

**Budget: Four New Paddy Granaries To Be Developed - Najib  
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KUALA LUMPUR, Sept 28 (Bernama) -- Four new paddy granaries are to be developed and expanded, in Kota Belud (Sabah), Batang Lupar (Sarawak) and Rompin and Pekan (Pahang), to ensure food security, said Prime Minister Datuk Seri Najib Tun Razak.

He said that with an expenditure of RM140 million, the four granaries, covering 19,000 hectares, would have 12,237 farmers producing 104 tonnes of rice.

The existing 389,000 hectares of cultivated paddy granaries, producing up to 1.8 million tonnes, would be strengthened through an integrated and systematic paddy management system, he said when tabling Budget 2013 in the Dewan Rakyat.

He also said that in line with the government's commitment to safeguard the welfare of the people, particularly paddy farmers, the government would introduce a Paddy Takaful Coverage Scheme (SPTP).

The scheme was expected to benefit 172,000 paddy farmers who owned fields of less than 10 hectares, with the total compensation to be received by each farmer estimated at RM13,000, he said, adding that the government would initially allocate RM50 million for this scheme.

Najib said the government would continue the AZAM Tani project which was introduced in 2011 and had lifted 1,234 families out of poverty and increased their average income by between RM200 and RM2,000 per month.

Several participants of this programme had also successfully increased their income to more than RM10,000 per month, he added.

"To further strengthen this initiative, RM41 million will be provided to benefit 6,730 participants," he said.

The prime minister also said that the government continued to give priority to the agriculture sector to enhance the national income and ensure food security and, for this, a sum of RM5.8 billion was allocated to the Agriculture and Agro-based Industry Ministry.

He said the government would also allocate RM30 million for agricultural development programmes, including high-technology applications in fruit and vegetable production.

It would also increase the supply of high-quality seedlings, effect price stabilisation through direct selling from farms, establish fish markets for the people and improve agricultural training institutions, he said.

Najib said the government would continue to provide subsidies and incentives amounting to RM2.4 billion to assist farmers in reducing the cost of production.

The assistance comprised subsidies and incentives for paddy production, including subsidies on paddy price (RM480 million) and paddy fertiliser (RM465 million); incentives to increase paddy yield (RM80 million) and paddy production (RM563 million); and subsidies on price of rice (RM528 million); and high-quality paddy seeds (RM85 million).

For the plantation sub-sector, RM432 million was allocated under the National Key Economic Area (NKEA) for oil palm replanting programmes, he said, adding that the initiative would increase the annual oil palm yield to 26.2 tonnes per hectare in 2020 compared with 21 tonnes per hectare currently.

Najib said the government would continue providing benefits under the Fishermen's Insurance Scheme, allocating RM230 million in 2013 as an incentive for fish landing as well as payment of living allowances for the fishermen.

In addition, the allocation of RM300 million provided in the 2012 budget for the building and refurbishment of fishermen's houses were currently underway, he added.

The prime minister said the government appreciated the contribution of fishermen and was providing a living allowance of RM200 per month, benefiting 55,000 registered fishermen.

It also provided an incentive ranging from 10 sen to 20 sen per kilogramme to encourage fish landings at licensed jetties nationwide, he added.

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