

Farm Welfare Project Report

Information contained herein is produced by Farm Welfare Finance, a free research source maintained by New Market ESG, a U.S. corporation. Research is provided on an “as is” basis without representation, endorsement or warranty of any kind, express or implied. We can give no warranties regarding the accuracy, currency or applicability of any of the contents herein and we do not suggest that it be used as a sole source of information. Users are permitted to view and download materials but are not permitted to use, reproduce, distribute, adapt, amend or exploit these materials for any revenue-generating purposes.



The German Investment and Development Corporation (“DEG”)¹

Contents:

- **Farm animal welfare standards in the German Investment and Development Corporation’s livestock projects**
- **The German Investment and Development Corporation’s farm animal welfare policy**
- **The German Investment and Development Corporation’s environmental safeguard categories**

Last Updated: November 17, 2025

¹ DEG is the private sector lending arm of the German Development Bank.

Farm animal welfare standards in the German Investment and Development Corporation's livestock projects

Project: La Cooperativa de Productores de Leche Dos Pinos R.L.²

Recipient: La Cooperativa de Productores de Leche Dos Pinos R.L.

Amount: US\$ 50,000,000

Location: Costa Rica

Date approved: July 2025 (Signature date)

Project summary: "DEG's investment supports Dos Pinos in modernizing and expanding its dairy operations in Costa Rica, thereby strengthening the competitiveness of a key cooperative that employs over 6,200 workers and partners with over 1,200 small and medium-sized local farmers."³

Environmental Safeguards Category: B+

Farm animal welfare standards: No evidence found.

Project: Viru S.A.⁴

Recipient: Viru S.A.

Amount: EUR 22,000,000

Location: Peru

Date approved: February 2025 (Signature date)

Project summary: "DEG's role will be to provide long-term financing working capital to an agribusiness company, supporting one of the highest growing economic activities in the country and an experienced customer."⁵ According to its website, Viru sells products containing meat and dairy.⁶ No evidence was found that Viru has a farm animal welfare policy.

Environmental Safeguards Category: A

Farm animal welfare standards: No evidence found.

Project: Eco-Business Sub-Fund II⁷

Recipient: Eco-Business Sub-Fund II

Amount: EUR 10,000,000

Location: Africa (Regional)

Date approved: December 2024 (Signature date)

Project summary: "The Eco-Business Sub-Fund II focuses on investments in sustainable agriculture and trade, sustainable fishery and aquaculture, sustainable forestry and eco-tourism

² <https://deginvest-investments.de/portfolio/la-cooperativa-de-productores-de-leche-dos-pinos-rl-1>

³ Ibid.

⁴ <https://deginvest-investments.de/portfolio/viru-sa-2>

⁵ Ibid.

⁶ <https://virugroup.com/productos>

⁷ <https://deginvest-investments.de/portfolio/eco-business-ii-sub-fund>

in Sub-Saharan Africa.”⁸ According to its website, the Eco-Business Fund invests in cattle farming.⁹

Environmental Safeguards Category: FI-A

Farm animal welfare standards: No evidence found.

Project: Društvo za trgovija na malo Lidl Severna Makedonija Dooel (“Lidl North Macedonia”)¹⁰

Recipient: Društvo za trgovija na malo Lidl Severna Makedonija Dooel (“Lidl North Macedonia”)

Amount: EUR 80,000,000

Location: North Macedonia

Date approved: November 2024 (Signature date)

Project summary: “The funds will be used for the construction of new Lidl stores and warehouses in North Macedonia.” One of the project objectives is to give “Lidl the flexibility to grow its business sustainably.” Additionally: “LIDL & DEG will cooperate in strategic, impact-related ESG topics from an early stage on.”¹¹

Environmental Safeguards Category: B/B

Farm animal welfare standards: No evidence found.

Project: Productos Nevada S. de R.L.¹²

Recipient: Productos Nevada S. de R.L.

Amount: US\$ 60,000,000

Location: Panama

Date approved: November 2024 (Signature date)

Project summary: “Productos Nevada, established in 1992, is the market leader for UHT milk in Panama and also commercializes a range of dairy and non-dairy products.”¹³ No evidence was found that Productos Nevada has a farm animal welfare policy.

Environmental Safeguards Category: B+

Farm animal welfare standards: No evidence found.

Project: Industrial Comercial San Martín S.A.¹⁴

Recipient: Industrial Comercial San Martín S.A.

