

# Regional Policy Forum on Asian Livestock Challenges, Opportunities and the Response

Date: 16-17 August 2012

Royal Orchid Sheraton, Bangkok

## Background

Much has been written about the spectacular growth and changing landscape of livestock sector in Asia and the Pacific Region, the opportunities these changes offer and the new challenges they create. The region has generated more than half the gains in global livestock production since the early 1990s and this growth is expected to continue in the foreseeable future. Estimates suggest that by 2050 more than half the world's population will live in this region, income levels will rise manifold and a much larger proportion of the population will live in urban areas. This will place enormous pressure on food production systems in general, and livestock sector in particular. While these trends can potentially create new opportunities for farmers and provide more affordable and healthier diets for future generations, it will also require a more complex institutional response that can stimulate income and employment opportunities in the rural areas, protect the livelihoods of small farmers, accelerate the rate of reduction in poverty and malnutrition, and ensure adequate access by the poorer sections of society to the food they need to live healthy lives.

Climate change, water scarcity, land degradation and increased resource competition for food, feed and fuel production pose major additional challenges for the sector in the long run. The environmental and natural resource implications of livestock production have come under intense public scrutiny in recent years and, the debate on climate change has been particularly passionate. Similarly, in view of the widespread prevalence of a number of production limiting and trade preventing diseases in the region and growing health concerns resulting from zoonotic and food-borne diseases, support for the development of policies and response systems for enhancing food safety and minimizing disease burden, is another area that is receiving growing attention. Recently, there are also growing concerns about poor integration of smallholders in the complex modern value chains/high growth systems and missed opportunities for capturing the poverty reduction potential offered by rapid increase in demand for livestock products within and outside the region. Further, smaller countries in the region are increasingly concerned about the impact of the growing middle class in China and India on region's food economy and implications for their food security.

Asia is a very heterogenous region with widely varying income levels, prospects for future economic growth, production and marketing systems and technical and institutional capacities. This diversity is also reflected in the consumption and production trends of livestock products, the trading patterns and the aspirations of countries in meeting multiple needs from the sector. Finding the right balance amongst these multiple needs requires better policies, institutions



and regulations. There is no size that fits all and hence regulators and policy makers need to weigh the entire range of economic, environmental, social and health issues associated with livestock production and manage the conflicts and trade-offs. In this context, it is also important to recognize that in addressing the issues confronting the sector, action is required at all levels, from the local level, through the regional and national levels to the international level. The challenges of mobilizing adequate public and private investment and improving the governance require an integrated approach. These require integrated efforts by a wide range of stakeholders to capitalize on the strength of livestock production systems in Asia and the need to tackle those root causes with potential negative impact on for rapid development of livestock sector in the region. It is also imperative that such efforts be realistic, equitable, and conscious of region's ecological, socio-economic and cultural dimensions.

In the context of the foregoing, this policy forum aims to bring together key stakeholders from across the region to brainstorm and outline elements of an institutional architecture that can address the challenges outlined above. It is expected that the forum will contribute towards enhanced interaction and consultation among relevant stakeholders and achieve greater coordination in strategic planning, investment and action at ground level.

### **Expected Output**

- A Regional Policy Paper to serve as a guide and advocacy document for highlighting some of the key regional policy issues and mobilizing and directing public and private investment in the livestock sector. This document will be published under a joint banner of all collaborating partners.
- An edited volume comprising all technical papers. This document will also be published will be published under a joint banner of all collaborating partners.
- Video clippings featuring senior level program participants for dissemination of key messages
- A regional institutional alliance for future collaborative action and a mechanism to carry forward the momentum/discussions

### **Participants**

The Forum will invite 50-60 participants representing a broad range of stakeholders including senior officials from governments, national and international development agencies, civil society organizations, private sector organizations, donors and development partners, and academic and research institutions.

### **Program Structure and Agenda**

The structure of this forum will include plenary presentations, group discussions, panel discussions and, poster and video presentations. The presentations and discussions will revolve around the general theme of changing character of Asian food economy, the role of livestock and the strategic responses. This will include an overview of the changes and a discussion on some projects/programs in the region that are responding to the changing scenarios.

