Myanmar: GMS Cross-Border Livestock Health and Value Chains Improvement Project

**Project Name**: GMS Cross-Border Livestock Health and Value Chains Improvement Project

**Project Number**: 53240-001

**Country**: Myanmar

**Project Status**: Proposed

**Project Type / Modality of Assistance**: Grant, Loan

**Source of Funding / Amount**

<table>
<thead>
<tr>
<th>Source of Funding / Amount</th>
<th>Grant: GMS Cross-Border Livestock Health and Value Chains Improvement Project concessional ordinary capital resources lending / Asian Development Fund</th>
<th>US$ 12.00 million</th>
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<tr>
<td></td>
<td>Loan: GMS Cross-Border Livestock Health and Value Chains Improvement Project concessional ordinary capital resources lending / Asian Development Fund</td>
<td>US$ 60.00 million</td>
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**Strategic Agendas**

- Environmentally sustainable growth
- Inclusive economic growth
- Regional integration

**Drivers of Change**

- Knowledge solutions
- Partnerships
- Private sector development

**Sector / Subsector**

- Agriculture, natural resources and rural development - Livestock

**Gender Equity and Mainstreaming**

- Effective gender mainstreaming

**Description**

The project will reduce trans-boundary animal diseases (TAD), food safety and zoonotic disease risks and strengthen livestock value chains and COVID-19 responses through investments in infrastructure, capacity building and policy support. The project will have the following outcome:

**Output 1**: Livestock health and value chain infrastructure expanded and upgraded in a climate-friendly manner. The output will establish DCZs comprising feedlots, quarantine facilities, laboratories, and health inspection and vaccination facilities in priority border areas. It will address critical infrastructure gaps in livestock health systems and value chains by developing (i) breeding and waste management facilities; (ii) slaughtering, processing, and cold storage facilities; and (iii) market infrastructure, which are gender-responsive and integrate climate change mitigation and adaptation measures. It will finance remodeling and improvement of laboratories, and zoonotic disease and AMR control facilities. Establishing DCZs is expected to leverage private sector investment in value chain facilities, such as feedlots, slaughtering, processing, packaging and cold chains, biogas digesters and bio-fertilizer factories. Priority border areas for DCZs include those between Yunnan province, the PRC and Lao PDR; Myanmar and Thailand; and borders between Cambodia and Viet Nam. DCZs will be extended to trade routes between Cambodia and Thailand; Lao PDR and Viet Nam; and Myanmar and Thailand. Targeted investments in shared SPS facilities will be considered. Operations and maintenance plans for infrastructure, involving smallholders, will be developed.

**Output 2**: Capacity for improved production and health of livestock and livestock products strengthened. The output will strengthen capacities of government staff in areas, such as (i) animal health services and extension; (ii) disease risk analysis and communication; (iii) field epidemiology, early detection, and hazard monitoring; (iv) laboratory business plans, protocols, and accreditation; (v) TADs, safety, and AMR risk management; (vi) emergency preparedness and responses; (vii) traceability systems; (viii) livestock and meat inspection; (ix) operation of feedlots and quarantine facilities; and (x) cold chain management. A gender-responsive information technology-based platform for preventing livestock epidemics and an e-traceability system will be piloted. Government staff will be trained on (i) hazard analysis and critical control points; (ii) good manufacturing practices towards certification for ISO 22000 or equivalent; (iii) certification of livestock service providers, and (iv) integration of e-traceability systems in disease risk communication and management systems harmonized with ASEAN standards. Smallholders will receive training on disease reporting, monitoring, and livestock value addition options.

**Output 3**: Enabling policies for better supply, health, safety, and trade in livestock and livestock products enhanced. This output will provide gender-responsive policy support for (i) effectively integrating smallholders and promoting women's roles in livestock production and value addition; (ii) recognizing equivalence and harmonization of quality and safety systems in the GMS to support the formalization of trade in livestock and livestock products; (iii) incentivizing the use of e-traceability systems; and (iv) mobilizing the private sector investment into DCZs, feedlots, and processing facilities, including those related to COVID-19 responses.
The livestock subsector in the Greater Mekong Subregion (GMS) has high potential for economic growth and contribution to food security and livelihoods. Livestock production in the GMS region has more than doubled during 2006-2016 and is expected to continue in the medium-term. Increasing household incomes have affected dietary preferences, leading to a rapid growth in demand for livestock and livestock products (footnote 1). Such rising demand presents opportunities for smallholders, including women, and small- and medium-sized agribusinesses.

Growing demand for livestock and livestock products, especially in the People’s Republic of China (PRC), has increased large-scale movement and trade of livestock and livestock products. However, such trade is mainly informal and uncontrolled, raising risks for the spread of transboundary animal diseases (TADs) and zoonoses (diseases transmitted from animals to humans). Lao People’s Democratic Republic (Lao PDR) and Myanmar signed memoranda of understanding with the PRC to harmonize trade protocols for ruminants. However, with limited capacity, it is not yet practical for Cambodia, Lao PDR, and Myanmar to realistically meet such protocols with high standards to allow formal trade with PRC and other countries. Prevention and control of health hazards are critical to reduce livestock losses and improve resource efficiency.

