Letter to Multilateral Development Banks on the Joint MDB Assessment Framework for Paris Alignment

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Dear Multilateral Development Banks

Joint MDB Assessment Framework for Paris Alignment for Direct Investment Operations: (Working Draft as of November 2021)

The undersigned organisations are concerned that the Multilateral Development Banks' working draft includes 'non-ruminant livestock' in the Annex that lists *Activities Considered Universally Aligned with the Paris Agreement's Mitigation Goals*. We do not believe that this assessment is consistent with scientific studies in this area.

The main non-ruminants farmed globally are pigs and poultry. Industrial production of pigs and poultry does not align with the Paris targets. Globally, most pig and poultry production is carried out intensively with substantial use of cereals and soy as animal feed. This entails the following greenhouse gas (GHG) emissions:

- The manufacture of the fertilisers and pesticides used to grow cereals involves the use of substantial quantities of fossil fuels. It is a very energy-intensive process that entails the emission of large amounts of CO₂¹:
- The application of these fertilisers to the land involves sizeable emissions of nitrous oxide², the most aggressive GHG;
- Soy production is a key driver of deforestation which results in the release of huge quantities of stored carbon.^{3 4} Seventy-seven per cent of global soybean production is processed into soy cake for use as animal feed; three quarters of this is for pigs and poultry.⁵
- Research by FAIRR, the \$45 trillion investor network, has found that 22 out of 26 (84%) of the largest pork producing companies are ranked as 'High Risk' on greenhouse gas emissions⁶.

We recognise that non-ruminants generally produce lower GHG emissions than ruminants. However, this does not of itself mean that non-ruminant production is an activity that is aligned with the Paris goals. Moreover, non-ruminants generate substantially higher emissions than plant-based foods.⁷

Many studies show that continuing with current global levels of meat production, whether ruminant or non-ruminant, will place the Paris targets out of reach.^{8 9 10} A 2020 report by the UN Food and Agriculture Organisation compares current dietary patterns with four alternatives each involving less meat consumption.¹¹ It states that in 2030 adoption of "any of the four alternative healthy diet patterns worldwide would reduce projected diet-related GHG emissions by 41–74%". An International Monetary Fund working paper emphasises that reduced consumption of livestock products is needed if we are to meet our climate goals.¹²

Centralized, intensive livestock also do not universally meet the test of climate resiliency, a key criteria for ensuring that investments are in alignment with the Paris agreement. As the world faces increased weather disruptions from climate upheaval, ecological and agricultural biodiversity are essential for resiliency. Industrial meat and dairy and animal feed production undermine both by concentrating food and land resources, requiring massive monocultures for feed production, and depleting and polluting water supplies. Centralized intensive livestock operations are particularly vulnerable to climate stresses. For example, hurricanes in North Carolina and floods in lowa have killed thousands of pigs, millions of chickens and hundreds of thousands of egg-laying hens concentrated in industrial warehouses, tragedies that might have been mitigated with more diversified and decentralized food production. Droughts threaten water and feed crops, making concentrated animal factories yet more vulnerable to climate change.

In short, classifying non-ruminant livestock (other than in very much smaller numbers globally than at present) as aligned with the Paris Goals runs counter to the scientific literature in this field.

The Annex also lists aquaculture as an activity aligned with the Paris goals. This assessment is not borne out by the scientific literature which shows that intensive aquaculture can entail significant emissions. GHG emissions from fish farming vary depending on the species being farmed but if account is taken of the production of feed (fishmeal and fish oil for carnivorous species), many intensively farmed fish species have GHG emissions as high as, or higher than, those of pigs and poultry.¹³ ¹⁴

The undersigned organisations urge you to reconsider the classification of non-ruminant livestock and aquaculture as being aligned with the Paris Goals.

Yours sincerely,

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