

ADB, ECOM sign \$100 Mn loan to enhance coffee value chain in APAC

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The Asian Development Bank (ADB) has signed a \$100 million loan agreement with ECOM Agroindustrial Corporation Limited and ECOM Agroindustrial Asia Private Limited (ECOM) to enhance the climate resilience of the region's coffee value chain. The agreement will benefit more than 62,000 smallholder farmers in India, Indonesia, Papua New Guinea (PNG), and Viet Nam.

The financing will contribute to ECOM's working capital requirements, including inventories, receivables, and advances to smallholder farmers for coffee procurement. Additionally, it will support operating expenses for extension services such as training, certification support, research and development, and sustainability pilot projects.

This is a certified social loan, which has been validated through a second-party opinion from Det Norske Veritas (DNV) in accordance with the Social Loan Principles established by the Loan Syndications and Trading Association. Social loans are financial instruments designed specifically to fund or refinance new or existing eligible social projects that aim to achieve positive social outcomes.

"Safeguarding coffee farmer livelihoods and resilience in the face of climate change is crucial for maintaining the stability of one of the world's most significant agricultural supply chains," said Suzanne Gaboury, ADB Director General for Private Sector Operations. "This partnership with ECOM underscores ADB's commitment as the region's climate bank to promoting sustainable agricultural practices and enhancing the productivity and resilience of smallholder farmers across Asia and the Pacific."