

**MALAYSIA**

**WORLD FOOD SUMMIT  
PLAN OF ACTION**

**2004**

**Ministry of Agriculture and Agro-based Industry  
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# THE FOLLOW-UP OF THE IMPLEMENTATION OF THE WORLD FOOD SUMMIT PLAN OF ACTION 2004

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## SECTION I: BACKGROUND INFORMATION

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## **SECTION II: PRIORITY FOOD SECURITY ISSUES AND THE IMPLEMENTATION OF THE WORLD FOOD SUMMIT PLAN OF ACTION**

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*The state of the country's food security situation in terms of food availability, stability of supplies and access to food, and progress made in the implementation of the WFS Plan of Action in reaching the WFS goal of reducing the number of under nourished by half by 2015.*

Malaysia is a low vulnerable country in terms of the right to access to food as classified by FAO where the proportion of under nourished population at less than 2.5% is not significant. The country therefore, does not face any problems in terms of availability, accessibility, affordability and utilization of food. This may be attributable to the Government's comprehensive and holistic social and economic development policies, plans and programs; the country's political stability; its liberal investment and diversified trade policies; and a dynamic and a literate population. This has contributed to a per capita income of about RM14,100, a low unemployment rate of 3.5% and a stable Consumer Price Index averaging below 2% as well as a surplus Balance of Payment of RM14.1 billion in 2002.

Malaysia's challenge regarding food security is to be self sufficient in most of its food requirements as well as to reduce dependence on food imports. The approaches towards increasing the level of food security include the following:

- focusing production on major food items which are cost competitive such as fish, tropical fruits, vegetable and livestock as well as selective imported food items that can be substituted locally such as temperate vegetables;
- zoning of areas specifically for food production;
- intensifying research and development (R&D) to increase yield, reduce post-harvest losses and promote the utilization of good agricultural practices;

- increase reverse investment and bilateral relationship with countries such as Vietnam, Cambodia and Myanmar which has comparative advantage in production of certain food and agriculture products;
- rationalizing the marketing system with the aim of reducing market intermediaries as well as ensuring fair prices for farmers and consumers through improvement of parallel marketing channel such as the farmer's market, direct marketing and contract farming;
- establishing and enhancing marketing infrastructure such as farm collection centers, packing house facilities, trading centers and wholesale markets in production areas to reduce transaction cost as well as post-harvest losses;
- focusing on the development of biotechnology products, extraction of specialty natural chemicals from biological resources, utilization of oil palm biomass, floricultural products and aquarium fish to generate sources of future growth for agriculture and create new higher value industries;
- the promotion of controlled environment, automated and mechanized intensive production systems;
- maximising usage of land through promoting agroforestry enterprises and integrating livestock with plantation crops;
- promoting private sector participation;
- developing agro technology parks to promote high technology agricultural production systems; and
- availing Malaysia's services in the inspection, monitoring, standardization and certification of halal food.

## FOOD SECURITY AND RELATED INDICATORS

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
<b>1. Food security indicators</b>									
<b>* Availability</b>									
Average per person dietary energy supply (kcal)				2945					MOH
Food production index									
Food self-sufficiency ratio									
Cereal supply per person									
Animal protein supply per person									
Value of food imports/export earnings								1.62:1	
Debt service ratio	6.6	5.5	7.0	6.3	5.8	6.8	6.7	6.1	MOF
Value of gross investment in agriculture (in USD)									
<b>* Stability</b>									
Food price index (Base year 2000 = 100)	82.7	86.1	93.8	98.1	100.0	100.7	101.4	102.7	DOS
Index of variability of food production									
Ratio of national food reserves to domestic food consumption									
Export earnings instability									
<b>Access</b>									
Rate of growth in real GDP per person/ per year (%)	7.5	4.9	-9.5	3.7	4.9	-1.8	1.9	1.9	EPU
Gini index of income distribution				0.4432			0.4607		EPU

