

## JOINT MEDIA RELEASE

**Date:** 14 July 2022

**Attention:** News Editors

**FOR IMMEDIATE RELEASE**

### **AGRIBANK AND NAMIBIA BIOMASS INDUSTRY GROUP (N-BiG) SIGN MEMORANDUM OF UNDERSTANDING**

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1. Today, Namibia's agricultural premier lender, Agribank, and the Namibia Biomass Industry Group, signed a Memorandum of Understanding in Windhoek, where the duo agreed to cooperate in various areas and guide the successful implementation of activities/projects emanating from the identified areas of cooperation.
2. Agribank is a state-owned enterprise, mandated to promote agriculture and related activities by lending money to individuals and financial intermediaries through the provision of affordable, innovative, and inclusive financing solutions. On the other hand, N-BiG is a non-profit industry association representing a wide range of members active within the Namibia bush biomass sector with the vision of shaping the future of bioenergy and bio-based products in Namibia.
3. The scope of the MoU includes that both parties are to cooperate in the development and amendment of financing products aimed at scaling-up projects in bush control and biomass utilization, as well as the sharing of data required to develop loan products that are responsive to market needs. Similarly, N-BiG is to provide expertise through the Advisory Service component, especially on risk assessment of bush control and biomass utilisation loans, in line with the Bank's policies and regulations.
4. Other areas of cooperation include technical support in development, outreach and integration of bush control and biomass utilisation industry/farmers' tools such as the biomass quantification and feed formulation tools. The MoU further states that the two institutions will be hosting training for existing and prospective farmers, individuals, and SMEs interested in bush control and biomass utilisation activities, including current Agribank loan holders. Monitoring and evaluation of bush control and biomass utilisation activities is also another identified area of cooperation.

5. During the signing ceremony, Agribank's Chief Executive Officer, Dr Raphael Karuaihe, stated that "signing an MoU with N-BiG, as an industry association in the Namibian biomass sector, comes at an opportune time since Agribank is in the process of rolling out its biomass value chain financing scheme, that was operationalized earlier this year to meet the loan book diversification objective of the Bank. Therefore, as a Bank, we are delighted to be in this partnership since it talks directly to our strategic objectives." On behalf of N-BiG, the Chief Executive Officer, Progress Kashandula, described the MoU as "a major milestone in the development efforts of the bush biomass sector in Namibia, through a public-private cooperation approach. Further more, the biomass sector holds potential to contribute to socio-economic development and an inclusive bioeconomy for Namibia."
6. The biomass industry as a whole has the potential to improve the streamflow of underground water, refine rangeland productivity, create sustainable employment, and serve as an opportunity for farmers to diversify revenue streams. In addition, the industry will promote climate-smart agricultural practices.
7. The Memorandum of Understanding is valid for five years from August 2022 to July 2027, with the option for renewal at the end of the term.

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