

# PM urges more banks to give loans for farming

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**KUALA LUMPUR:** Financial institutions have to do more for farmers, the prime minister said yesterday.

Datuk Seri Abdullah Ahmad Badawi noted that the job of providing financial help should not be left solely to Bank Pertanian.

"Other financial institutions, such as the Development Bank and SME Bank, should play an active role in providing loans for agricultural activities."

Previously, banks were reluctant to provide loans for agricultural activities because farming relied on weather and crops were susceptible to diseases, Abdullah said.

"But these days, we are into agro-based products and banks should be more confident in the industry and give out loans.

"I hope banks will not find it difficult to help farmers," he said when opening the Malaysia Agriculture, Horticulture and Agro-Tourism Show (Maha) 2006 at Taman Ekspo Pertanian Malaysia in Serdang, near here, yesterday.

He said farmers and livestock breeders should believe that the agriculture sector could generate economic growth.

"They must have faith in the agriculture sector as even developed countries are still developing the sector. We must start by making a concerted effort."

He said farmers had been successful in exporting some of their products that, before this, were sold at five-foot ways.

"Today, these products are produced in factories and exported on a large scale," he said, adding that the Agriculture and Agro-based Industry Ministry had secured an order from the United States for 250,000 tonnes of ginger and turmeric.

In his speech, he urged young Malaysians to get involved in the sector as the rewards were great.

The Maha Expo is the country's largest agriculture show.

Some 970 participants, not including livestock breeders and foreign participants, are displaying their agricultural products.

On Maha, Abdullah said he believed there would be a "new wave" of enthusiasm to develop agro-based industries in the country after the exhibition.

The prime minister said keen enthusiasm and interest had been shown by the exhibitors to export their products.

"I came to know this after visiting the exhibition booths.

"Before, only foreigners were involved in the orchid export industry.

"But now, locals are also engaged in the industry."