## Tentative program

**August 16, 2012**

9.00—10.30hrs

- Opening address by Mr. Hiroyuki Konuma, Assistant Director-General and Regional Representative, FAO
- Introduction to the forum – Vinod Ahuja
- Keynote addresses
  - Jimmy Smith, Director General, International Livestock Research Institute, Nairobi, Kenya
  - Henning Steinfeld, Chief, Livestock Information and Policy Branch, FAO, Rome, Italy

10.30—11.00hrs

Group photo followed by Tea/coffee

11.30—13.00hrs

Session facilitator: Vinod Ahuja

- Structural changes in Indian Dairying – Dr. P K Joshi
- Hog farming in transition: the case of China – Dr. Kevin Chen
- Feed and Fodder Challenges for Asia and the Pacific – Dr. Harinder Makkar
- Discussant remarks
  - Dr. Zhang Lubiao, DG, Chinese Academy of Agricultural Sciences to comment on Dr. Chen's presentation
  - Dr. Pathak, DDG, Indian Council of Agricultural Research to comment on Dr. Joshi's presentation
  - Dr. Borin to comment on Dr. Makkar's presentation
- Q&A

13.00—14.00hrs **Lunch**

14.00—15.30hrs **Good Practices, Lessons and Experiences from South Asia**  
(Session Facilitator: Purvi Mehta)

15.30—16.00hrs

Tea/Coffee

16.30—18.00hrs

**Good Practices, Lessons and Experiences from East and Southeast Asia** (Session Facilitator: Joachim Otte)

19.30 hrs **Welcome dinner**

## August 17, 2012

- 09.00—09.30 A video presentation featuring Prof. David Roland Holst University of California, Berkeley on Asian Agrofood econon and the role of livestock
- 09..30—16.00 *Thematic discussions (Pl see Annex 1 for some description on 1 proposed themes). For each theme, the Theme leader(s) will make short presentation followed by comments of from selected panelli and moderated discussion. Each theme session: 90 minutes with cle messages emerging at the end of the theme session. The theme lead to narrate the key message at the end of the session. The message a video-recorded and disseminated through internet and other mec after the meeting.*
- 09.30—11.00hrs Theme 1: Policy options for improving market participation and livelihood resilience of smallholder livestock producers  
Chairperson:  
Theme leaders: Steve Staal and Vinod Ahuja  
Panelists: Girish Sohani, In-Shik Nam, Sumiter Broca, Pete Ocampo  
Rapporteurs:
- 11.00—11.30hrs Tea/Coffee
- 11.30—13.00hrs Theme 2: Environmental Considerations for Asian Livestock  
Chairperson: Dr. Wimolporn Thitisak  
  
Theme leaders: Henning Steinfeld and Pierre Gerber  
Panelists: Sagari Ramdas, Arayan Trangan, Tuan Nguyen,  
Rapporteurs:
- 13.00—14.00hrs Lunch
- 14.00—15.30hrs Theme 3: Spotlight on health risks at animal-human-ecosyste interface  
Chairperson: Subhash Morzaria  
Theme leaders: Joachim Otte and Delia Grace  
Panelists: Boonpeng Santiwiwathanatham, , Jimmy Smith, xxxx, xxxx  
Rapporteurs:
- 15.30-16.00hrs Tea/Coffee
- 16.00—17.00hrs Pulling together and next steps. – valedictory panel chaired b Dr. Raj Paroda, Executive Secretary, Asia Pacific Association of Agricultural Research Institutions and comprising the thre theme leaders
- 17.00hrs Closing and vote of thanks

## Annex 1: Proposed themes

*Theme 1: Policy options for improving market participation and livelihood resilience of smallholder livestock producers (09.30–11.00hrs)*

In spite of the structural changes and scaling up of livestock production in the region, the majority of animal source food in the region is still produced by small semi-subsistence farmers. This means expected future livestock sector growth in the region can potentially serve as a basis for enhancing the welfare of rural poor. Indeed, the international debate during the 1990s was full of optimism that this growth could provide a new pathway out of poverty. The optimism was based on the premise that expanding markets for livestock products would create new avenues for surplus creation linked directly to poor peoples' asset base. Although it was understood that the relationship between ownership of assets and market participation is not automatic, the hope was that governments will seize the opportunity and provide enabling environment in pursuit of that goal. More than three decades later, that promise remains unfulfilled and examples of large scale integration of smallholders in modern value chains scarce.

