Japan International Cooperation Agency

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PRESS RELEASE

Immediate release

JICA and ECOM unite to support small-scale coffee farmers and stable coffee supply chain

Contributing to improving livelihoods and building resilient and sustainable supply chain in the Asia-Pacific region

Hanoi, 1st Oct., 2025: The Japan International Cooperation Agency (JICA) signed a loan agreement for up to 75 million US dollars with ECOM Agro-industrial Corp. Limited (ECOM), a global integrated supply chain merchant and processor of agricultural commodities, and ECOM Agro-industrial Asia Pte Limited (EAA), one of its group companies. Co-financed by the Asian Development Bank (ADB), this partnership marks a milestone as JICA's first exclusive working capital loan. It represents a significant step in strengthening cooperation with key global agricultural trading companies to support Asia's agricultural and food supply chain.

The JICA loan is designed to strengthen supply chains and improve livelihoods and create employment opportunities for small-scale farmers in the Asia-Pacific region. This is being done by supporting the stable procurement of coffee from over 60,000 smallholder farmers in Vietnam, Indonesia, India and Papua New Guinea (PNG). The project supports purchase funds from small-scale coffee farmers, and consulting services such as coffee certification support, climate change adaptation pilot projects and farming support for female farmers. These services enhance the climate resilience and strengthen gender equality of the region's coffee value chain.

Vietnam is the world's second-largest coffee bean producer and coffee beans account for 12.2% of the country's total agricultural exports. On the other hand, the high value-added of agricultural products and the improvement of rural incomes are still challenges for Vietnam's agricultural sector. This loan is aligned with Vietnam's "Agricultural Sector Reform for Value-Added and Sustainable Development" and "Socio-economic Development Plan for 2021-2025" to enhance the value-added nature of agriculture through improving production efficiency and quality and increase productivity. It also complements Japan's global development agenda. Specifically, the Apulia G7 Leaders' Communiqué in June 2024 has set as a goal of G7 public-private initiatives to support the global coffee value chain and small-scale farmers in coffee-producing countries.

Furthermore, it reflects the former Prime Minister KISHIDA Fumio's commitment, as announced at the G7 Hiroshima Summit in 2023, to promote sustainable development through the "Facility for Supporting Agricultural Supply Chain and Food Security Enhancement (SAFE)." This program, with USD 1 billion in funding, aims to address global food security challenges.

YASUI Takehiro, Director General, JICA Private Sector Partnership and Finance Department, stated, "*We are honoured to launch JICA's first exclusive working capital loan with the ECOM Group, a global leader in agricultural trading that builds transparent, sustainable and resilient*

coffee supply chains worldwide. We hope to expand our financing scheme to support supply chain business like this one from now on. This project is a testament to the strong partnerships we have built with ECOM and ADB. It will strengthen the coffee supply chain and help address critical challenges such as poverty among rural farmers, gender inequality, climate vulnerability, and the need for sustainable economic opportunities in the region."

JICA remains committed to supporting inclusive and sustainable development initiatives in the region through strategic partnerships and providing innovative financing solutions.

About ECOM

Founded in 1849, ECOM is a global integrated supply chain merchant and processor of agricultural commodities such as cocoa, coffee, and cotton. Operating in over 40 countries and working with more than one Million farmers in our global supply chain, ECOM's focus is on sourcing from smallholder farmers and providing them with support to enhance their productivity and resilience.

About JICA

Established by a specific law as an incorporated administrative institution under the Government of Japan, the Japan International Cooperation Agency (JICA) aims to contribute to the promotion of international development cooperation, as a sole Japanese governmental agency in charge of ODA implementation. JICA, the world's largest bilateral development agency, works as a bridge between Japan and emerging countries and provides assistance in forms of loan, equity investment, grant and technical cooperation so that the emerging countries can strengthen their capabilities.

Women Small-scale Coffee Farmer (photo by ADB)

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