



Emerging farmer grant management programme

Historically, the government has made grant payments directly to emerging farmers, but offered no support in terms of financial management or planning. As a result, many agricultural projects failed, resulting in government having to refinance projects multiple times.

In partnership with the Department of Agriculture, Land Reform and Rural Development, FNB Agriculture developed a solution using FNB's 3PIM* platform, to minimise the risk of grant mismanagement. It allows government to transfer grant funding to each individual farmer while ensuring financial discipline:

- FNB onboards each farmer and assists them with digital banking.
- Each farmer gets a 3PIM account in their own name into which the grant is deposited, ensuring that ownership sits with the farmer.
- Non-standard call accounts are used to ensure immediate availability of funding and to generate better interest rates.
- FNB validates the account number with the National Treasury database.
- The farmer does not have access to the grant funding account, only FNB Agriculture does.
- FNB makes payments to approved suppliers directly from the grant account against validated invoices on behalf of the farmer, in line with approved budgets.
- 3PIM provides a full audit trail with bank statements, enabling financial control and enhanced reporting.
- Instant accounting (an automated solution that assists farmers in building a financial track record) is provided.
- As part of the programme, farmers are partnered with mentors who assist them with financial education.

* 3PIM is a system that gives the user the ability to open, manage and close any number of accounts, either for their own funds or for their respective clients, to be held separately from their operational balances.

Emerging farmer grant management programme *continued*

As at 30 June**:

Since inception in March 2020	2023	2022	2021	2020
Emerging farmers onboarded, with access to FNB banking facilities	234	200	145	109
Validated grants balances under management	R1.6 billion	R1.1 billion	R890.7 million	R457.4 million
Interest earned by the farmers on the grant funding under management, for their own benefit	R93.4 million	R43.2 million	R23 million	R4 million
Value of payments made directly by FNB Agriculture to suppliers on behalf of emerging farmers	R796 million	R547.5 million	R366.4 million	R8.8 million

** Previously reported as at 30 October. Reporting period changed to align with FirstRand's financial year end.

Geographic breakdown of grant allocation in 2023:

Percentage of farmers per province

