



Project Data Sheet

Project 56313-001

Project Name	Dali Modern Food Retail Expansion Project
Project Number	56313-001
Borrower / Company	HDPM Sin Pte. Ltd.
Country / Economy	Philippines
Location	Nation-wide
Type or Modality of Assistance	7766 Equity Ordinary capital resources USD 15.00 million Approved
Operational Priorities	OP1: Addressing remaining poverty and reducing inequalities OP2: Accelerating progress in gender equality OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability OP5: Promoting rural development and food security
Sector / Subsector	Agriculture, natural resources and rural development / Agro-industry, marketing, and trade
Gender	Effective gender mainstreaming
Responsible ADB Department	Private Sector Operations Department
Responsible ADB Division	Office of the Director General, PSOD
Responsible ADB Officer	Noorullah
Project Sponsor(s)	
Description	<p>ADB will subscribe to common equity shares in HDPM as part of the company Series C capital raise. ADB will invest up to \$15,000,000 from its ordinary capital resources. ADB will co-invest alongside Creador and Navegar in the Series C investment round.</p> <p>The project will finance the expansion of Dali hard discount retail store network and distribution centers (DCs) along with associated working capital requirements. In addition, the project will fund off-grid rooftop solar panels and green building certification for some stores and DCs to support energy cost savings and reduce carbon footprint of the operations. The project will generate additional employment for at least 4,300 workers including 45% women by 2026. The project will provide access to affordable food and non-food products to the population in rural and peri-urban areas in the Philippines. The project is aligned with the Government of the Philippines Development Plan that aims to improve access to value chains for rural suppliers and boost competition in the retail sector including through foreign direct investment. The project is further in line with ADB \$14 billion food security response as well as ADB ambition to deliver climate financing to its developing member countries (DMCs) to \$100 billion from 2019 to 2030</p>
Objectives and Scope	

Linkage to Country/Regional Strategy

The project is aligned with Strategy 2030, which calls for ADB to scale up its financing for agribusiness. The project is consistent with Operational Plan 1 (OP1) (addressing remaining poverty and reducing inequalities) which calls for generating quality jobs and OP2 (accelerating progress in gender equality), which seeks to expand operations in support of agribusiness value chains whereby women jobs and entrepreneurship opportunities will be enhanced in higher value-generating activities, and OP3 (tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability), which seeks to support agribusiness projects that are climate adapted. The project is also aligned with ADB Country Partnership Strategy which rests on three strategic pillars: (i) accelerating infrastructure and long-term investments, (ii) promoting local economic development, and (iii) investing in people.

The project is aligned with Strategy 2030 OP5 (promoting rural development and food security), which calls for direct support to food and agribusiness companies to promote financially sustainable and market oriented solutions. The project is also aligned with the OP for Private Sector Operations, 2019 to 2024, which identifies food brands and food retail as a priority segment because of the potential to drive and structure upstream subsectors (e.g., on quality standards, traceability).

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	In compliance with ADBs Safeguard Policy Statement (2009), ADB has categorized the investment as category B for environment. Project activities will include construction of new warehouses and shops and expansion of retail operations. To enhance its E&S management, DALI will establish and implement a formal ESMS, enhance its E&S organization and implement ESH and social training programs for employees and contractors
Involuntary Resettlement	In compliance with ADBs Safeguard Policy Statement (2009), ADB has categorized the investment as category C for involuntary resettlement. Dali leases land for its facilities from private landowners. The company will ensure that none of its sites to be established will result in involuntary resettlement impacts
Indigenous Peoples	In compliance with ADBs Safeguard Policy Statement (2009), ADB has categorized the investment as category C for indigenous peoples. The project is not expected to result in any impact on indigenous peoples as facilities are in areas where no indigenous communities are present
Stakeholder Communication, Participation, and Consultation	As part of the development of its ESMS, Dali will strengthen its stakeholder engagement, information disclosure, and consultation procedures.

Timetable for assistance design, processing and implementation

Concept Clearance	-
Credit Committee Meeting	-

Approval 06 Mar 2023

Last PDS Update 06 Mar 2023

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