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
Percentage of population living below national poverty line (%) (RM529 for Peninsular Malaysia)		6.1		7.5			5.1		EPU
Below hard-core poverty line (RM264.00)		1.4		1.4			1.0		
Percentage of population living on less than \$ 1 a day (%)									
Percentage of expenditure on food (%)	34.9	34.9	34.9	34.9	33.8	33.8	33.8	33.8	DOS
Consumer price index (base year 2000 = 100)	88.6	91.1	95.8	98.5	100.0	101.4	103.2	104.4	DOS
Estimated number of undernourished people									
Percentage of population undernourished (%)									
Percentage of children under 5 that are underweight (%)	20.2	18.7	18.4	15.7	14	12.4	12.1	n.a	MOH
Percentage of children under 5 that are stunted (%)				15.5					MOH
Percentage of children under 5 that are wasted (%)				13.3					MOH
<b>2. Social indicators</b>									
Life expectancy at birth (age) (male)				69.92	70.2	70.3	70.5		MOH
Life expectancy at birth (age) (female)				74.89	75	75.2	75.3		MOH

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
Under-5 mortality rate (%)									
School enrolment in primary education of children aged 5 to 11 + (nos)	2847119	2878852	2888856	2892741	2933877	2943152	2988586	3071121	MOE
Girls primary education (%)	48.70	48.66	48.61	48.65	48.60	48.66	48.65	48.63	MOE
Literacy rate (age 10 above) (%)	93	93.3	93.7	93.7	93.8	93.9	94		MOE
Total number of doctors, nurses and other health personnel per 100 000 people	242	239	274	285	297	306	315	331	MOH
Infant mortality rate (%)	9.1	9.5	8.1	8.5	8.8	6.6	8.2	5.6	MOH
Maternal mortality rate (%)	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	MOH
Adult morbidity rate (%)									
Adult male mortality rate (%)	5.7	5.6	5.4	5.2	5.1				MOH
Adult female mortality rate (%)	4.2	4.2	3.9	3.9	3.8				MOH
<b>3. Infectious diseases and HIV/AIDS indicators</b>									
Death rate from infectious diseases (%)							9.6		MOH
Death rate from HIV/AIDS (%)	1.02	1.88	3.11	3.8	3.97	4.33	3.59		MOH
Percentage of population orphaned (%)									
Percentage of child-headed households (%)									
Average age of household head (age)									

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
Rate of population with HIV/AIDS infection (%)									
<b>Economic and Trade</b>									
Proportion of total imports by value, excluding arms, from developing countries and from LDCs admitted free of duties /a									
Average tariffs imposed on agricultural products and textiles and clothing from developing countries /a									
Agricultural support estimate as percentage of GDP /a							9		
Proportion of ODA provided to help build trade capacity /a									
Share of primary exports (value) of total exports earnings /b (%)					5.4			6.87	
Terms of trade /b						0.6	0.6	0.6	MTR - RM8
External agricultural income terms of trade									
<b>5. Sustainability of natural resources</b>									
Proportion of land and area under forest cover (%)							59.5		MTR - RM8



INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
Proportion of area protected to maintain biological diversity (%)									

- a/ Applicable to developed countries
- b/ Applicable to developing countries

**NOTE :-**

- MOH - Ministry of Health
- EPU - Economic Planning Unit
- DOS - Department of Statistics
- MOE - Ministry of Education
- MTR – RM8 - Mid-Term Review of the Eight Malaysia Plan

## SECTION III: RECOMMENDED ACTIONS FOR EACH COMMITMENT AND MEASURES TAKEN

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### COMMITMENT I

**Policies, strategies and initiatives undertaken to create an enabling political, social, and economic environment with respect to strengthen democratic political systems and broad-based participation; improving human rights; preventing conflict and creating a peaceful environment; and enhancing gender equality and women's empowerment**

#### Political systems and broad-based participation

- i. Malaysia practices parliamentary democracy with His Majesty the *Yang Di Pertuan Agong* (the King) as the Constitutional Monarch elected to the throne for a five year term. Elections are held every five years based on universal suffrage. All citizens above age of 21 are eligible to vote. The last election was held at the Federal and State levels in March 2004. The Federal Constitution provides for the separation of powers of the legislative, judicial, and executive branches of government at both the Federal and State levels. With this framework in place, Malaysia looks forward to sustaining its political stability to foster greater and continued national development to achieve developed nation status in accordance with Vision 2020.

