

**Press Release**

## **Boost for Emerging Growers**

HORTGRO, in cooperation with the Land Bank, has created a fertile opportunity for emerging growers by launching a special business product that includes a loan scheme, administrative support and mentorship.

High costs, security in the form of land ownership, a shortage of skills, and market access count among some of the biggest challenges for newcomers to the agricultural industry. This initiative by HORTGRO and the Land Bank aims to tackle these issues head on.

“Emerging growers have great challenges regarding the long term, capital, and technology-intensive manner of deciduous fruit production and also land ownership. The necessary funds for equipment, infrastructure development and additional planting, are often missing while commercial costs (interest rates) of loans and requirements can also limit growth and access to capital,” said Anton Rabe, CEO of HORTGRO. “This initiative was therefore launched as part of the deciduous fruit industry’s strategy to aid industry newcomers to speedily and sustainably enlarge their production footprint.”

“The deciduous fruit industry is different than most other agricultural industries due to the planting of long term crops and the management intensive nature of this industry. Due to this, we should think and act differently.”

Essentially the low interest rate loans include the following:

- Short term financing (less than 1 year) for production input.
- Medium term financing (2 to 4 years) for equipment and infrastructure development.
- Long term financing (up to 8 years) for fixed improvements such as additional orchard planting.

Rabe highlighted that these loans cannot be used to buy land, although the Land Bank also finances such transactions. “The Land Bank will process and administrate these applications, while HORTGRO and its related industry structures will provide farmers with support and advice.”

Growers who intend to apply for these loans, will have to be sustainable and profitable in order to pay the loans back.

Piet Kiewiets, chairperson of the Letabakop Workers' Trust and shareholder in the Eve Brand farm in Misgund in the Langkloof, said a loan such as this one gave him the necessary boost to keep the farm going.

“The Langkloof suffered a few blows over the last couple of seasons due to unforgiving weather and the growers here suffered immensely. The loan we received with the help of the Humansdorp Operative, helped us to get back on our feet. I would definitely recommend this loan to other struggling, yet productive growers.”

- Growers who would like to apply for this loan scheme, should contact Ms Mariëtte Kotze at HORTGRO at 021 870 2907 or [mariette@hortgro.co.za](mailto:mariette@hortgro.co.za).



*Piet Kiewiets (far left) shown here with members of the Letabakop Workers' Trust (from left to right) Solomon Nika, Eric Nene, John Alli, Rebecca Kameni, Stefanus Zondagh, Evean Prinsloo, Merroline Mjulen, Hannes Stapelberg and Annie Zondagh on a Misgund farm in the Langkloof.*