

# AGRI MODERNISATION TO BOOST FOOD SECURITY

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## Increasing yield through technology

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**T**HE modernisation of agriculture and fisheries is among the focus of the 2021 Budget, with the agro-food sector expected to grow 4.7 per cent of next year's gross domestic product (GDP).

Agriculture and Food Industries Minister Datuk Seri Dr Ronald Kiandee said of the development expenditure of RM1.51 billion (ministry to receive overall budget of RM4.79 billion), RM150 million would be allocated for the Vessel Modernisation and Capture Mechanisation Programme; and RM60 million for the modernisation of agro-food value chains.

He said they were among the ministry's seven main initiatives, which cost an overall RM410 million, to improve productivity and yield, boosting food security in the country.

The other initiatives, he said, included a community farming programme, called Kebuniti, with an allocation of RM30 million aimed at benefiting 60,000 participants, organic farming (RM50 million) for 1,000 community groups, as well as the e-Satelit farm programme (RM10 million) and matching grant of a maximum RM30,000 for each *Pertubuhan Peladang Kawasan* (PPK or Farmers' Organisation), benefiting 294 PPK comprising about one million farmers.

He said PPK Kuala Langat had already implemented the e-Satelit farm programme by combining several entrepreneurs under the B40 group.

"The harvested agriculture products have been marketed to major retail outlets like Giant,

Econsave, Segi Fresh, My Farm Outlet and Wholesale Market around Selangor. PPK Kuala Langat will be a model for other e-Satellit Farm developments.

"This programme will also be implemented in line with the government's aspiration to develop the agriculture sector towards Industrial Revolution 4.0 (IR4.0) with the usage of the latest technology to assist in increasing productivity of agro-food, minimising cost and labour while increasing competitiveness and product quality," he said in an

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DATUK SERI DR RONALD KIANDEE  
Agriculture and Food Industries Minister



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interview.

He said the ministry, through the Farmers' Organisation Authority, would facilitate the implementation of the programme to ensure every member of the Farmers' Organisation of their livelihood, hence increasing the share of agro-food in the market.

He said the ministry's initiatives would also cover an aquaculture expansion programme (RM10 million and a maximum of RM20,000 matching grant for each participant); and high-impact and high-value farming (RM100 million) to be carried out in collaboration with state governments to develop the agriculture and food industry.

Meanwhile, he said the ministry would spend RM1.7 billion of the RM3.28 billion operating expenditure for subsidies, incentives and aid for farmers and fishermen next year.

"Incentives and aid would also be distributed to improve padi yield by increasing productivity, quality and efficiency, while easing the burden of farmers in challenging times.

"The allocation for subsidies and incentives for padi farming for the year 2021 has been increased

by RM50 million to RM960 million including RM40 million for fertilisers for hill padi and RM570 million allocated for padi price. Some 300,000 padi farmers are expected to benefit.

"Meanwhile, fishermen's living allowance will be increased from RM250 to RM300 monthly, with a total of RM30 million to be spent for this purpose, benefiting some 40,000 fishermen nationwide. The government has decided to restore the allowance which was previously reduced to help this group which was also badly affected by the pandemic."

He said the government had also announced micro-credit financing under Agrobank which would provide more opportunities for small and medium enterprises, women and youth.

He said the ministry would continue to ensure the agro-food sector was restored at all levels of the food value chain.

He said the budget would greatly help agro-food entrepreneurs to recover and remain resilient so that they could continue contributing to the country.

**KUALA LUMPUR:** The Agriculture and Food Industries Ministry aims to increase crop productivity through research, optimising the use of land and technology, and encouraging locals to join the industry.

Its minister Datuk Seri Dr Ronald Kiandee said the ministry was currently drafting the Bill of Plant Seed Quality and amending the Plant Variety Protection Act. These two bills, he said, would focus on producing quality seeds and encouraging the production of new plant varieties.

"The government has declared 17 varieties of padi seeds since 2008 with 15 varieties produced by the Malaysian Agricultural Research and Development Institute (MARDI), and two varieties by Universiti Kebangsaan Malaysia.

"The potential yield of all the varieties of padi is between six and nine tonnes per hectare depending on the locality and management package used by the growers.

MARDI has also produced two new varieties, MR 315 and MRQ 104," he said, adding that the new varieties were being bred and would be declared when there were sufficient seeds for the 2021/2022 main season.

He said the ministry was committed to improve the production of rice in the country through R&D for new padi varieties.

"I am confident with our active interventions the seed industry in Malaysia will grow and attract more investments in seed production and produce more local plant breeders," he said, adding that the government had plans to review its agrofood policy and, among others, increase the country's padi production to 75 per cent.

**MODERNISING THE AGRICULTURAL SECTOR**

**Vessel Modernisation and Capture Mechanisation Programme**  
**RM150m**  
● Financing of up to RM5 million at a rate of 3.5% for a period of 10 years to upgrade equipment, nets and vessels.

**Agrofood Value Chain Modernisation Programme**  
**RM60m**  
● Funding of up to RM1 million at a rate of 3.5% for a period of 10 years.  
● Agricultural entrepreneurs to procure equipment and technology based on Industrial Revolution 4.0 (IR4.0).

**e-Satelit Farm Programme**  
**RM10m**  
● Matching grants of up to RM30,000 for Farmers' Organisations (PPK).  
● Purchase of agricultural equipment based on the Internet of Things.  
● Benefit more than 294 PPKs with a membership of nearly 1 million farmers.

**Aquaculture Expansion Programme**  
**RM10m**  
● Matching grants of up to RM20,000.  
● Micro entrepreneurs to purchase equipment to develop high-value aquaculture livestock.

2021 MINISTRY BUDGET		
DEVELOPMENT	OPERATIONS	TOTAL
RM1.512B	RM3.278B	RM4.79B

**Aid for farmers, fishermen:**

- Padi crop subsidies and incentives RM960m
- Padi price subsidies RM570m
- Hill padi fertilisers RM40m
- Living allowance for fishermen RM151m (increased to RM300 from RM250 per month)

**Agriculture and food industries sector enhancement initiatives:**

- Vessel modernisation and capture mechanism programme RM150m
- e-Satelit farm programme RM10m (plus RM20,000 max matching grant)
- Aquaculture expansion programme RM10m
- Modernisation of agri-food value chains RM60m
- Community farming (Kebuniti) RM30m
- Organic agriculture project RM50m
- Agriculture and livestock farming RM100m