#### Improving human rights

- ii. Established by an Act of Parliament in August 1999, the Human Rights Commission serves as an avenue for citizens to address issues pertaining to their rights. This initiative began with Malaysia's active participation in the United Nations Commission for Human Rights in 1993-95 when the United Nations Economic and Social Council elected Malaysia as a member of the Commission. The main functions of the Human Rights Commission in Malaysia are to:-
  - a. promote awareness of and provide education in relation to human rights;
  - b. advise and assist the Government in formulating legislation, administrative directives and procedures as well as recommend necessary measures to be taken;

- c. recommend to the Government with regards to the subscription or accession of treaties and other international instruments in the field of human rights; and
- d. inquire into complaints regarding infringement of human rights.

Preventing conflict and creating a peaceful environment

- iii. Being a multiracial, multi-religious and multicultural society, various programmes to foster harmonious living towards creating a peaceful environment were undertaken. Nationally, emphasis were continued to be given to the distributional agenda to ensure a balanced participation and growth among and within ethnic and income groups as well regions. At the community level, programmes undertaken to promote interaction, cooperation and understanding with the ultimate objective of further enhancing national integration, mutual respect, neighbourliness, and a healthy and a family oriented lifestyle include the *Rukun Tetangga* (fostering neighbourliness), *Jati Diri* (instilling the spirit of patriotism), *Rakan Muda* (fostering a healthy lifestyle among youths), promoting a Caring Society and the new National Service Scheme for youths.

Enhancing gender equality and women's empowerment

- iv. To further improve gender equality and empowerment of women in the economy as well as to integrate women's issues in development planning, and to further enhance its capacity to promote women's economic self-reliance the following actions were taken:
  - a. increasing female participation in the labour market;
  - b. providing better education and training opportunities ;
  - c. enhancing women's involvement in business;
  - d. reviewing laws and regulation which inhibit the advancement of women;  
and
  - e. reducing the incidence of poverty among female headed household

Apart from the above, the Women's Affairs Division (HAWA) of the Prime Minister's Department has been upgraded and restructured to a Ministry in recognition of the increasing role that women play in national development.

## COMMITMENT II

### **Policies, strategies, initiatives pursued, and actions taken to eradicate poverty and inequality and to improve physical and economic access to food by all**

#### Interventions to generate income and employment for the urban poor

- i. In 2001 a Cabinet Committee was established to address urban poverty. In addition, the existing integrated approach taken by Local Authorities, private sector and NGOs to assist the urban poor will be continued through programmes such as the Integrated Development for Urban Communities, the Special Scheme for Single Mothers and Project Hope. Efforts to resettle squatters will be continued to improve the living standards of the urban poor. The integrated urban community development programme provides opportunities to the target groups in the urban areas enabling them to engage in economic activities and earn additional income. The target groups are head of households, housewives and children of families with low-income earnings. The programmes emphasis the development of skills through training, education and mind set changes. These efforts reduced the incidence of urban poverty from 3.4% in 1999 to 2.0% in 2002.

#### Generating on-farm and off-farm income and employment for the rural poor, women and minority groups, including land reform, protection of property and use rights, access to land and water resources

- ii. Efforts to generate on-farm and off-farm income and employment for the rural poor, women and minority groups include the implementation of land consolidation and rehabilitation; modernisation of agricultural production techniques, process and facilities; commercialisation; replanting of export crops; and provision of micro credit. Further, the development of rural cottage industries based on the concept of one village one product has been encouraging in increasing rural income.

Economic activities undertaken for the minority groups include their participation in eco-tourism, agro tourism and production of agro forestry products

The incidence of rural poverty decreased from 12.4% in 1999 to 11.4% in 2002

Social safety nets to meet the needs of the poor, including those affected by HIV/AIDS in rural and urban areas

- ii. The Government ensures that economic development programmes takes into account the social well-being and needs of its citizens especially the poor both in the rural and urban areas. Safety nets in the form of social development programmes such health, housing and other social services and amenities have been an integral part of the socio-economic development of the country. The focus of social development programmes is to achieve greater coverage and accessibility. A National Social Policy was launched to further provide the direction and framework for the planning and implementation of social development programmes in a more cohesive and coordinated manner involving the public and private sector as well as NGOs.

