

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2781 [NW3372E]
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2781. Dr D T George (DA) to ask the Minister of Finance:

Whether the mandate of the Land and Agricultural Development Bank of *South Africa* will be amended to evolve the bank into a financial institution that provides micro financing; if not, why not; if so, what are the relevant details? NW3372E

REPLY:

No, there is no intention to amend the mandate of the Land and Agricultural Development Bank of South Africa (Land Bank) which is derived from Land Bank Act, Act No. 15 of 2002, in line with its eleven objects. The objects of the Land Bank are as follows:

1. Equitable ownership of agricultural land, in particular the increase of ownership of agricultural land by historically disadvantaged persons.
2. Agrarian reform, land redistribution or development programmes aimed at historically disadvantaged persons or groups of such persons for the development of farming enterprises and agricultural purposes.
3. Land access for agricultural purposes.
4. Agricultural entrepreneurship;
5. The removal of the legacy of past racial and gender discrimination in the agricultural sector.
6. The enhancement of productivity, profitability, investment and innovation in the agricultural and rural financial systems.
7. Programmes designed to stimulate the growth of the agricultural sector and the better use of land.
8. Programmes designed to promote and develop the environmental sustainability of land and related natural resources.
9. Programmes that contribute to agricultural aspects of rural development and job creation.
10. Commercial agriculture.
11. Food security.

Based on the objects of the Land Bank, the Bank can achieve its objects or mandate by providing financial services to a wide range of farmers utilising wide range of instruments to wide range of clients including micro financing. Microfinancing will therefore only be provided to the agricultural sector if such financing supports the objectives of the Land Bank.