UK-SA finance partnership set to boost jobs in Mpumalanga

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UK and South African partners use blended finance to unlock investment for Mpumalanga farmers, driving jobs, growth and a just low-carbon transition.

A pioneering blended finance partnership between the UK Government, South African development financiers, industry bodies and implementing partners is demonstrating how collaboration can unlock commercial opportunities for farmers in Mpumalanga, helping to build alternative economic pathways as the region undergoes its energy transition.

In coal-dependent provinces like Mpumalanga, where the shift to a low-carbon economy is reshaping the local economic landscape, new sources of growth are essential. Blended finance supports this shift by using public funds to reduce investment risk and crowd in private capital. This enables farmers to scale their operations, create jobs and build sustainable, climate-resilient businesses.

Lisa Weedon, Deputy British High Commissioner to South Africa, said:

> The UK is committed to supporting South Africa in transitioning to a low-carbon economy. Through this blended finance model, we are working with local partners to pilot innovative solutions that unlock further investment, support the diversification of Mpumalanga's economy and create jobs.

Through its implementing partner, international non-profit, TechnoServe, the UK has partnered with two agri-financiers - Agri Finance Facility (AFF) and Hortfin, to support two initial pilot investments in Mpumalanga, with additional investments in the pipeline. The UK's contribution helps de-risk commercial investment and unlock inclusive growth opportunities for pre-commercial farms.

According to AFF Chief Investment Officer, Teboho Phooko, collaboration with the UK enabled Zwagershoek, a farm on community-owned land, to access tailored finance, technical support and market access. This integrated approach has helped improve risk management, ensure commercial sustainability and position the farm for future scale.

Zwagershoek Farm, located in Hazyview, spans 51 hectares of lemon orchards on land owned by the Sandford Community Trust. Phased support from AFF and the UK Government is stabilising farm operations through investment in improved crop management, the purchase of high-quality equipment and irrigation infrastructure. In phase two, the farm will access initial expansion finance which will catalyse an eventual expansion to 200 hectares, a move projected to support up to 500 jobs.

Hendrik Alberts, Managing Director of Zwagershoek, remarked:

> The support provided by the UK Government and AFF has significantly strengthened our management capacity and job creation efforts. Last season alone, between 100 and 120 people were employed during harvesting. As we expand, we expect to contribute even further to the regional value chain and South Africa's export economy.

Afrikan Farms (Pty) Ltd, a 100% black-owned family agribusiness near Amersfoort in Mpumalanga, currently operates 4 hectares of apple orchards. With support from the UK Government, in collaboration with Hortfin and Hortgro, the farm has developed a plan to expand from 4 to 19 hectares between 2026 and 2029. This expansion is expected to create 85 new jobs. If the farm ultimately scales to the full 50 hectares, it could create an additional 174 jobs.

Hortfin Acting CEO, Mariette Kotze, added:

> Afrikan Farms identified apple production as a way to diversify income streams. By scaling into a fully viable commercial unit, we anticipate significant job creation and long-term sustainability.

Hortfin has expanded its financing operation in Mpumalanga as a result of this partnership.

Highlighting the broader vision, TechnoServe's Senior Inclusive Investment Director, Melanie Machingawuta said:

> We have been working with the UK Government for the past 7 years alongside investors to drive green and inclusive growth in the Global South. In South Africa, our journey intersects with the just energy transition and the transformation of the agricultural sector.
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> Afrikan Farms shows how structured collaboration and blended finance can turn a pre-commercial farm into an export-ready commercial model that attracts further investment. The objective is not only to support one or two farms, but to demonstrate a replicable model that encourages others to invest

Collectively, partners agree that blended finance, anchored in collaboration, technical support and market integration, is more than a funding tool. It is a scalable driver for inclusive growth in Mpumalanga's transition to a low-carbon economy.

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