Amount: US\$ 30,000,000

Location: Nicaragua

Date approved: October 2024 (Signature date)

Project summary: “Industrial Comercial San Martín is a Nicaraguan producer and distributor of beef meat and by-products. It was incorporated in Nandaime, Nicaragua in 1973 and is the largest player in this industry in Central America, as well as one of the largest exporters in Nicaragua. It holds livestock in its own feedlots, processes and sells meat together with other related products like bone meal, and produces biogas. DEG enables the company to continue

⁸ Ibid.

⁹ <https://www.ecobusiness.fund/en/the-development-facilities/default-title-2-1>

¹⁰ <https://deginvest-investments.de/portfolio/drustvo-za-trgovija-na-malo-lidl-severna-makedonija-dooel>

¹¹ Ibid.

¹² <https://deginvest-investments.de/portfolio/productos-nevada-s-de-rl>

¹³ Ibid.

¹⁴ <https://deginvest-investments.de/portfolio/industrial-comercial-san-martin-sa-2>

its ongoing feedlot expansion, allowing it to produce higher-quality meat in a more eco-friendly and sustainable manner.”¹⁵ The company’s website features a video of their feedlot operations and states the following regarding animal welfare: “For us, it is an absolute priority, at the core of our daily operations. That is why we have adopted the guiding principles of the World Organisation for Animal Health (WOAH), ensuring the five freedoms in all our livestock sourcing and production processes. These principles are reflected in our specially designed infrastructures, handling protocols, and all related activities.”¹⁶

Environmental Safeguards Category: B+

Farm animal welfare standards: No evidence found.

Project: Anglesey Food Foreign Enterprise LLC¹⁷

Recipient: Anglesey Food Foreign Enterprise LLC

Amount: US\$ 25,000,000

Location: Uzbekistan

Date approved: September 2024 (Signature date)

Project summary: “The funding will be used for the construction of a new state-of-the-art distribution center near Tashkent, which shall consolidate [the company’s] logistics to facilitate the expansion of the company’s retail store network to up to 200 stores, improve the working capital management and gross margins of the company,” which holds a “50% market share in the organized food retail market.”¹⁸

Environmental Safeguards Category: B/A

Farm animal welfare standards: No evidence found.

Project: DALI Discount AG¹⁹

Recipient: DALI Discount AG

Amount: US\$ 8,400,000

Location: Philippines

Date approved: May 2024 (Signature date)

Project summary: The investment will “support the company’s expansion of stores and warehouses, aiming to offer affordable high-quality food and goods to the local population.”²⁰

Environmental Safeguards Category: B+

Farm animal welfare standards: No evidence found.

¹⁵ Ibid.

¹⁶ <https://sanmartin.com.ni/en/sustainable-production/>

¹⁷ <https://deginvest-investments.de/portfolio/anglesey-food-foreign-enterprise-llc>

¹⁸ Ibid.

¹⁹ <https://deginvest-investments.de/portfolio/dali-discount-ag>

²⁰ Ibid.

The German Investment and Development Corporation's farm animal welfare policy

The DEG does not appear to have a publicly-available farm animal welfare policy.²¹

The German Investment and Development Corporation's environmental safeguard categories

"FC-measures are classified as Category A if it risks having diverse significant adverse impacts and risks on the environment or the social conditions of the affected population. Such impacts and risks may derive from the complex nature of the FC-measure, its scale (large to very large), the sensitivity of the location(s) of the FC-measure or from the potential impacts and risks being irreversible or unprecedented. Such impacts and risks may affect a larger area that is beyond the site of the facility under construction, the facility itself as well as any associated facilities or just the FC-measure area in a narrower sense.

A[n] FC-measure is classified as Category B if it potentially risks having adverse impacts and risks on the environment or the social conditions of those concerned. However, the impacts and risks tend to be less significant than those of Category A FC-measures and can usually be mitigated through standard, best available mitigation approaches. Typically, the potential impacts and risks of Category B FC-measures are limited to a local area, are in most cases reversible and easier to mitigate through appropriate measures. For Category B FC measures, need for and the scope, the priorities and depth of an ESIA are determined through a case by case evaluation.

If it is expected that a Category B FC-measure has single significantly adverse environmental and social impacts or risks (Category B+), an ESIA and an ESMP as well as an ESMS adapted to these impacts and risks are required, as described under Category A.

FC-measures will be classified as Category C if they are expected to have no or only minor adverse environmental and social impacts or risks, and if the implementation and operation of the FC-measure does not require any particular protection, compensation or monitoring measures. Category C FC-measures usually do not require any additional analysis within the scope of this Guideline or any further ESDD procedures. Category C FC-measures should, however, be monitored for any relevant changes over their life cycle."²²

²¹ DEG's parent organization, The German Development Bank, also does not appear to have a publicly-available farm animal welfare policy.

²²

https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Nachhaltigkeitsrichtlinie_EN.pdf

