

Agriculture the main thrust

# The East Coast Economic Region is set to be an agropolitan hub focusing on developing crop, fish and livestock clusters

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AGRICULTURE will be the main thrust of the East Coast Economic Region (ECER), generating revenue of RM8.57 billion in the three east coast states by 2020, Petronas president and chief executive officer Tan Sri Hassan Marican said.

Two years ago, revenue from agriculture was about RM3.7 billion.

To help Pahang, Kelantan and Terengganu achieve this, the ECER — the latest of the country's three economic corridors introduced in the past few months — is creating an "agropolitan", literally an A-Z of an agricultural hub.

Hassan said Kelantan had been identified for the cultivation of poultry and herbs, Terengganu for goat rearing and citrus valley and Pahang, for cattle farming and pineapples.

"Our experts have identified two types of crops — citrus fruits and pineapples — as the most suitable to be cultivated in the region," he said in a statement.

In 2005, agriculture accounted for about 16 per cent of the region's gross domestic product and provided 22.9 per cent of the regional labour force. ECER, which also covers Mersing in Johor, makes up 51 per cent of the total land areas in Peninsular Malaysia.

Agropolitan is an all-encompassing approach from providing quality seeds to good agriculture practices and business mentoring, and it will help many get a leg up. As a whole, the creation of agropolitan hubs will enhance industry practices, increase yield and supplement income stream.

This is being done by expanding large-scale commercial farming, the use of modern technology, developing value-added activities and improving supply chain management, Hassan said.

Central to the approach is the establishment of Collection, Processing and Packaging Centres (CPPCs) and Collection and Marketing Centres (CMCs). They are the nerve centre for sorting, grading and tagging of fruits and vegetables, packaging, processing, palletising, cold chain services, retails and export management and distribution.

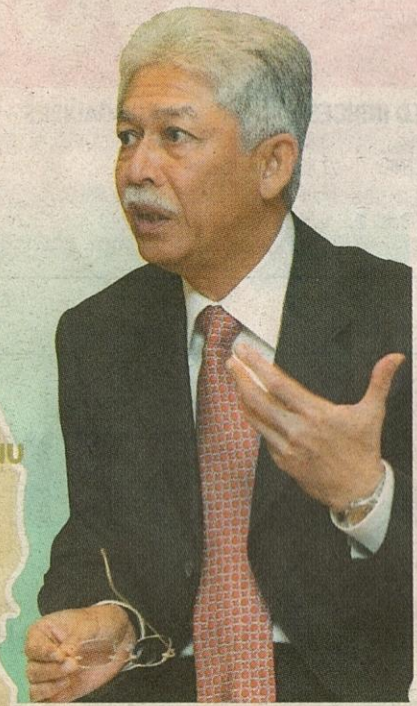
The CPPC and CMC will also serve as a one-stop centre for services certification and accreditation. They will be connected to supermarkets and exporters for efficiency, production planning, inventory control as well as trading and negotiations.

A total of 18 CPPCs and CMCs will be built, including eight specifically to cater for fruits and vegetables. The remaining 10 will focus on kenaf (two), herbal (three), fish (two) and livestock (three).

Petronas has also proposed a number of agriculture parks. They include permanent, separate parks for agriculture food, poultry production, beef/mutton production and Aquaculture Industry Zone (AIZ).

In Pahang, some 7,400ha in Pekan and Rompin has been earmarked for pineapple parks as well 5,000ha in Ulu Tembeling and 3,500ha in Lanchang for permanent fruit parks. Terengganu gets 1,000ha in Lojing for floriculture and vegetable plantation and another 1,414ha in Dungun for a citrus fruits valley. There will be two AIZs in Terengganu (Kenyer) and Kelantan (Pergau).

Part of the agropolitan approach is to focus on developing crop, fish and livestock clusters. The strategies also require participation of private sector and government agencies like Felra as anchor companies, and the strengthening of marketing and global networking.



“The agropolitan will create jobs and business opportunities”

— Hassan Marican

Strategic initiatives to develop the crop clusters will include establishing nucleus-contract farming models involving farmers and anchor companies, as well as agriculture parks including permanent food production parks, and group farming projects.

Kuala Berang in Terengganu has been picked as a production base of breeder animal stocks for goats, while Muadzam Shah in Pahang, for cattle to be distrib-

uted to commercial farmers for breeding and fattening.

SMEs (small and medium enterprises), meanwhile, will be roped in for poultry farming in at least four poultry parks in Gua Musang (Kelantan), Chendering (Terengganu), Gebeng and Gambang in Pahang.

Strategies for the fisheries clusters will include production of fish for commercial fish farming, development of downstream

activities relating to fish processing and value-added products and improving output and economic standing of micro-SMEs currently involved in fish processing.

Overall, the focus on agropolitan will create jobs for more than 42,000 local populace throughout the value chain, besides entrepreneur opportunities for local companies and SMEs, Hassan said.