The Government has implemented various programmes for those affected by HIV/AIDS. These include the Action Plan on the Prevention of HIV/AIDS in the workplace that focuses on safer and healthier work culture environment and the Healthy Lifestyle Campaign to disseminate information on prevention of contagious diseases such HIV/AIDS. In addition, the National HIV/AIDS Treatment Registry (NHATR) was established to collect information on people living with HIV/AIDS (PLHA) who are on antiretroviral therapy (ARV) for the estimation of treatment rates in the country. It also assists the Ministry of Health (MOH), non-governmental organisations, private providers and industry in the planning and evaluation of HIV/AIDS treatment services.

Access to basic education and primary health care

- iii. In line with the thrust of education development, programmes focus on increasing accessibility, equity and quality as well as improving achievements of rural students to reduce the performance gap between rural and urban areas. Efforts to improve accessibility to basic education were intensified. Programmes to increase the participation rate of low-income families were implemented particularly for students from the disadvantaged group. Educational support programmes such as scholarships, text book loan schemes and financial assistance contributed towards the increasing number of students who completed primary education. In the period

2001-2003, RM 728 million was spent on these programmes benefiting 2.5 million students especially from the low-income families in both the rural and urban areas.

Under the national health development programme, primary health care is one of the major focuses. Primary health care programmes include expanding the network of health clinics and hospitals and upgrading as well as refurbishing existing facilities. During the period 2001-2003, construction of 31 new hospitals and 40 health clinics were to be completed. The private health sector was also encouraged to expand its services to complement public sector efforts. In this regard, regulations under the Private Healthcare Facilities and Services Act 1998 were enforced to improve access to private health services.

### COMMITMENT III

#### **Measures taken to pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and to combat pests, drought and desertification**

##### *Policies and actions taken to intensify and diversify food production*

- i. The Third National Agricultural Policy, 1998-2010 sets the framework and policies for agricultural development. In line with strategies to intensify and diversify food production this policy outlines the transformation of the agricultural sector into a modern, dynamic and competitive sector through greater commercial orientation, wider adoption of newer technologies and modern management systems as well as greater private sector participation.
  
- ii. Overall there was an increase in production for all major food commodities in the period 2000-2003. Fisheries grew by 5.4% per annum, beef by 23%, mutton 13%, pork 8%, poultry 6.4%, eggs 5%, milk 11%, fruits 11.8%, vegetables 21% and pepper 6%. The programmes include increased consolidation of uneconomic-sized holdings under group farming, the opening of more permanent food production projects, the horizontal integration of food production activities within plantations as well as the greater use of rehabilitated ex-mining and idle land for

food production, focus on improving efficiency and competitiveness of food production through the adoption of new technologies embedded in the Good Agriculture Practices (GAP) guidelines and provision of additional allocation and the availability of other credit facilities. The new Ten Tonnes per Hectare strategy to increase paddy yields, using improved technologies such as Low Input Sustainable Agriculture, will be implemented more extensively.

The policy for food product development under the NAP3 also provides greater opportunities and better prospects for new agricultural activities and related services. Tapping into the potentials of the identified sources of growth has further widened and strengthened the agriculture base. The goal is not only to concentrate on the production aspects but on the whole integrated value chain of activities promoting related services such as market intelligence, distribution, marketing, packaging and exports. In this respect, areas with high growth potential that have been developed include fish farming, aquaculture, the large-scale commercial cultivation and processing of seaweed, investments in the tuna industry, the production of sago on commercial basis, developing the potentials of biomass and biotechnology products for domestic and export markets, and the development of specialty natural products such as herbs, spices and medicinal plants.

Actions taken to combat environmental threats to food security, in particular drought and desertification; pests; erosion of biological diversity; and degradation of land and aquatic based natural resources

- iii. Malaysia is a strong advocate of sustainable development. In the agriculture sector, it has introduced and implemented several measures that direct and ensure judicious agricultural production that does not adversely affect the environment. These include policies, guidelines, legislation. promoting soil conservation measures and encouraging recycling and proper disposal of bio-waste.

