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Private sector an important ally

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THE food industry has often been described as a recession-proof one. After all, everyone needs to eat. Food is a basic necessity in life. However, this also makes food one of the most highly protected and regulated industries, with numerous laws and treaties governing the import and export of raw and processed foods and their derivatives.

As the Agriculture Ministry gears up to make agriculture an engine of growth for Malaysia, it isn't lost to the fact that it is doing so at a highly competitive time, when countries are picky about where their food imports come from and demand the highest sanitary and health standards.

The Asean Free Trade Agreement (implemented gradually) is modelled on World Trade Organisation rules and calls for the opening up of markets in the region by way of lowering duties.

However, it also allows countries to ban food imports on sanitary and phyto-sanitary grounds.

Ministry secretary-general Datuk Abi Musa Asaari Mohd Nor said that while Malaysia could produce export-quality foods, it still needed to work on gaining a foothold in the world food market.

This is why the ministry is so keen to have the private sector invest "big time" in agriculture, or food production.

The ministry believes the Government's partnership with the private sector in agriculture is an invaluable one. The private sector has the resources, while the Government can provide the market access to "difficult" countries.

"To say that the private sector on their own can get market access is only partly true. Market access is easy to obtain for certain products, but when it comes to food, it is particularly difficult for countries such as Australia, Japan, the United States and Europe.

"For these countries, we have to work based on government-to-government relationships," he said.

"Countries want to ensure that the foods they import are disease-free. They are particularly stringent with foods such as fresh fruits, meat and poultry. This is where good bilateral ties between governments will help."

To deal with AFTA, the ministry has strengthened its international division with the dual aim of securing market access for Malaysian foods and attracting foreign investments in local agriculture.

"We have experts on sanitary and phyto-sanitary requirements for food to ensure that our exports will meet all standards," he said.

The ministry is also being business-savvy. Each department has a business council, through which the ministry engages the private sector for discussions.

"We want them to know what the Government can offer them and how they are an important part of the country's agricultural agenda.

"If the private sector doesn't participate in a big way, our Balance of Trade mission won't succeed."

The Balance of Trade, or BOT mission, is the ministry's goal to reduce current deficits in food imports, which amount to between RM6 billion and RM7 billion a year.

If this trend continues, by 2010, Malaysia could run into a deficit of RM20 billion for food imports.

"All our projects are geared to our balance of trade mission, by way of increasing our food production. We have identified the fruits and

vegetables that we can produce en masse, but we are concentrating on a few that have a good market, such as papaya, pineapple, watermelon and mango."

These fruits are included in a zoning project the ministry is undertaking.

Fruits, aquaculture, livestock and other agricultural activities are being zoned across the country.

The result will be a nationwide map of agricultural production areas that have been identified as suitable for specific activities, depending on a number of criteria, including access to population, soil and climatic conditions.

He said the map would be introduced to the public soon. He also gave some examples of production zones and their specific activity or crop.

Johor will be marked as a pineapple zone, due to its plentiful peat soil, which is suitable for growing the fruit.

Mangoes will be grown in the north where there is a distinct dry season that the fruit requires.

Aquaculture zones are being marked in Johor and Pahang, which have plentiful rivers.

"Using this map, we will invite the private sector to invest in these activities," he said.

The ministry is also making sure it stays on top with the latest agricultural technology by collaborating with a few universities in Japan on ways to increase food production using biotechnology.

This follows from the Prime Minister Datuk Seri Dr Mahathir Mohamad's recent visit to Tokyo earlier this month.