to NDC accounting
- Bringing in global knowledge through solid partnerships at all stages of policies and programs

How to bring this to LAC?

- Projects that improve livelihoods, and contribute to global public goods:
  - Poverty and shared prosperity
  - Climate change
  - Food security
Thank you!
World Bank Global Livestock Team