The opening of new land is discouraged and concerted efforts are made to increase the efficient use of under-utilized land. idle land and even marginal land such as *acid sulphate* and BRIS (Beach Ridges Intersperse with Swales) soils and

ex-mining land. For optimal land use, mixed farming involving the planting of crops, aquaculture and livestock production is encouraged. The integration of livestock in rubber and oil palm plantations is also actively promoted. A national forestry policy is also in place to prohibit the opening of land above 10,000 metres above sea level.

Guidelines are also provided for developing sloping land. Land with slopes more than 25°, is classified as steep land and is not recommended for agricultural development. For land below 25°, conservation measures are recommended including the construction of terrace, silt traps, contour ditches and proper drainage systems, and planting of cover crops.

Laws have been enacted to prevent illegal opening of land and to deal with offenders who cause land degradation and pollution. The Land Conservation Act 1960 (Revised 1989) (Act 385), National Forestry Act 1984 (Act 313) and Environment Quality Act, 1974 (Act 127) are major laws in place to protect the environment and to ensure sustainable development.

Several measures have been implemented to prevent the degradation and pollution of the environment. In response to the ban on open burning, bio-waste are properly disposed of or recycled for economic use. In the replanting of oil palm, trees are felled, chipped, stacked, and allowed to rot in the field. Recycling of bio-waste for economic use is actively promoted. Empty fruit bunches are used as mulch, fuel or converted into compost. Plant remains such as maize stems and leaves are no longer burned resulting in air pollution but are made into silage and pineapple waste from the cannery are processed as cattle feed. Paddy straws are now made into compost and sold as an economic product. All these measures not only reduce environment pollution but also provide additional income to farm entrepreneurs and the farming community.

The National Environment Policy in 2002 added impetus to efforts to address environmental issues in an integrated manner. Malaysia maintained 19.5 million hectares or 59.5 % of its land area under forest cover, of which 14.3 million hectares are permanent reserved forest. A total of 3.3 million hectares of the forest



were classified as protected areas. Studies were carried out to document floral and faunal composition of forests to assist conservation and minimise loss of biodiversity. Various projects have been implemented to better manage forests, including a project on sustainable forest management and conservation; conservation and sustainable use of peat swamp forest and associated wetlands; the establishment of a forest management station; and implementation of the Malaysian Criteria and Indicators for Sustainable Forest Management. A satellite imaging map project was also launched in 2003 to facilitate enforcement and curb encroachment into forest reserves and water catchment areas as well as to detect landslides and illegal development in protected areas.

Pests are controlled through the rational use of pesticides. Nevertheless, Malaysia practices environmentally friendly pest management in line with sustainable development in the agricultural sector. This is carried out through the integrated pest management programme and with the adoption of technologies that reduces the need for pesticides such as cultivation under a rain sheltered environment, insect proof structure, hydroponics and fertigation.

Malaysia subscribes to the Agenda 21 Chapter 19 (which contains recommendations to improve chemical safety worldwide stressing on chemical risk reduction) of the United Nations Conference on Development and Environment (UNCED) held in Rio de Janeiro in June 1992.

Legislative control of pesticides will continue to play an important role in the future management of risks of pesticides. Malaysia has drawn up a comprehensive program to reduce pesticide risk that includes legislative as well as non-legislative measures.

The *Pesticides Act 1974*, which is implemented by the Department of Agriculture, is the main Act that controls most of the major activities related to pesticides. Presently six sets of rules/regulations have been gazetted and five are being implemented.

The management of *land resources* was enhanced with the completion of a pilot project for the wider application of Strategic Environmental Assessments (SEA) in

**Local Plans.** A manual on the application of the SEA in development plans was produced to facilitate implementation. Efforts were also channelled towards the redevelopment of brown fields to revitalise cities and communities as well as to optimise usage of idle and abandoned land.

