

ADB Assistance in Coffee Value Chains

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The Region's Poverty Challenge

2/3 of the world's poor live in the region

828 million people live on less than \$1.25 a day

1.7 billion live on less than \$2 a day



ADB's Vision

An Asia and Pacific
region free of poverty

Founded in 1966

- **67 members**
48 in the region
41 borrowing
members
- Japan and the
United States
are the 2 largest
members



Strategy 2020

Core Operational Areas

- 1 Infrastructure
- 2 Environment
 - Climate change
 - Livable cities
 - Complementary actions
- 3 Regional Cooperation and Integration
- 4 Finance Sector Development
- 5 Education



ADB's Core Business

- Finance and Advice for Development Solutions
- Loans
- Technical Assistance
- Grants
- Guarantees
- Equity Investments
- Policy Dialogue
- Knowledge and Partnerships



Agriculture and Food Security Issues

INVESTING IN FOOD AND AGRICULTURE IN ASIA AND THE PACIFIC

ADB

Two-thirds of the world's hungry reside in Asia and the Pacific, and food insecurity persists bringing the specter of hunger and undernutrition to millions more of the region's poor. In response, the Asian Development Bank (ADB) is focusing on a comprehensive multi-sector engagement with the goal of curbing food insecurity.



550 MILLION PEOPLE
go to bed hungry every night
in Asia and the Pacific

Nutrition Facts

Many still subsist
on food that fails
to meet the most
basic daily
nutritional needs

ASIA'S "HIDDEN HUNGER"

High levels of micronutrient
deficiencies remain pervasive,
particularly in

SOUTH ASIA and
SOUTHEAST ASIA



Agriculture, Food Security, and Rural Development in Asia and the Pacific



Agricultural and Food Productivity

To keep pace with population growth, food production in developing Asia and the Pacific will need to increase mainly through improved land and labor productivity.



Access to Rural Finance, Technology, and Markets

Strengthening the links between food producers with their input suppliers as well as consumers creates a win-win arrangement for all players in the food supply chain.



Food Price Volatility

In 2007–2008, as world cereal prices peaked (rising by as much as 87%), global food stocks plummeted to levels not seen in two decades.



Climate Resilience and Environmental Sustainability

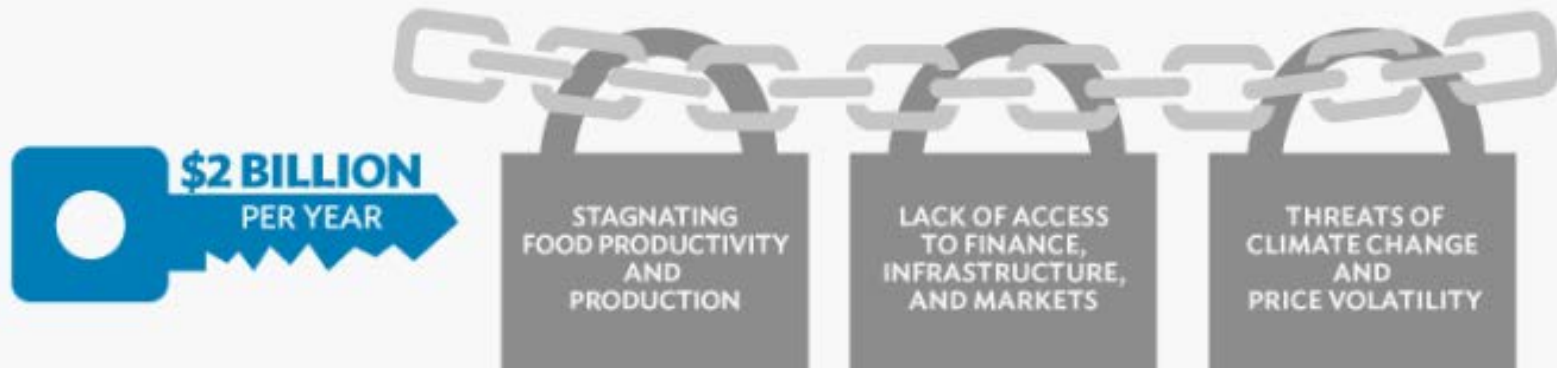
Developing countries in Asia and the Pacific are likely to face the highest reductions in agricultural potential in the world due to climate change.

