



# Kazakhstan: Livestock Value Chain Development

Project Name	Livestock Value Chain Development	
Project Number	53069-001	
Country	Kazakhstan	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Livestock Value Chain Development	
	Ordinary capital resources	US\$ 100.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development	
Sector / Subsector	Agriculture, natural resources and rural development - Agro-industry, marketing, and trade - Livestock	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	<p>The proposed project will provide investment finance through the branch network of Agrarian Credit Corporation JSC (ACC). It will increase the volume of financial resources available for commercially oriented livestock production and processing. It will also provide finance for commercial fodder and feed production. Through an attached technical assistance, the project will build the capacity of ACC in livestock-related credit policy; product development; procedures; outreach strategy; and in the identification, appraisal, and management of livestock sector lending. The project management office, based in ACC, will oversee implementation activities, including monitoring of relending; compliance for safeguards, gender, and financial covenants and financial auditing.</p> <p>The project will have two outputs: (i) access to finance in the livestock sector increased, and (ii) capacity of ACC improved. The project outcome is livestock sector in Kazakhstan improved. The project impact is competitiveness of agro-industrial products increased.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Agriculture production is dominated by cereals, leguminous crops and oil seeds (23.0% of total agricultural output), dairy (18.0%), beef cattle and buffalo (11.0%), sheep and goats (4.5%), poultry (4.3%) and horses (3.6%). Despite its high potential, Kazakhstan remains a net importer of agricultural products. Contributing factors include low enterprise productivity and profitability, weak agricultural support system, environmental constraints, land tenure issues and poorly structured state support programs. About 60.0% of meat and 77.0% of milk produced is on household plots. Women make up 29.0% of the workforce in agriculture, and 64.0% of rural women are self-employed. This is mostly in activities directly related to agriculture.</p> <p>The livestock sector can become market-driven and more profitable once (i) affordable finance for investment in processing facilities is available, (ii) producers' access to land and finance improves, (iii) adequate technical and management training is provided, and (iv) output marketing opportunities become more competitive. The proposed Livestock Value Chain Development Project will focus on the finance aspect noted in (i) and (ii). Access to financial resources is essential for commercially oriented livestock production, processing and for commercial fodder and feed production.</p>	
Impact	Competitiveness of agro-industrial products increased	
Outcome	Livestock sector in Kazakhstan improved.	
Outputs	Access to finance in the livestock sector increased Capacity of ACC improved	
Geographical Location	Nation-wide	
<b>Safeguard Categories</b>		
Environment		FI
Involuntary Resettlement		FI
Indigenous Peoples		FI
<b>Summary of Environmental and Social Aspects</b>		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
<b>Stakeholder Communication, Participation, and Consultation</b>		
During Project Design		
During Project Implementation		
Responsible ADB Officer	Woldring, Hans Siewert	
Responsible ADB Department	Central and West Asia Department	
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, CWRD	
Executing Agencies	Ministry of Agriculture 36 Kenesary Street 010000 Astana Kazakhstan	

Timetable	
Concept Clearance	28 Jul 2020
Fact Finding	18 Nov 2020 to 18 Nov 2020
MRM	10 Dec 2020
Approval	-
Last Review Mission	-
Last PDS Update	30 Jul 2020

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Project Page	<a href="https://www.adb.org/projects/53069-001/main">https://www.adb.org/projects/53069-001/main</a>
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