

# Nedbank's partnerships with farmers are focused on holistic solutions

"As a bank for businesses whose business values are entrenched in sustainability, our interest in deepening the relationship with agricultural communities takes heed of the environmental challenges that influence their future success," says John Hudson, Nedbank Business Banking divisional manager of Agriculture for the Coastal and Inland Region.



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One of its turnkey stakeholder relationships in the sector is with the Worldwide Fund for Nature (WWF-SA). By partnering in various initiatives to advance agricultural operations across the country Nedbank has gained insight into on-the-ground challenges to solutions for the creation of effective, sustainable farming practices with commercial considerations in mind.

The bank's R8.3m investment in the WWF-SA's Sustainable Agriculture Programme has also helped foster partnerships with prominent role-players to ensure the progress of this vital industry in the South African economy. In almost 25 years Nedbank, through the Nedbank Green Affinity Programme, has donated over R150m to The WWF Nedbank Green Trust towards nature conservation.

## Sponsoring events

"We understand that it is challenging to establish and maintain a business in the agricultural sector, with labour, policy, climatic and operating cost challenges and shifting markets all presenting seemingly insurmountable challenges at times - hence our drive to keep deepening our understanding of local agribusiness challenges," says Hudson.

Sponsorship of regional agricultural shows, symposia and discussion events such as the Eston Show has boosted the awareness and understanding of farming communities, highlighting both their challenges and opportunities. This has assisted Nedbank in providing tailored offerings that present solutions, rather than unwanted headaches in a farmer's budgetary planning.

"An agribusiness requires flexible, relevant and cost-effective finance solutions that take into account the business's present

position and future goals. To meet this need, especially in the specialist areas of agronomy, horticulture and livestock production, we integrate seamless electronic-banking capabilities with individually structured solutions and pricing plans based on individual risk profiles," Hudson adds.

## **Different focus**

"Agrifinancing is not a paint-by-numbers game, as each farming business requires a different focus for its specific lending, investment, transactional banking and value-add requirements. We therefore focus not only on the operation's own banking business, but also on its relationship with suppliers and destination markets locally, on the continent and abroad," he explains.

"The global financial crisis six years ago deepened our involvement in local agriculture, commodities and fixed-asset classes such as land and infrastructure. In support of our agrifocus in South Africa we have dedicated teams engaging with commercial farmers and agribusinesses across the country," says Hudson.

"Supporting on-farm finance needs is our way of gearing South Africa's agricultural supply chain at ground level. The increasing demand for food, the importance of food security and the contribution of agriculture to the economy are important factors that give rise to significant opportunities for sustainable local farming businesses, both locally and in Africa."

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