

Affirmative Action Loan Scheme (AALS)

An instrumental apparatus of equitable distribution and proper utilization of land for sustained economic growth. This package is tailored to the emerging commercial farmers and is an important component of the land reform programme, which enables innovative new farmers from the previously disadvantaged communities, to acquire farms in commercial areas. Loans are granted against security of the mortgage bond and are repayable over a period of 25 years. The Affirmative Action Loan Scheme (AALS) is complemented by the North South Incentive Scheme (NSIS), which is a vehicle for communal farmers to sell off their livestock north of the Veterinary Cordon Fence (VCF) and purchase disease-free livestock south of the VCF on a newly acquired farm.

Year 1-3 is free of interest and capital repayment for full-time farmers, and as from year 4 onwards outstanding amount is redeemed over the remaining 22 years at an escalating interest rate.

Part-time farmers may elect to service the interest portion only for the first three years, where after the outstanding amount is redeemed over the remaining 22 years at the appropriate interest rate.

Alternatively, part-time farmers may elect to capitalize the interest portion for the first three years where after the outstanding amount is redeemable over the remaining 22 years at the appropriate interest rate.

The applicant must own productive livestock equivalent to at least 35% of official carrying capacity of the farm which, he/she intends purchasing, and /or have the financial capacity to purchase such livestock.



Requirements

- Applicants must have a clean credit record.
- Applicants can either be full or part time farmers.
- Applicants should be Namibian citizens.
- Applicants must provide a business plan and an income and expenditure statement.
- Agribank offers flexible installment options to suit client's financial needs. The available installment options are: monthly, quarterly, bi-annual or annual. Loans are granted against security of fixed property (mortgage bond) or any other acceptable form of security.
- Applicants should provide a contract of purchase.

Contact your nearest AgriBank Branch for further information.

"Continuously preparing today for a prosperous Namibia tomorrow"

