

Govt on right track to restore Felda's financial position – Mustapa

Malaysiakini

12 March 2021

Bernama

The government is on the right track in the effort to restore the financial position of the Federal Land Development Authority (Felda) by 2023.

Minister in the Prime Minister's Department (Economy) Mustapa Mohamed said this confidence was supported by a new strategy, the Felda Recovery Plan, which was being implemented by the government, especially to improve its capability and restructure debts.

He said the strategy included the agency's proposed takeover of FGV Holdings Bhd, in which it now holds a 77 percent equity interest.

"The new Felda management will ensure the agency assumes full control of FGV as part of the recovery plan. In addition, we are actively implementing measures to increase Felda's capability and restructure it financially to return it to a strong position by 2023.

“Through the special task force chaired by Abdul Wahid Omar, we are confident that Felda can be stabilised in the next two years,” he told a One-Year Malaysia Prihatin media conference on Thursday.

He noted that Felda had given FGV shareholders until March 15 to accept its offer to buy shares held by them.

Mustapa also said Felda would restructure settlers’ loans and details would be announced in May.

“We acknowledge that settlers are now saddled with high debts, and the government has decided to restructure their loans.

“At the moment, settlers have to pay RM1,000 a month on average. So the restructuring to be announced is expected to reduce their burden,” he added.

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Source: <https://www.malaysiakini.com/news/566362>