Transboundary animal diseases pose a threat to livelihoods, food security, trade, and economic growth. The global cost of foot and mouth disease is estimated at more than $6.5 billion annually. The African swine fever, a devastating hemorrhagic fever in pigs with high mortality rates, is also essential to reduce reliance on antimicrobials in livestock. The proliferation of food safety laws and AMR national action plans in the GMS demonstrate recognition of the critical threat these hazards pose.

COVID-19 impacts. COVID-19 has become a global pandemic with adverse impacts on food security and livelihoods. Restrictions on the movement of labor, goods, and services, as well as containment measures such as factory and market closures, have reduced food supplies and increased prices sharply. As COVID-19 is zoonotic, investing in livestock disease monitoring and preparedness, and healthy livestock value chains can contribute to COVID-19 response and reduce the risk of emerging infectious diseases with pandemic potential (see Appendix 5).

Livestock value chains in the GMS are complex, fragmented, inefficient, and frequently subject to suboptimal infrastructure at key value chain nodes, and absence of effective disease monitoring and control facilities. Lack of livestock breeding centers, feedlots, and facilities for slaughtering, cold storage, and processing contribute to high food losses and low competitiveness. Smallholders lack access to value chain services and lack of effective disease monitoring and control facilities due to the absence of comprehensive animal disease control zones (DCZs) comprising feedlots, laboratories, and quarantine facilities, can improve livelihoods, resilience, and food security while reducing public health risks including COVID-19, increasing market access, and mitigating adverse environmental impacts.

Effective disease control zones (DCZs) comprising feedlots, laboratories, and quarantine facilities, can improve livelihoods, resilience, and food security while reducing public health risks including COVID-19, increasing market access, and mitigating adverse environmental impacts.

COVID-19 responses, critical to manage health risks and allow safe movement of livestock and livestock products. The establishment of management of DCZs, with collaboration from the PRC, Australia, and other countries with advanced disease control systems, can improve risk management and result in increased investments by the private sector.

The traditional livestock subsector is a major contributor to greenhouse gas emissions accounting for 14.5% of global emissions. It is also a major water consumer and a source of water pollution. Inadequate disease control infrastructure, capacity building, and enabling policies are inadequate. National strategies stress the need to improve competitiveness of livestock subsector through adoption of a value chain approach and policies prioritizing smallholder integration in the value chain. Addressing livestock health hazards and strengthening value chains while increasing cross-border benefits through regional cooperation can deliver strong pro-poor and climate-smart development outcomes. Mobilizing private sector investments into livestock value chains through public private partnerships is feasible only when conducive policies and supportive institutions are in place.

Investing in infrastructure, capacity building, and policies for livestock disease monitoring, preparedness, and control can increase productivity, inclusiveness, sustainability, and resilience of GMS livestock value chains. Such efforts will produce measurable pro-poor outcomes while promoting trade and regional public goods, including regional health security. They will contribute to the objectives of _One Health Approach_, which recognizes that animal health, plant health, human health, and environmental health are interrelated and contribute to planetary health.

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<thead>
<tr>
<th>Impact</th>
<th>Outcome</th>
<th>Health, value chains, and formal trade of livestock and livestock products improved</th>
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<tr>
<td>Outputs</td>
<td>Livestock health and value chain infrastructure expanded and upgraded in a climate-friendly manner</td>
<td>Capacity for improved production and health of livestock and livestock products strengthened</td>
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<td>Geographical Location</td>
<td>Nation-wide</td>
<td>Enabling policies for better supply, health, safety and trade in livestock and livestock products enhanced</td>
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**Safeguard Categories**

- Environment: B
- Involuntary Resettlement: B
- Indigenous Peoples: B

**Summary of Environmental and Social Aspects**

- Environmental Aspects
- Involuntary Resettlement
- Indigenous Peoples

**Stakeholder Communication, Participation, and Consultation**

**During Project Design**

**During Project Implementation**

<table>
<thead>
<tr>
<th>Responsible ADB Officer</th>
<th>Ancha, Srinivasan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsible ADB Department</td>
<td>Southeast Asia Department</td>
</tr>
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<td>Responsible ADB Division</td>
<td>Environment, Natural Resources &amp; Agriculture Division, SERD</td>
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<td>Executing Agencies</td>
<td>Ministry of Agriculture, Livestock and Irrigation Office Bldg No. 15, Nay Pyi Taw, Myanmar</td>
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### Timetable

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<tr>
<td>Concept Clearance</td>
<td>29 Jul 2020</td>
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<tr>
<td>Fact Finding</td>
<td>15 Mar 2021 to 26 Mar 2021</td>
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<tr>
<td>MRM</td>
<td>21 Apr 2021</td>
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<td>Approval</td>
<td>-</td>
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<td>Last Review Mission</td>
<td>-</td>
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<tr>
<td>Last PDS Update</td>
<td>31 Jul 2020</td>
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### Project Details

- **Project Page**: [https://www.adb.org/projects/53240-001/main](https://www.adb.org/projects/53240-001/main)
- **Date Generated**: 03 October 2020

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