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Najib-Fund

NATIONAL HIGHER EDUCATION FUND TO START NEXT MONTH

KUALA LUMPUR, Oct 15 (Bernama) -- The National Higher Education Fund aimed at providing loans to students in local private and public universities is scheduled to start operation on Nov 1.

Education Minister Datuk Seri Najib Tun Razak said this when announcing the appointment of MP for Tambun Haji Ahmad Husni Mohamad Hanadzlah as chairman of the board of directors of the fund for a two-year term starting Nov 1.

Prime Minister Datuk Seri Dr Mahathir Mohamad had agreed to the appointment of Haji Ahmad Husni, 45, who has vast experience in the field of management, he told a media conference at the ministry today.

The fund will be run by a corporation comprising 33 officers led by the chief executive officer.

Najib said the director of Universiti Utara Malaysia's Development and Entrepreneurship Institute, Assoc Prof Dr Sudin Haron, would be seconded to the corporation as its chief executive officer for the same period.

An initial allocation of RM100 million had been approved for the fund and the amount might be increased in future, he said.

The corporation will be based at the old office of the Kuala Lumpur Stock Exchange at Wisma Chase Perdana.

The procedures and conditions for the loans would be announced after the board's first meeting but the government had, among other things, decided that children of all civil servants would be eligible for consideration, he said.

"We want to ensure that the rural poor, the less fortunate, children of low-income employees of the public and private sectors and the middle-class benefit from the fund," he said.

Najib said the loans would be given to as many students as possible and government servants doing degree courses at the local universities would also be considered.

Borrowers are required to start repaying their loans not later than six months after completing their studies. The Internal Revenue Board will be appointed collecting agent to facilitate recovery of the loans.

In line with its aspiration to increase the number of students in science and technology, the government had decided to charge two per cent interest per annum with a 15-year tenure for students from this stream while arts students would be charged four per cent per annum with a 10-year tenure.

Najib said this was appropriate as the science and technology courses were longer and the students had to take bigger loans.

The loans would cover tuition fees and the cost of living. -- BERNAMA
AZZ JK