Responsible Investments in Food and Agriculture can have following Impact on:



■ ACHIEVING SUSTAINABLE FOOD SECURITY: ADB'S INVESTMENT

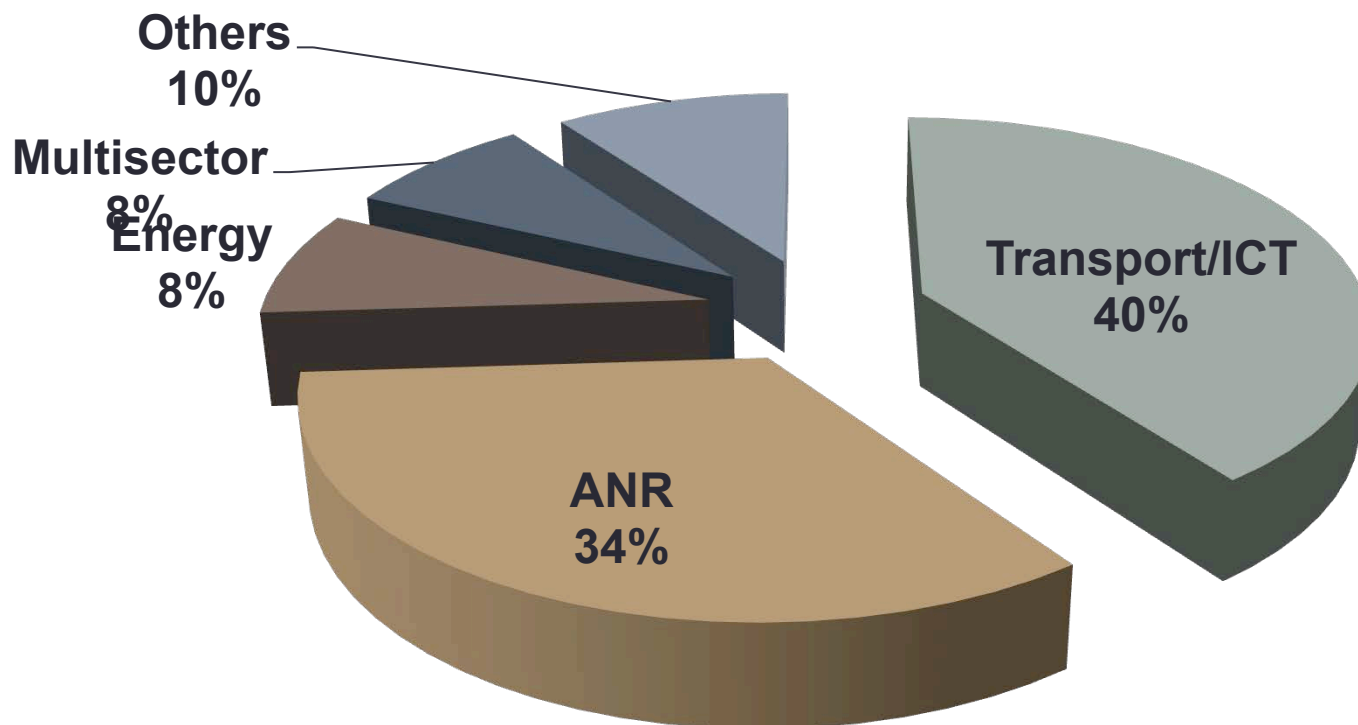
ADB has committed \$2 billion per year to address the three binding constraints to sustainable food security.



ADB Contribution to Food Security 2009-2013

Sectoral Contributions

In 2009 to 2013 ADB contributed an average \$2.2 billion a year to food security, exceeding the \$2.0 billion annual commitment.



ADB: Aiding Development of inclusive and sustainable Value Chains

Public Sector Operations

1. **Lao PDR:** ADB-IFAD : Sustainable Natural Resource Management & Productivity Enhancement Project
2. **Lao PDR:** Paper-Free Trade for Smallholder Farmers - A Pilot Study of a Coffee Association
3. **PNG:** Highlands Region Road Improvement Investment Program
4. **Timor Leste:** Road Network Upgrading Project

