



Land Bank launches Climate Change Adaption Funding Facility for Farmers

07 February 2018. The Land and Agricultural Development Bank (“Land Bank) today announced the commencement of a new funding facility geared towards the support of climate change adaption and mitigation projects. The €50-million facility, secured through the European Investment Bank (EIB), is set to strengthen the capacity of farmers to prepare, adapt and become resilient to the impacts of a changing climate.

The funding could not be timelier, given the challenges currently being experienced in the local agricultural sector, specifically with regard to the worst drought in over a century, which continues to adversely impact agricultural output in the Western Cape.

The facility features a 12-year repayment period with favourable terms. The available funding will be channelled to climate action projects that have a lifespan of two years or longer and are focussed on, amongst other things:

- Improving natural resource management;
- Strengthening business continuity;
- Contributing to a reduction in energy and water usage in food processing;
- Improving existing carbon pools; and
- Capital formation specifically intended for climate adaption and mitigation.

*“An important part of our mandate at Land Bank is to work with all of our stakeholders to build an adaptive and competitive agricultural sector that contributes to food security. With this facility in place, we are better positioned to support farmers and agribusiness to deal with the challenges of climate change and ensure limited disruption of agricultural production,” says Land Bank CEO, Mr **TP Nchocho**.*

Over the past year, Land Bank has worked diligently to diversify its sources of funding in order to continue supporting agricultural sector growth and transformation. This Climate Action Facility from the EIB is the fourth in a series of major funding initiatives secured by the Bank to increase its long-term liquidity for the benefit of the agricultural sector.

***Tom Andersen**, head of the EIB’s Pretoria Office, added: “This project comes at a very important time and underlines the importance of planning ahead to ensure sustainability of our scarce resources. Through partnerships like this one with the Land Bank, the EIB is able to support various types of projects carried out by small and medium-sized enterprises in the agricultural sector. In addition to having a positive impact on the climate, the facilities will also underpin job creation. “*

Ends



Notes for the Editor

Background Information

Land Bank has a proud heritage of serving the needs of both commercial and emerging farmers spanning 105 years. As South Africa's only specialist agricultural bank, we bring tailor-made financial services to our valued clients. These services enable our farmers to finance land, equipment, agricultural infrastructure as well as the improvement of assets and production credits. Beyond financing, Land Bank is about building lasting relationships and mutually beneficial partnerships. We are working to continuously meet the needs of all of our clients while driving economic transformation and social inclusivity in the agricultural sector. For more information, visit: www.landbank.co.za or call 0800 00 52 859

The **European Investment Bank (EIB)** is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals both inside and outside the European Union. The European Investment Bank has supported transformational investment across Africa for more than 50 years and has operated in South Africa since 1994, making available over EUR 3.1 billion in financing to support various sectors of the South African economy, including energy, transport, agriculture and SMEs.

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