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Sulaiman-Fund

SPECIAL FUND MAY BE SET UP TO BOOST FOOD PRODUCTION

KUALA LUMPUR, Oct 22 (Bernama) -- The federal and state governments today agreed to implement several measures to develop the agriculture sector, which among else includes the possibility of setting up a special fund and signing the memorandum of understanding (MoU) to boost food production.

This was in line with Prime Minister Datuk Seri Dr Mahathir Mohamad's new vision of making Malaysia a major food producer, Agriculture Minister Datuk Amar Dr Sulaiman Daud said.

He said this was agreed to in the Third National Agriculture Policy (DPN3) Coordinating and Implementing Committee meeting here.

The meeting was attended by all the state executive council members for agriculture and Agriculture Ministry senior officials.

Speaking to reporters after the meeting, Sulaiman said the setting up of the special fund would have to be discussed with the Treasury and Economic Planning Unit (EPU).

Sulaiman said the total amount of the special fund was yet to be determined and if the fund was approved, it would be submitted to the Civil-Private Sector Council chaired by Dr Mahathir.

"If they feel that the special fund is not needed, we will try for conditions in existing funds to be relaxed to enable more to benefit from these funds," he said.

On the MoU, Sulaiman said the federal and state governments would jointly develop food production and agriculture technology parks.

Under the MoU, the federal government would provide incentives, infrastructure construction costs and other basic facilities as well as support services like research and development (R&D), marketing, post-harvest handling and consultation.

The state governments would in turn provide land which would be divided and leased out to the private sector and entrepreneurs who wished to venture into agriculture production.

Sulaiman said the meeting gave the nod for the creation of permanent zones for long term food production.

Credit issue for food production would also be made easier, especially the loan conditions under the 3F (fund for food) scheme, he said.

The meeting also concurred on the importance of providing infrastructure like plantation roads, drainage and irrigation, cold rooms to store fish as well as agriculture produce collection and distribution centres as incentives to support food production.

Sulaiman said they acknowledged the importance of cooperation among states in cross-border agriculture programmes.

Cooperation of the state governments would be focussed on boosting the farmers' market; trade; plantation infrastructures; wholesale markets based on integrated agriculture planning; and planning and implementation of projects based on marketing, production and demand.

The state governments would also be asked to expedite the approval of wholesale and retail market sites and locations for direct selling of agriculture produce.

He said the meeting also agreed to standardise the state and federal regulations on marketing of agriculture produce.

Sulaiman said this was vital and in line with the ministry's suggestion for the drafting of the National Wholesale Market Bill and uniformity in

regulations on agriculture produce.

The state governments also agreed to create a consultation network with the ministry, he said.

-- BERNAMA

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