CALL FOR LOAN PROPOSAL

About Progreso

Progreso Foundation is an NGO, based in the Netherlands that works with smallholder coffee and cocoa producer organizations to become stronger, more professional and investment-ready. Progreso combines short-term working-capital and trade finance with technical assistance in financial management, governance, business development and market access, including digital tools where relevant, to support traceability and commercial management.

We are looking for cooperatives with real farmer members, verifiable commercial activity and a credible opportunity to grow. Legal registration by itself is not enough. Applicants must be able to show how the business operates, how services are delivered to members, how members benefit and how the proposed loan will be repaid.

Who can apply?

Progreso invites applications from legally registered coffee and/or cocoa cooperatives (primary, secondary or tertiary cooperatives, as defined in Indonesian cooperative legislation) operating in Indonesia that purchase products from their members and sell them to buyers. We prioritize cooperatives with credible growth potential that can use working capital to increase purchases from members, fulfil buyer demand, improve business performance, and strengthen their position as sustainable, member-owned businesses.

To qualify for assessment, applicants must meet all the following minimum requirements:

1. **Legal status and operating history:** Legally registered and operating for at least three years.
2. **Genuine farmer membership:** Maintain an active, identifiable membership base engaged in coffee and/or cocoa production and supply. There needs to be a proven relationship with documented supply from farmers to cooperative, and active service delivery from cooperative to farmers.
3. **Commercial track record:** Have purchased coffee and/or cocoa from members and sold to buyers during the past three years.
4. **Financial track record:** Maintain financial statements or financial records for the past two financial years (2024 and 2025).
5. **Buyer relationships:** Have existing buyer relationships and a credible market opportunity for the 2027 harvest.
6. **Commitment to improvement:** Agree to Progreso's due diligence, monitoring, and technical assistance in financial management, governance, and business development.
7. **Transparency and integrity:** Disclose existing debts, material liabilities, conflicts of interest, and related-party transactions, and permit verification of submitted information.

Meeting these requirements qualifies an applicant for further assessment but does not guarantee financing. All applications remain subject to Progreso's business assessment, due diligence, field validation, and internal approval process.

Documents to submit

Please complete the Progreso Loan Application Form and submit the supporting documents listed below. Information already provided in the application form does not need to be repeated in a separate document, unless additional evidence is requested.

A. Mandatory supporting documents

1. **Legal registration and governance:** Cooperative registration certificate, current bylaws, and available evidence of current board and management appointments.
2. **Membership Delivery Record:** If the cooperative keeps a record of the volume delivered by each member (as indicated in the application form): the volume delivered per member in 2025 (member name or ID, and kg). The full member register, including member locations, is only requested from shortlisted cooperatives**.**
3. **Commercial track record:** Summary of coffee and/or cocoa purchases from members and sales to buyers during the past two years, supported by sample purchase receipts, delivery records, sales invoices, contracts, or payment evidence.
4. **Buyer confirmation for the 2027 harvest:** Letter of intent, purchase order, draft contract, or signed contract from prospective or existing buyers, whichever available.
5. **Existing loans and liabilities (if applicable):** List of current loans and other material liabilities, including outstanding balances and repayment schedules. The loan table in the application form can serve as the list; please attach repayment schedules or loan agreements where available.
6. Financial statements (preferably audited): P&L and balance sheets for 2024 and 2025

B. Additional information that may be requested

During screening and due diligence, Progreso may request additional documents or clarification to verify the information provided in the application, including:

- Supporting evidence for the 2027 cash-flow projection and requested loan amount.
- Further evidence of farmer membership, product purchases, inventory, sales, and payments.
- Buyer references or confirmation of proposed purchasing arrangements.
- Additional financial records, bank transactions, or explanations of material transactions.
- Information on related-party transactions, conflicts of interest, outstanding obligations, or other material risks.

What Progreso offers

Financing	Access to Progreso's working-capital/trade-finance mechanism, up to a potential maximum of EUR 100,000. The approved amount depends on verified working-capital needs, transaction volumes, repayment capacity and risk assessment.
Interest rate	6% per year, subject to the final loan agreement.
Loan tenor	Maximum tenor of 12 months, subject to the final loan agreement.

Collateral	No asset collateral is required under Progreso's model. Applicants must still demonstrate a credible repayment source (e.g. buyer contracts, tripartite agreements) and acceptable risk.
Early repayment	No penalty for early repayment, subject to the final loan agreement.
Technical assistance	2 years of technical assistance support in financial recordkeeping, cash-flow management, internal controls, governance, business planning and market readiness.

Selection Process and Indicative Timeline

Progreso will assess applications through a staged selection and verification process to evaluate eligibility, business growth potential, financial viability, and repayment capacity.

No	Stage	Process	Indicative date
1	Application window	Applicants submit the completed application form and supporting mandatory documents.	2–23 November 2026
2	Eligibility screening and initial assessment	Progreso checks minimum eligibility requirements and reviews commercial activity, buyer demand, farmer membership, financial records, cash flow, proposed loan use, and repayment capacity.	24 November–1 December 2026
3	Shortlisting	Progreso announces applicants selected to proceed to due diligence.	2 December 2026
4	Virtual due diligence	Progreso discusses the proposal with selected cooperative board and management, verifies submitted information, and reviews governance, liabilities, financial performance, and key risks.	3–17 December 2026
5	Field validation	Where feasible, Progreso verifies the cooperative's operations, records, and stock controls; interviews a sample of board, manager, members; independently contacts buyers; and checks whether reported volumes are plausible.	4–19 January 2027
6	Internal approval	Progreso reviews due-diligence findings, repayment capacity, proposed loan terms, identified risks, and technical assistance needs before making a financing decision.	20 January–22 February 2027
7	Final decision and contracting	Progreso announces the final decision. Selected cooperatives must meet the agreed conditions and sign the relevant agreements before loan disbursement.	26 February 2027

Important: The dates are indicative and may be adjusted by Progreso.

How to apply

Complete the **Progreso loan application form** along with **the mandatory supporting documents** and submit it through: **Applications@progreso.nl**

Applications must be received from 2 November to 23 November 2026.

Note:

About the application form: the form is an Excel file in English and Bahasa Indonesia. Fill in the yellow cells only; leave a cell empty if you do not know the answer. Amounts are entered in IDR and the form shows EUR automatically, using the average exchange rates that you enter yourself (for example the rates used in your own accounts). Report 2026 as the actual figures to date plus your best estimate for the rest of the year; financial statements are requested for 2024 and 2025. The loan amount you request should not exceed the equivalent of EUR 100,000.

Incomplete applications may not be assessed.

Important principle

Progreso does not require asset collateral for this financing. Instead, financing decisions are based on verified business activities, genuine farmer membership, sound management, transparent financial records, and the cooperative's capacity to repay. Our objective is to support credible business growth and strengthen cooperatives as sustainable, member-owned enterprises. The loan must be used exclusively to finance the cooperative's purchase of coffee and/or cocoa from its members and cannot be used for personal lending, unrelated investments, or expenditures outside the purpose approved by Progreso.