

# Appropriate financing needed to unlock agriculture's potential

According to Simpiwe Somdyala, general manager of Corporate Affairs at Old Mutual, agricultural growth is a powerful catalyst for inclusive growth and socioeconomic transformation.



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“A thriving agricultural sector has the potential to create jobs, stimulate savings, reduce poverty, lessen inequality, boost intra-African trade and of course improve food security. With scaled-up support and strong collaboration between the government and the private sector, it should be possible to create one million new jobs in agriculture by 2030. That translates into several million children lifted out of poverty over the next 12 to 13 years.”

Somdyala shared his views on the eve of the 51st Nampo Harvest Day, which will take place from 16 to 19 May 2017 outside Bothaville. It is the largest privately organised agricultural exhibition of its kind in the southern hemisphere. As a group that committed almost R1b to sustainable agriculture in 2016, Old Mutual and sister company Old Mutual Insure (previously Mutual & Federal) will combine forces to showcase their support of the agriculture sector at the Nampo Harvest Day.

## Unlocking the outstanding growth potential of the sector

Senior representatives from Old Mutual will provide comprehensive insights into the group's offerings to all levels of the sector, including grassroots enterprise development and entrepreneurship as well as high net worth investment and wealth propositions.

“Old Mutual is committed to strengthening and unlocking the outstanding growth potential of this sector by developing an ecosystem of collaboration and support of the entire agriculture value chain, from the farmers and their employees to their suppliers, processors, and distributors,” explained Somdyala.

Looking beyond South Africa to Zimbabwe, Somdyala shared the example of how Old Mutual has pioneered a pilot drought insurance product for smallholder farmers in partnership with Blue Marble Micro Insurance. Launched in November 2016, this innovative solution, called Ruzhowa, helps smallholder farmers in Zimbabwe to protect their livelihoods against seasonal droughts. This type of protection will have a huge positive effect on the economy – and also the financial wellbeing of farmers and communities.

## **Appropriate financial support**

Somdyala adds: “Innovation, technology, and economies of scale are critical in today’s farming environment to ensure sustainability and competitiveness. These new challenges and complexities highlight the need for appropriate financial support and sound advice for all involved in the sector’s success. “We look forward to welcoming customers and stakeholders to Old Mutual’s Harvest Day exhibition, where they can learn more about the benefits of partnering with a financial services provider that understands the needs and appreciates the dedication, effort, and skill of all the role players in this important sector of our economy.”

The group’s support ranges from direct responsible investment through the Old Mutual Investment Group and Masisizane to a comprehensive suite of solutions, including investment offerings, life and disability cover, funeral plans, short term insurance, personal financial advice, and loans. Old Mutual also offers business-to-business solutions such as asset management and employee benefits arrangements.

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