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No plan, no loan, Kelantan told

JELI, Sun. - The Federal Government will only disburse the RM600 million soft loan to the Kelantan State Government for its water supply restoration programme after receiving detailed plans on the project.

Second Finance Minister Datuk Mustapa Mohamed said the State Government had yet to provide the plans despite the loan approval having been granted three months ago.

He said the ministry could not disburse such a large amount without the relevant documents.

"The ministry has to first study the detailed framework on how the State Government plans to improve its water supply facility.

"So far the ministry has not received the plans from the Kelantan State Government on the matter.

"Only after everything is in order and certain conditions are met will the loan be given out as the initial approval is only in principle," he said.

He was speaking to reporters after laying the foundation stone for the construction of a mini hospital for the district.

Mustapa has been asked about the progress of the loan.

Also present was Deputy Health Minister Datuk Wira Mohd Ali Rustam.

In April, Menteri Besar Datuk Nik Abdul Aziz Nik Mat announced that Prime Minister Datuk Seri Dr Mahathir Mohamad had approved a soft loan totalling RM600 million to the State Government to improve the water supply system in the State.

On the hospital, he said the project would cost RM5 million and that a contractor had been appointed.

"As Jeli is an isolated district, the new facility will greatly benefit the residents as most have to travel up to two hours to the nearest hospital in Tanah Merah at present," he said.

Mustapa said the Government planned to build a larger hospital in the district once the economy improved.

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