

Stop Pronaca Covid project

16 April 2021

Dear IFC Executive Director,

We, the undersigned, urge you to vote against the approval of project number 41934 – Pronaca Covid, which has a projected board date of April 19th, 2021.

The [Pronaca Covid](#) project is for a USD 50 million investment for capacity expansion of the company's pork and poultry farms and processing facilities, as well as its feed mills, located in Ecuador.

Pronaca is an old client of the IFC. It has already been the subject of a [CAO complaint](#) by impacted communities for polluting water sources, impacting soil and air quality, and having negative environmental impact to a protected forest. Unfortunately, the [CAO stopped short of a full investigation](#), despite finding some merit to the accusations and finding evidence of “a variety of [non-compliances](#) with IFC/World Bank Group guidelines.” It also acknowledges that environmental licenses weren't yet in place for all of the farms and processing plants. Despite this complaint, the IFC issued Pronaca another loan in 2013 for further expansion.

There are various academic research papers on the impacts caused by Pronaca, such as: [El agronegocio en Ecuador: El caso de PRONACA](#) and [Impactos de la agroindustria intensiva de crianza de animales en Santo Domingo de los Tsáchilas](#). The documentaries [Pig Business, Caso Ecuador](#) (2009) and [Detrás de la Carne](#) (2020), also denounce the ongoing impacts caused by Pronaca and show that the company has a complete lack of commitment with sustainability and stakeholder engagement. This is even more concerning as on its [disclosure page](#), the IFC states that “Broad Community Support is not applicable for this project”, and under “Stakeholder Engagement” there is no mention of any engagement efforts with stakeholders.

Beyond the specifics of Pronaca, the project should not be financed because the industrial livestock sector is by its nature not sustainable. It directly undermines 15 of the 17 Sustainable Development Goals (SDGs), including SDG 2 on zero hunger, SDG 3 on good health, SDG 10 on reduced inequality, SDG 13 on climate action and SDG 15 on life on land. Expanding financing for industrial livestock projects also runs counter to the goals of the Paris Climate Agreement. Please refer to our letters from [3 November 2020](#) and from [22 February 2021](#), which provide detailed information on these impacts.

In addition, the intensive livestock sector is a main [driver in the emergence of zoonotic disease](#). It is therefore incomprehensible that the IFC could provide a covid related loan to a sector that is a key contributor to prior global disease outbreaks such as the Swine Flu (H1N1).

A large number of scientific reports, such as the [IPBES 2018](#), [IPCC 2018](#), [IPBES 2019](#), [IPCC 2019](#), [FOLU 2019](#), [WRI 2019](#), [IPBES 2020](#), [FAO 2019](#), [Dasgupta 2021](#), and [Chatham House 2021](#), 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.

In addition, a recent study by the IDB and ILO found that a switch to healthier, more sustainable, and more plant-based diets, [would create 19 million new jobs](#), in Latin America and the Caribbean, proving that a shift would be better for economies than business as usual.

We therefore strongly urge the IFC to take the scientific evidence to heart, to be true to its commitment to achieve the SDGs and the Paris Climate agreement goals, and to not only vote against the Pronaca project, but to halt all finance to the industrial livestock sector. Instead, the IFC should finance and facilitate a transition to sustainable food systems that use agroecological approaches and prioritize family farming.

Sincerely,

Carolina Galvani, CEO, Sinergia Animal

Mark Dia, Director of Farming Programmes, World Animal Protection

Carina Millstone, Executive Director, Feedback

Kenneth Nana Amoateng, Director Abibinsroma Foundation

Ana Bradley, Executive Director, Sentient Media

Rev. Fletcher Harper, Executive Director, GreenFaith

Lasse Bruun, CEO, 50by40

Kari Hamerschlag, Friends of the Earth

Elaine Zuckerman, President, Gender Action

Nezir Sinani, Co-Director, Recourse

Elizabeth Bravo, President, Acción Ecológica

Cecilia Chérrez, Instituto de Estudios Ecologistas del Tercer Mundo

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Alexandre Andrade Sampaio, Coordinator for LAC, International Accountability Project

Daniel Lopes Faggiano, President, Instituto Maíra

Isis Alvarez, Gender Advisor & Unsustainable Livestock Campaign Coordinator, Global Forest Coalition