




Investing in a just protein transition


Brainstorming session
May 17/18 2022

Organized by FAIRR and Clim-Eat






Purpose:
Stimulate a just transition to
sustainable protein and
democratization of alt meat
production





Objectives of this meeting

1. Brainstorm on what is needed to guide investment to ensure a just transition
 1. Identify actors and partnerships needed for innovative finance at scale
 1. Consider a proposal to Global Innovation Lab
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Definitions and assumptions

Definition of alternative and sustainable protein (for purposes of this discussion):

- plant-based proteins, fermentation or cultured meat [perhaps focus on first two?]

Assumptions we are making:

- Demand for meat / protein is rising globally including in emerging markets
- Access to new proteins is unevenly distributed globally - there's a need for market support in emerging markets to support food security & climate benefits globally
- Assumption that sustainable protein alternatives can substitute for conventional meat and therefore have high positive benefits for climate, biodiversity, antibiotics etc

Brainstorming questions

1. What is needed to support transformational investment in sustainable protein alternatives in emerging markets? What are the ideal situations in which such investments could become a 'transformational' investment?
 - What sustainability principles need to be considered?
 - Conditions enabling investments, e.g., role of policy, markets, trade, diet patterns, food safety research to track substitution rates

Discussion about what is needed

(a) sustainability impacts: nutrition, emissions, soil, diversity, resilience); use LCA

(b) industry development: self-determination and local plant-based proteins, start-up support, operating and distribution models, IP rights, create downward pressure on costs, build capacity for upstream manufacture of inputs, educate consumers, product integrity, produce enough alt meat product to affect volume of meat substitution, reduce risk, avoid colonial pattern of dictating development of industry, consistency of input supply—need to coordinate farmers. Recognize that consumer shift will happen with access *and education about the merits of their choice*.

(c) investment: analysis of MDB investments in livestock trade, markets and production; north-south differentiated responsibility, identify which actions require external funding such as mitigation finance or just lack targeted financing—can we improve learning about this, what scale of investment is needed to achieve a tipping point where public finance can exit—or will subsidies be needed. Governments can ensure incentives for manufacture and research are aligned, e.g. working with Dept, of Science and Technology.

2. What actions are needed?

- Which actors (DFIs, World Bank etc) are already operating in this space? & where are they geographically?
- What should the scope of an intervention be? Global? LMICs? Emerging economies only?

GFI India is talking with IFC, DFC and BMGF (latter on an open access data base for decentralized manufacturer facility for millet). IADB did a transition study in 2020 (Mustafa Kamal?) for Latin America and found 15 million jobs would be created

What about an organized donor group?

Need for patient capital to support research and infrastructure

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- 3. What are innovative funding models and upcoming opportunities (GCF, Global Innovation Lab for Climate Finance, impact investors, World Bank etc)? Shall we hold an event on this topic?
 - Submit proposal for Global Innovation Lab to support GFI India's work?
 - Target funding institutions such as IFC, DFC, MDBs
 - Support derisking of investments with proof of concept with SMEs

Next steps

-Follow-up discussion in July to consolidate action points and include other key players