

# Loan conditions relaxed for farmers, livestock

# Move to boost food

By  
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KOTA KINABALU, Sun. - In a move to further boost food production, the Government has relaxed the conditions for loan applications to the Food Fund by doing away with the need to provide collateral.

Deputy Prime Minister Datuk Seri Anwar Ibrahim said today farmers, livestock breeders and fishermen would no longer be required to provide such collateral.

All that will be needed is a guarantee from the association, of which the applicant is a member, that the borrower is capable of repaying the loan.

Anwar also announced a reduction in the interest rate on the loans from the present eight per cent per annum to four per cent and the repayment period extended to eight years from the current five years.

In addition, the Government also agreed to a request by the farmers', livestock breeders' and fishermen's associations for the minimum loan to be RM10,000, instead of the present RM50,000.

Anwar, who is also Finance Minister, was launching the National Farmers, Livestock Breeders and Fishermen Day celebrations at the Likas Sports Complex this morning.

The Finance Ministry through Bank Negara had allocated RM300 million for the Food Fund in the 1993 Budget which was aimed at increasing food production and containing inflation.

In the 1995 Budget, the amount was raised to RM600 million to encourage the private sector to increase production of agricultural products and livestock. To promote greater utilisation of the fund, Anwar said the criteria would be reviewed.

He said collateral like land titles and properties was no longer required when applying for the loans.

He said farmers', livestock breeders' and fishermen's associations would know the backgrounds of their own members and

would not recommend those whom they knew would not be able to service their loans.

Anwar said the relaxation in the conditions would enable more farmers, livestock breeders and fishermen to get the loans.

"Because of stiff conditions previously, the RM600 million in the fund could not be used effectively for the benefit of the target groups."

Anwar said the Government would continue to give priority to the development of the agriculture sector despite the nation's thrust towards industrialisation.

"However, at the same time, farmers, livestock breeders and fishermen must help themselves in enhancing their economic activities."

Anwar also called on the three groups to be open-minded and proactive in adjusting to new directions in their activities, particularly in gearing towards commercialisation.

He said the groups should be progressive and self-reliant and not too dependent on government handouts.

"The Government's decision to relax several conditions regarding loans for farmers, livestock breeders and fishermen from the Food Fund is just incentives for them to strive to succeed in their endeavour."

He said to progress further they must be efficient and competitive as well as adopt commercial approaches in their activities.

Later, Anwar presented awards to winners of the various categories in this year's celebrations. He also visited the stalls put up by associations.

Also present were Anwar's wife Datin Seri Dr Wan Azizah Wan Ismail, Chief Minister Datuk Salleh Tun Said, Perlis Menteri Besar Shahidan Kassim, Terengganu Menteri Besar Tan Sri Wan Mokhtar Ahmad, Agriculture Minister Datuk Amar Dr Sulaiman Daud and Co-operative and Land Development Minister Datuk Osu Sukam.

# breeders and fishermen and output