



# Regional: New Hope COVID-19 Working Capital Support Project

Project Name	New Hope COVID-19 Working Capital Support Project		
Project Number	54197-001		
Borrower/Company	New Hope Singapore Private Limited		
Country	RegionalBangladeshCambodiaIndonesiaLao People's Democratic RepublicMyanmarNepalPhilippinesSri LankaViet Nam		
Location	Bangladesh - Nation-wide; Cambodia - Nation-wide; Indonesia - Nation-wide; Lao People's Democratic Republic - Nation-wide; Myanmar - Nation-wide; Nepal - Nation-wide; Philippines - Nation-wide; Sri Lanka - Nation-wide; Viet Nam - Nation-wide		
Approval Number	7662/4037		
Type of ADB Assistance / Amount	Ordinary capital resources	USD 20.00 million	Proposed
Strategic Agendas	Inclusive economic growth Regional integration		
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development		
Sector / Subsector	Agriculture, natural resources and rural development - Livestock		
Gender Equity and Mainstreaming	Some gender elements		
Responsible ADB Department			
Responsible ADB Division			
Responsible ADB Officer	Wang, Xiaole		
Project Sponsor(s)			
Description	ADB will provide New Hope Singapore Pte Ltd (NHS) with a midterm corporate loan of up to \$20 million to fund NHS COVID-19 response operating expenses and working capital needs in South and Southeast Asia.		
Objectives and Scope	The project will support NHS' coronavirus disease (COVID-19) response operating expenses and increased working capital needs in South and Southeast Asia during the outbreak. The sustainable operations of NHS' feed mills, livestock farms, and contract farmers will ensure the stable local supply of affordable animal proteins, which will contribute to food security in the nine developing member countries (DMCs) included in the project scope. The project will also help to preserve the livelihoods of workers and smallholder farmers and will promote South-South investment and trade.		
Linkage to Country/Regional Strategy	The project is aligned with Strategy 2030 which calls for ADB to scale up its financing for agribusiness and to promote gender equality in at least 75% of the number of ADB's committed operations by 2030.12 The project is also aligned with Operational Plan for Private Sector Operations which promotes working with Tier-2 agribusiness companies such as NHL. 13 The project is consistent with ADB's country partnership strategies of the nine DMCs which support: (i) improvement of productivity and commercialization of agriculture; 14 (ii) rural infrastructure development and agriculture diversification; 15 and (iii) inclusion of smallholder farmers in value chains; 16 The project is consistent with Strategy 2030's Operational Plan for Priority 1 (Addressing Remaining Poverty and Reducing Inequalities) which aims to improve standards of living for poor and vulnerable people; 17 Operational Plan for Priority 2 (Gender Equality and Women's Empowerment) to protect women workers and farmers during COVID-19; 18 Operational Plan for Priority 5 (Promoting Rural Development and Food Security, 2019-2024), to promote food security and agricultural productivity to provide sufficient, safe, and affordable food;19 and Operational Plan for Priority 7 (Fostering Regional Cooperation and Integration) to promote (i) agriculture trade and foreign direct investment in low-income countries and (ii) PSOD investment in cross border operations in agriculture value chains. 20 The project is part of ADB's Comprehensive Response to COVID-19 Pandemic which proposed \$20 billion to address the needs of ADB's DMCs to respond to COVID-19 pandemic. ADB's Comprehensive Response to COVID-19 Pandemic includes \$1.8 billion funding for non-sovereign facilities to enable ADB to scale up its support for private entities.21 The project will complement sovereign COVID-19 response projects in South and Southeast Asia22 to provide COVID-19 response for the poor and vulnerable households.		
<b>Safeguard Categories</b>			
Environment	C		
Involuntary Resettlement	C		
Indigenous Peoples	C		
<b>Summary of Environmental and Social Aspects</b>			
Environmental Aspects	In compliance with ADB's Safeguard Policy Statement (SPS, 2009), the project is classified as category C for environment. ADB has undertaken a corporate and site level compliance audit of NHL in 2019 through an external party for the ADB-approved capital expenditure loan. The environmental and social measures, institutional capacity and commitment of NHL to manage the project's social and environmental impacts are deemed adequate. As this COVID-19 response loan will support working capital and COVID-19 response operating expenses, the use of proceeds is anticipated to have minimal environmental and social impacts. No subprojects classified as category A or B for environment will be financed under this project.		

Involuntary Resettlement	In compliance with ADB's Safeguard Policy Statement (SPS, 2009), the project is classified as category C involuntary resettlement. No subprojects classified as category A or B for involuntary resettlement will be financed under this project.
Indigenous Peoples	In compliance with ADB's Safeguard Policy Statement (SPS, 2009), the project is classified as category C Indigenous Peoples. No subprojects classified as category A or B for Indigenous Peoples will be financed under this project.
Stakeholder Communication, Participation, and Consultation	

Timetable for assistance design, processing and implementation	
Concept Clearance	20 May 2020
Due Diligence	
Credit Committee Meeting	02 Dec 2020 to 02 Dec 2020
Approval	08 Dec 2020
Last PDS Update	09 Dec 2020

Project Page	<a href="https://www.adb.org/projects/54197-001/main">https://www.adb.org/projects/54197-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=54197-001">http://www.adb.org/forms/request-information-form?subject=54197-001</a>
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