# NATIONAL ASSEMBLY WRITTEN REPLY

**QUESTION 2767**

**INTERNAL QUESTION PAPER [No 31-2021 SIXTH PARLIAMENT] DATE OF PUBLICATION: 03 DECEMBER 2021**

**2767. Mr M K Montwedi (EFF) to ask the Minister of Agriculture, Land Reform and Rural Development:**

In light of the fact that the Land Bank is on record saying that it will now continue to only support existing clients, how has she found that this decision will affect smallholder farmers who also wanted to get the support from Land Bank? **NW3282E**

# THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:

I am aware of the decision the impact that it will have on the sector if it is not given prompt attention. The National Treasury and the Land Bank are assessing options towards finding a balanced solution to continue providing limited support to the sector while reducing the debt of the Bank. In that regard, priority has been given to existing clients due to the limited funds and also to avoid further deterioration of the existing loan book.

The Bank has made significant progress in negotiations with the lenders with the support of the shareholder, towards reaching an agreement on the Liability Solution so that it is able to restore its business processes back to normal. With the support and collaboration of the Shareholder (National Treasury) and the Department of Agriculture, Land Reform and Rural Development (DALRRD), development and transformation will be the new growth area with a renewed focus on providing support to new and existing smallholder farmers.