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BANK PERTANIAN-APPLICATION

BANK PERTANIAN WILL ACCEPT LOAN APPLICATIONS STARTING JUNE 3

KUALA LUMPUR, May 29 (Bernama) -- Bank Pertanian Malaysia will accept applications for loans under the micro credit scheme beginning June 3, Second Finance Minister Datuk Jamaludin Jarjis said here today.

The government has already channelled a RM200 million fund to Bank Pertanian for this purpose on Monday, which could last for six months, he told a press conference after a 90 minute briefing by Bank Pertanian officials.

Jamaludin said that the maximum loan allowed is RM20,000, without any guarantee, and would be based on the applicant's viability and cash flow,

However, the bank could increase the maximum amount to RM50,000, he said.

Under the scheme, borrowers who face difficulties in applying for loans from commercial banks, would be given a choice to apply for the loan either under the conventional scheme with a four percent interest or the syariah-based scheme.

Jamaludin said that he has issued a challenge to Bank Pertanian to make a decision on the loan application within two days.

Under the economic package announced on May 21, Bank Pertanian is given the task to manage a RM500 million fund under the micro credit scheme and an additional RM200 million for the Amanah Ikhtiar Malaysia fund which it is managing.

The rest of the fund would be obtained through bonds to be issued by Bank Pertanian and guaranteed by the government.

Jamaludin said that the application dates for similar funds managed by Bank Simpanan Nasional and Bank Pembangunan Infrastruktur dan Industri would be determined after the banks' officials briefed him.

Bank Simpanan Nasional is expected to brief him this evening.

Jamaludin said that these banks would be asked to submit reports on the applications and approvals each week to the Finance Ministry, which would report it to the Cabinet once in two weeks.

He said that yesterday the Cabinet had decided that the Finance Ministry monitor the implementation of the micro credit scheme and the small and medium sized industries (SMIs) announced by Prime Minister Datuk Seri Dr Mahathir Mohamad in the economic package.

Meanwhile, the Finance Ministry has been asked to strengthen Bank Pertanian and for this purpose, incentives would be introduced to the bank's staff where salary increment would be based on their performance, he said. -- BERNAMA

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