CL: Project for Sustainable Coffee Supply Chain and Small-scale Farmers Support

1 NO POVERTY | 2 ZERO HUNGER | 17 PARTNERSHIPS FOR THE GOALS

Contributing to increasing livelihoods and promoting employment among small-scale farmers and stabilizing the coffee supply chain in Asia-Pacific region

Project overview

This project provides long-term loan to ECOM Group, a global integrated supply chain merchant and processor of agricultural commodities, to support the stable procurement of coffee beans from more than 60,000 small-scale farmers in Vietnam, Papua New Guinea, India, and Indonesia, as well as consulting services for smallholder farmers. The project aims to increase the livelihoods of small-scale farmers, create employment opportunities, strengthen the coffee supply chain in the Asia-Pacific region, and ultimately contribute to the development of a resilient and sustainable agriculture and food supply system.

Points of the Project

1. Contributing to poverty reduction and women's empowerment among smallholder farmers in the coffee industry

It is estimated that 12.4 million small-scale farmers are involved in the coffee industry worldwide. With the recent increase in extreme climate change significantly affecting coffee bean harvests and quality, supporting these small-scale farmers to improve their productivity and income is crucial for poverty reduction. Furthermore, many small-scale farmers are women, so this initiative also contributes to gender equality.

2. Contributing to the stabilization of the coffee supply chain

Due to the effects of climate change, coffee bean prices have more than doubled over the past three years. From the perspective of food security, stabilizing coffee procurement is crucial. Additionally, the statement issued at the G7 Puglia Summit in June 2024 identified supporting the global coffee value chain and small-scale farmers in coffee-producing countries as a key objective of the G7 public-private initiative, underscoring the significance of supporting the coffee industry. The project is under “Facility for Supporting Agricultural supply chain and Food security Enhancement” (SAFE).

2. First PSIF project in PNG and First PSIF project for exclusive permanent working capital

The project is the first PSIF project in PNG, which is one of Small Island Developing States (SIDs). The project is also first exclusive permanent working capital loan in PSIF scheme.

Lender

JICA ジャイカ | ADB

Loan

Borrower

ECOM 1849

Coffee Purchase
Consulting Service

Small Farmers in Asia and Pacific

Photo: ADB