FFOODS Spectrum
perspectives on food technologies & business
ASIA

Olam International secures $163M

03 April 2018 | News

Olam International Limited, a leading agri-business operating across the value chain in 66 countries, has secured medium term financing facilities aggregating $163.0 million from the Asian Development Bank (ADB) and Japan International Cooperation Agency (JICA).

Proceeds from the Facilities will be applied towards capital expenditure and permanent working capital requirements of the Company and COVL in Vietnam, Indonesia, Timor-Leste and Papua New Guinea.

Olam International Limited, a leading agri-business operating across the value chain in 66 countries, has secured medium term financing facilities aggregating $163.0 million from the Asian Development Bank (ADB) and Japan International Cooperation Agency (JICA).

The Facilities consist of two tranches: (i) a $83.0 million, 5-year facility for the Company and (ii) a $80.0 million, 7-year facility for Café Outspan Vietnam Limited (COVL), a wholly owned subsidiary of Olam, under a guarantee from the Company.

Proceeds from the Facilities will be applied towards capital expenditure and permanent working capital requirements of the Company and COVL in Vietnam, Indonesia, Timor-Leste and Papua New Guinea.

Jayant Parande, President & Global Head of Treasury & Investor Relations of Olam, said: “We are pleased to have secured this financing as Olam’s approach fits well with ADB’s and JICA’s mandate of enabling inclusive economic growth with environmental stewardship and regional integration. We would like to thank ADB and JICA for their strong support for this loan transaction.”

“Developing formal value chains is essential for farmers in Asia and the Pacific to integrate with the global economy and increase the value of their products,” said ADB Investment Specialist Juhyun Jeong. “ADB’s and JICA’s partnership with Olam and COVL will help smallholder farmers expand their production and operations – improving livelihoods by promoting inclusive and sustainable development.”

“Olam’s comprehensive and grassroots approach to improve agricultural value chains brings significant positive impacts to farmers and the agri-business industry,” said JICA’s Investment Officer Gyo Shibata. “For the partnership with ADB’s private sector operations, we are excited to ink the first direct co-financing deal and explore further collaborations.”