

CONDITIONAL DECISION

PM: GOVT TO WAIVE PORTION OF SETTLERS' LOANS

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Debt adjustment is part of effort to 'restart' Felda, says Muhyiddin

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THE government has agreed to dispose of a portion of the RM8.3 billion in settlers' loans to relaunch the Federal Land Development Authority (Felda).

Prime Minister Tan Sri Muhyiddin Yassin said the conditional decision was made as part of the settlers' debt adjustment effort, which was established to assist the earlier generation of settlers who were successful in participating in the land development programme.

"One of the obstacles to Felda's vision of regaining parity with the world's leading plantation companies is the debt problem that has plagued Felda and the settlers.

"This debt issue must be corrected first to facilitate the process of regeneration or 'restart' Felda," he said in an opening speech at the virtual launch of Felda Settlers Day 2021 celebration yesterday.

The conditional loan disposals include a partial adjustment of the remaining replanting loans totalling RM8.0 billion up to Dec 31, 2019, benefiting 92,441 settlers or 82 per cent of the total 112,638 settlers.

Additionally, it entails the partial adjustment of remaining fertiliser loan arrears totalling RM168 million, affecting 52,180 settlers or 46 per cent of settlers, and the full adjustment of RM78 million in FGV Holdings Bhd shares up to July 7, 2021, affecting 38,043 settlers.

Muhyiddin said the full adjustment of the original development loan balance up to Dec 31, 2019 amounting to RM56 million would benefit 6,711 settlers or six per cent of the settlers.

"Each settler's loan will be reduced by an average of 80 per cent under this initiative, while the average monthly loan repayment will be reduced from RM800 to RM1,000 to only RM250 to RM300 for oil palm settlers and as low as RM150 for rubber settlers, a reasonable and affordable rate for them."

With the efforts taken by the government, Muhyiddin hoped it would be a starting point or "reset button" for Felda settlers to become more enthusiastic and focused on doubling their revenue and income.

"This will also enable their financial management, including loans, to be more prudent and no longer burdensome in the future.

"I sincerely hope that with the new agreement signed by the settlers with Felda under this conditional loan adjustment initiative, the settlers will be more committed to fulfilling all the agreed terms so that they can share the responsibility of increasing productivity, thus ensuring the sustainability of Felda."

Muhyiddin also said foreign countries had recognised and used Felda's land development model as part of efforts to eradicate poverty, increase commodity output and improve the living



Prime Minister Tan Sri Muhyiddin Yassin delivering his opening speech at the virtual launch of Felda Settlers Day 2021 celebration yesterday. The event was broadcast live. BERNAMA PIC

standards of communities, particularly in the rural areas.

"Felda has the ability and potential to reclaim its former position as the world's leading plantation company, owing to its land bank of 832,000ha or more than two million acres.

"As with other Malaysians, I want to see Felda's name listed on the Fortune Global 500 list of the world's most successful companies.

"I realise this is not an easy task, but with a three-pronged strategy — Restart, Revitalise and Reform — and with the commitment of the new management, as well as the support of the government, it is not impossible to achieve."

Meanwhile, Muhyiddin said Felda Settlers Day is an important celebration to commemorate the settlers' economic contribution since Felda's establishment 65 years ago.

Felda had collectively contributed RM10 million to the "Sedekah" initiative, which was mobilised by settlers across the

country, he said.

"The amount is not much, but what matters is the awareness and willingness to assist those in need. I hope that additional initiatives of this nature can be implemented in line with this year's Settlers Day theme of 'Settlers' Mind Shift'."

Muhyiddin said the government would always support all noble efforts to develop the Felda settlers' community.

"However, all of the initiatives provided must be fully used by Felda settlers, with an emphasis on enhancing the socio-economic environment to ensure the (bright) future of the next generation.

"I believe that we are witnessing Felda's rebirth. We owe a debt of gratitude to the previous generation for laying the groundwork for Felda's development.

"As we enter the next decade, it is time for Felda's new generation to step forward and take on the challenges and responsibilities that come with embracing Felda's changes."

ER TIMES

ZUHUR	ASAR (pm)	MAGHRIB	ISYAK
1:19	4:44	7:25	8:40
1:26	4:51	7:38	8:53
1:21	4:46	7:30	8:45
1:12	4:37	7:18	8:33
1:15	4:41	7:23	8:38
1:24	4:49	7:34	8:49



A settler working on a chili farm at Felda Kampung Bukit Cherakah in Shah Alam. Felda Settlers Day commemorates the settlers' economic contribution to the nation. PIC BY AZIAH AZMEE