

# RM100m boost for micro-credit scheme

TEMERLOH: Its impressive track record has earned Amanah Ikhtiar Malaysia a RM 100 million boost from the Government.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said the extra allocation would enable Amanah Ikhtiar Malaysia (AIM), the most successful micro-credit agency in the world, to help more hardcore poor in the country.

It will also allow the agency to create a special scheme to help its members who had managed to raise their incomes using the initial loans provided by AIM.

"AIM should also focus on those who have successfully brought themselves out of the hardcore poor group," Abdullah said when launching the 20th anniversary celebration of the *Ikhtiar* micro-credit scheme here.

Present at the function were Deputy Prime Minister Datuk Seri Najib Razak and Menteri Besar Datuk Seri Adrian Yaakob.

Referring to those who had increased their earnings as AIM "graduates", the Prime Minister said they should be given further help to improve their businesses and raise living standards.

"Once they have become a small- or medium-scale industry, they can then apply for loans from banks."

He said the United Nations has commended Malaysia's effort to eradicate poverty as the percent-



Abdullah (right) and Najib in a show of support for AIM at the anniversary celebration yesterday.

age of hardcore poor had been reduced to just 5.7 per cent in 2004.

When the New Economic Policy was launched in the 1970s, more than half of the population fell under the category.

Abdullah was confident that

there would be no hardcore poor in the country by 2010.

The *Ikhtiar* micro-credit scheme was introduced to the hardcore poor in Sabak Berham in 1986, but AIM only expanded its services nationwide when it received a RM200 million interest-free loan

from the Government in 1996.

AIM board chairman Datuk Amihamzah Ahmad said it currently had 157,000 active members who received loans from the agency.

To date, he said, AIM had offered loans totalling RM1.7 billion.