



Project Data Sheet

Project 56313-002

Project Name

Dali Private Label Supplier Network Expansion Project

Project Number

56313-002

Borrower / Company

- HDPM Sin Pte. Ltd.

Country / Economy

- Philippines

Location

Type or Modality of Assistance

Approval Number	Facility	Fund Source	Amount	Status
7834	Equity	Ordinary capital resources	USD 10.00 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
- OP6: Strengthening governance and institutional capacity

Sector / Subsector

- **Agriculture, natural resources and rural development** / Agro-industry, marketing, and trade

Gender

Effective gender mainstreaming

Project Sponsor(s)

Description

Objectives and Scope

The project will finance the expansion of Dali network of hard discount retail stores and distribution centers, and procurement from local private label suppliers. The

project will also fund off-grid rooftop solar panels and green building certifications for some stores and distribution centers to support energy cost savings and reduce the carbon footprint of Dali operations.

This is the second Asian Development Bank (ADB) project with Dali. This project, together with the earlier transaction, will generate employment for 6,000 workers, including 45% women, by 2027.

Linkage to Country/Regional Strategy

The project is aligned with the Government of the Philippines Development Plan, which 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 also in line with ADB \$14 billion food security response as well as ADB ambition to deliver \$100 billion in climate financing to its developing member countries from 2019 to 2030.

Safeguard Categories

Environment

B

Involuntary Resettlement

C

Indigenous Peoples

C

Summary of Environmental and Social Aspects

Environmental Aspects

ADB conducted an E&S audit, including site visits, with a view to evaluating the implementation of DALI ESMS. ADB determined that DALI ESMS will require updating to ensure its principles and procedures are practical, streamlined, and embedded in DALI day-to-day operations. Specifically, DALI must (i) integrate its E&S screening into its expansion process, (ii) update and finalise its legal compliance register to capture all the standard legal permits and approval required for the expansion of its distribution centers and stores, (iii) develop a standard E&S management plan to be used for each expansion project, (iv) develop a waste management procedure, and (v) strengthen its contractor and supplier management plans.

Considering the company existing operations and the planned expansions which will include construction of new stores in the Philippines, ADB has categorized the investment in compliance with ADBs Safeguard Policy Statement (2009) as category B for environment.

Involuntary Resettlement

ADB has categorized the investment in compliance with ADBs Safeguard Policy Statement (2009) as category C for involuntary resettlement. The project will finance the expansion of Dali network of stores, distribution centers, rooftop solarization program, and local private labels. As confirmed in the ESDD for the investment, Dali leases land for its stores and distribution centers from private owners and ensures the

selected properties meet Dali's criteria. Dali ensures proper ownership documents and no possession issues, including informal settlers. Involuntary resettlement impacts are not anticipated.

Indigenous Peoples

ADB has categorized the investment in compliance with ADB Safeguard Policy Statement (2009) as category C for indigenous peoples. As confirmed in the ESDD for the investment, Dali facilities are in urban, semi-urban, industrial or commercial areas where no known indigenous communities are present. Impacts on Indigenous Peoples are not anticipated.

Stakeholder Communication, Participation, and Consultation

Contact

Responsible ADB Officer

Noorullah

Responsible ADB Division

Office of the Director General, PSOD

Responsible ADB Department

Private Sector Operations Department

Timetable for assistance design, processing, and implementation

Concept Clearance

-

Credit Committee Meeting

-

Approval

20 May 2024

PDS Creation Date

17 May 2024

Last PDS Update

20 May 2024

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