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PACKAGE-BPM

SMALL-TIME PLAYERS TO BENEFIT UNDER MICRO CREDIT SCHEME

KUALA LUMPUR, May 21 (Bernama) -- Small-time players especially beleaguered smallholders can expect to get loans via the micro credit scheme under the economic package worth RM7.3 billion in the shortest time possible.

This is made possible by the determination of Bank Pertanian Malaysia to disburse the RM500 million fund for micro credit scheme as soon as possible.

"We are confident to perform in critical period and to help the country to develop fast in such a bad time," said Bank Pertanian's general manager, Datuk Mohd Rosli Abdul Aziz when contacted here today.

He said Bank Pertanian believed that the allocation would be snapped up by "smaller sector of the economy" especially smallholders given the absence of similar fund.

Bank Pertanian, backed with its experience of lending below RM50,000 which constituted about 75 percent of its loan portfolio, would be able to extend noble services again for the micro credit scheme to help the economy to grow.

"In the past, there had been not much emphasis given on such micro credit facility. Of course, the government's move would be most welcomed by these small people," he said.

When unveiling the stimulus package today, Prime Minister Datuk Seri Dr Mahathir Mohamad announced that the RM1 billion fund would be made available as micro credit for small traders and industries.

Of that amount, RM500 million would be placed under Bank Pertanian.

Under the micro credit scheme, the interest rate is 4.0 percent with no collaterals but based on securitisation of cash flow, repayment schedule according to the viability of cash flow.

Mohd Rosli said the fund would assist smallholders produce better crop and increase yield.

He said the "small people" were as important as the big players because of their sizeable number which also generated economic activities in the country.

Mohd Rosli commended the government for having the faith in the bank to efficiently manage the fund. -- BERNAMA

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