

ADB, Premium Nexus JSC Sign Social Loan to Promote Efficient and Inclusive Food Distribution in Mongolia

08 July 2026 | News

Mongolia's food system is transforming as urbanisation and consumer demand grow for convenience, product variety, and higher hygiene standards



Mongolia's food system is transforming as urbanisation and consumer demand grow for convenience, product variety, and higher hygiene standards

The Asian Development Bank (ADB) and Premium Nexus JSC (Premium Nexus) have signed a \$10 million (MNT35.8 billion equivalent) social loan to improve access to safe, affordable food and essential goods through modernised retail infrastructure, strengthened cold chain logistics, and expanded convenience store networks across Mongolia.

“Access to safe, affordable food and essential goods remains uneven across Mongolia, particularly for communities outside Ulaanbaatar,” said ADB Country Operations Head for Mongolia Chandra Mohan Arora. “This project will help improve the consistency and reach of food distribution nationwide by strengthening retail and logistics operations, reducing bottlenecks, and creating opportunities for women entrepreneurs.”

Mongolia's food system is transforming as urbanisation and consumer demand grow for convenience, product variety, and higher hygiene standards. However, fragmented distribution networks, unstable supply, and limited logistics infrastructure restrict access to safe, affordable food and essential goods. Retail employment also remains largely informal, and women—who play a key role in the sector—face barriers to finance and market opportunities.

The project will support expansion of Premium Nexus retail and logistics operations, including the construction of a cold chain distribution centre and the establishment of 240 new CU stores in Ulaanbaatar and rural areas. CU is a leading convenience store brand that Premium Nexus has brought to Mongolia. It is expected to generate around 900 jobs, employing women and rural workers, and increase local suppliers from 420 to 453. The project will strengthen women's economic participation by expanding opportunities in franchise operations, improving access to finance, and promoting products made by women in Premium Nexus stores.

"This partnership with ADB represents much more than financing. It is an investment in Mongolia's food security, supply chain resilience, and inclusive economic growth," said Premium Nexus CEO Chinzorig Ganbold. "We appreciate ADB's confidence in Premium Nexus and are proud that the financing has been recognised as a social loan, reflecting the positive impact we aim to deliver every day to Mongolian consumers, businesses, and communities."

The loan has been tagged as a social loan by Det Norske Veritas (DNV), a leading global environmental, social, and governance assurance firm, as its full proceeds will support employment generation, improved access to essential services, and socioeconomic empowerment in line with the Social Loan Principles. This is expected to help mobilise similar thematic financing in Mongolia.

Established in 2017, Premium Nexus is Mongolia's largest convenience store operator, managing the CU brand under an exclusive franchise agreement with BGF Retail Company Limited of the Republic of Korea. As of March 2026, the company operates 557 stores nationwide and employs more than 5,200 people, making it the country's second-largest private sector employer.