

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

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Mr P J C Pretorius (DA) to ask the Minister of Finance:

- (1) Whether a new financing model for commercial, emerging and subsistence farmers will be introduced; if not, why not; if so, when;
- (2) whether the Land Bank will offer more favourable interest rates and repayment conditions than commercial banks; if not, why not; if so, how will this be achieved;
- (3) whether he will make a statement on the subject of (a) an improved financing model and (b) a more effective Land Bank?

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Reply:

- (1) The Land Bank is currently reviewing its pricing and credit model and will implement the new model upon completion.
- (2) The future pricing will be determined by the recommendation of the above review. The Land Bank will strive to uphold the principles of development finance, including providing both financial and non financial support to its clients. However, the rates the Land Bank charges its clients are influenced by the rates at which it borrows funds from the financial markets and then on-lends to its customers
- (3) If, upon conclusion of the review, the Minister determines that it would be in the public interest to make a statement, he might do so.