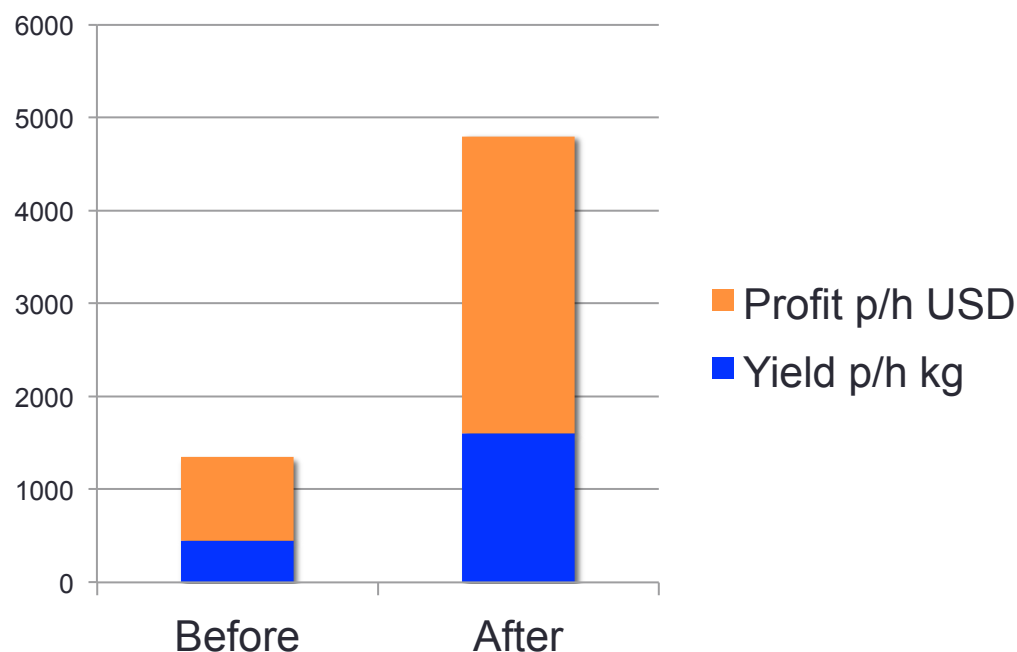
Organic Coffee Value Chain - Laos

Technology
Transfer

Matching Funds

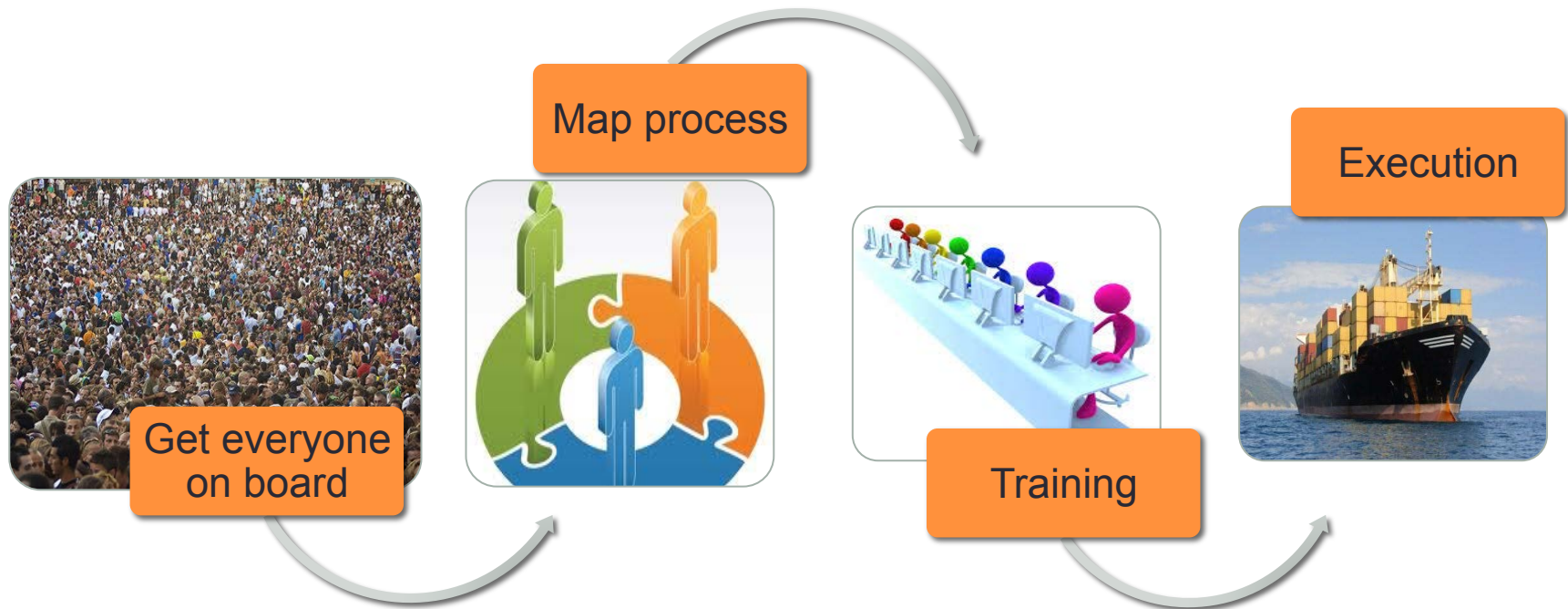
Capacity Building

Result - Organic Coffee Value Chain



*Sustainable Natural Resource Management and Productivity Enhancement Project
Approved in 2009, for \$35 million ADB - IFAD*

Paper-Free Trade for Smallholder Farmers Laos



Pilot Study Success – Time and money

Documents	Before	After
Contracts	Courier	Upload data
Invoice and packing	Courier	Update data
Bill of lading	Courier and email	Update data
Customs	Trip to border	Not needed for EU
Transport clearance	Trip to border	Not needed for EU
Estimated time	4 days est \$200 courier	2 days, no extra costs

Indirect Support for Coffee

.....Roads

- **Highlands Region Road Improvement Investment Program** is a project that rehabilitates and maintains roads improving access for an extensive network of smallholder coffee producers in the Highlands region where coffee production is the backbone of the rural economy.
- \$400 million, approved 2008
- **Road Network Upgrading Project.** This project is located in the main coffee growing communities in Timor-Leste.
- About \$250 million, approved 2013.



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Thank You

Contact me

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