

## **Government guaranteed debt at RM172 billion, says PM**

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**KUALA LUMPUR**, The number of guarantees given by the government until the end of 2014 stood at RM172 billion, representing 14.7% of the Gross Domestic Product (GDP).

Prime Minister Datuk Seri Najib Razak said the guarantees were granted under the Loan Guarantee (Bodies Corporate) Act 1965.

“The guarantee is provided mainly to public entities that carry out infrastructural projects such as DanaInfra and Prasarana that are involved in infrastructural constructions and public transport operations.

The Federal Government occasionally gives out guarantees to statutory bodies and government-owned companies to finance development projects for the benefit of the people,” he said.

He said this in a written reply to Indera Mahkota Member of Parliament Datuk Fauzi Abdul Rahman’s question on the nation’s current debt rate, including any form of Letters of Guarantee, Letters of Support (LOS) and Letters of Comfort, and its ratio to the GDP.

Najib, who is also Finance Minister, said the latest number of federal government debt at the end of March 2015 amounted to RM596.8 billion or 51% of the GDP.

“According to records, the LOS given by the government until the end of 2014 amounted to RM9.5 billion.

“To date, loan repayment performance is well and on schedule without any arrears,” he added.

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