The intellectual argument to invest in smallholder production remains compelling as ever. Research to understand constraints in linking smallholders to markets in general has found the production level constraints to be the least important and emphasized the challenges of efficient transaction-making between smallholder producers and the upstream and downstream players in the value chains. The only frequently cited constraining factor of production appears to be producer knowledge about market opportunities and the production techniques that would enable them to produce market acceptable products.

Reducing *risks* and mitigating their effect on poor is another prerequisite for a sustainable reduction in poverty. With growing commercialization and increased frequency of extreme weather events, the poor are particularly vulnerable to increasing production, market and climate related risks because of their limited assets and the lack of insurance schemes. Public and private services in poor countries almost invariably lack the capacity to plan for such risks, or to respond in a timely manner. Building up such response capacity of communities and institutions is important and needs to be an integral part of public policy. Experience also suggests that bilateral public and private cooperation, supported by appropriate research, can facilitate public action so as to reduce smallholder vulnerability in the wake of growing production and market risks. This requires institutional mechanisms for improving regional harmonization and collaboration to promoting more resilient livestock based livelihoods.

Where do we go from here? What can the national governments, public institutions and international agencies do to improve market participation of smallholder livestock producers? Given that the sector growth in the past has largely been driven by private sector investment, and is likely to remain so in future, what are the policy options and institutional arrangement for guiding private sector investment to capitalize on the potential of livestock sector in contributing to more equitable growth? What is the nature of complementing public investment and sources for financing such investments? What can development agencies do facilitate that process? This panel will deliberate on such questions and provide guidance on policy and institutional options for market participation and reduced vulnerability of smallholder livestock producers.

*Theme 2: Environmental Considerations for Asian Livestock (14.00–15.30hrs)*

Literature is full of references with increasing pressures on land, air, water and biodiversity due to rapid growth in global production of livestock products. Competition with other food and non-food uses of land, water, and soil nutrients; impact on water cycles and water quality; global and local nutrient (nitrogen, phosphorous, and others) balances through waste and feed crop management; impact on biodiversity and climate gas emissions are among the often mentioned negative impacts of livestock production on the environment.

At the same time, there is increasing recognition of positive externalities between integrated crop and livestock production and of enormous potential for improving the environmental performance of livestock sector. Realizing this potential however requires new and extensive initiatives at the national and international levels, including promotion of research on and development of new mitigation technologies; effective and enhanced means for financing livestock activities, clarifying property rights and promoting technologies such as animal genetic improvement, animal feeding, improved grazing-land management, and silvo-pastoralism.

This panel will situate these global debates in the specific socio-cultural, political, institutional, market and production context of Asia Pacific region and will review technical, policy and institutional options for enhancing environmental performance of livestock production while at the same time ensuring commensurate provision of other social public goods—equity, in particular, from the sector.

*Theme 3: Spotlight on health risks at animal-human-ecosystem interface (14.00–15.30hrs)*

Poorly or un-managed livestock sector growth and trade is associated with increased risks to animal and human health stemming from larger interfaces between livestock and wildlife, increased movement of livestock and livestock products (amounts, distance and speed) including cross-border movements and high livestock densities and rapid turnover favouring the development of rapidly replicating (virulent) contagious disease agents, some of which can also infect humans. Further, in most countries, intensifying livestock production is accompanied by an increased use of anti-microbial substances, which are losing their effectiveness as resistance genes are selected for and transferred between microorganisms. The spread of antimicrobial resistance genes reduces the spectrum of treatments available for human infections and increases human disease burden. The above risks are compounded by the co-existence and interaction between traditional and industrial production systems and the abundance of wet and live animal markets.

This session/panel will review current state of knowledge in disease emergence, transboundary disease threats, antimicrobial resistance and food safety, and discuss technical and institutional options for health risk management at local, national and regional level.