As one of the 12 countries in the world identified as a “mega diversity” region, Malaysia continued to take measures to protect its rich natural heritage through a system of national and marine parks, wildlife reserves and sanctuaries as well as permanent reserved forests. The National Biodiversity-Biotechnology Council was established in December 2001 to coordinate efforts to improve the management of *biodiversity* and the conservation of natural habitats and resources. A study to assess the status of hill stations in Peninsular Malaysia and to recommend measures to manage them was completed in July 2002. The National Highlands Conservation and Management Strategy to promote the sustainable development of highland areas were completed in November 2002. The Highlands Strategy contains 12 priority thrusts supported by 19 guidelines to ensure the proper management of highland areas.

*Transfer and use of agricultural technologies*

- iv. To ensure the adoption of advanced technologies and management systems in agriculture, measures were undertaken to improve *training* for trainers, extension workers as well as farmers and potential entrepreneurs. The goal was to produce more skilled and knowledgeable work force that could contribute towards enhancing productivity and efficiency levels as well as innovation in agricultural activities. Existing agricultural training institutions were upgraded and their curriculum reviewed to include agricultural entrepreneurship training, new and improved automation and mechanisation methods, and best practices in farm management including usage of information and communications technology for precision farming. In this regard, the Technology-Industry-Government for e-Economic Revolution (TIGeR) project will be further extended to benefit agricultural businesses aimed at enhancing productivity and increasing competitiveness.

*Formulation and implementation of integrated rural development*

- v. Rural development policies and programmes in Malaysia are geared towards the modernization of the rural sector and increasing their level of participation in the

implementation process to uplift the socio-economic conditions of the rural community and to minimizing the rural-urban dichotomy. This integrated approach will be continued through increasing the public support programmes in terms of credit facilities, technical and advisory services, marketing network, strengthening rural institutions such as the Village Security and Development Committee, Area Farmer Association, Area Fishermen Association to enhance their planning and implementation capacities. In addition, the provision of the requisite physical and social infrastructure will be continued to further improve the quality of life of the rural population. This covers rural health, education facilities and other amenities, which will be further developed with the construction of new facilities as well as the provision of better services.

Through these programmes, rural areas in Peninsular Malaysia have access to electricity (80% for Sabah and Sarawak); a total of 3,200 km of new rural roads were constructed and 49,000 km upgraded; 7,000 science laboratories were constructed; 7,000 trained Mathematics and Science teachers were deployed to rural schools; basic health services in rural areas were improved through the implementation of 172 new primary health clinics; and increase in the income of households.

With the implementation of these policies, poverty has been reduced from 7.5% in 1999 to 5.1% in 2002. Rural poverty decreased from 12.4% to 11.4% in the same period. The number of rural poor households decreased from 271,000 in 1999 to 198,300 in 2002. In terms of hardcore poverty, the number of households reduced from 52,100 in 1999 to 40,300 in 2002.

#### COMMITMENT IV

**Measures taken at national level to ensure that food and agricultural trade and overall trade policies are conducive to fostering food security**

*Establishing well functioning internal marketing and transportation systems to facilitate better links within and between domestic and external markets*

- i. Marketing and transportation infrastructure and systems are well established to serve the domestic and external markets to enhance the availability and accessibility to food. In this regard, the public sector has established various marketing institutions

such as the Federal Agricultural Marketing Authority, Fishery Development Authority, Pepper Marketing Board, Pineapple Industry Board and Cocoa Marketing Board to ensure producers get fair returns and consumers have access to quality, safe, nutritious and regular supply of food at prices that are affordable and reasonable. In addition, this is supported by a wide network of private operated marketing structures at the wholesale and retail level. These include the farmer's and wet markets and supermarkets as well as hypermarkets.

The food supply chain is complemented by measures to increase efficiency of the multimodal transport (road, rail, ports, and airports) chain. In line with the recommendations of the Study on Integrated Logistics and Supply Chain Management, a comprehensive master plan will be formulated to further promote the total supply chain management in exports and imports as well as in domestic freight transport.

Diversifying trade

- ii. Being an open economy and the 17<sup>th</sup>. largest trading nation in the world, Malaysia trades with many countries exporting and importing a variety of products. The major exports are manufactured goods such as electrical and electrical components and appliances, textiles, oil and natural gas, and palm oil. Imports mainly comprise capital and intermediate goods. However, imports of food are an important component in trade to ensure adequate supply to meet local consumption.

As a result of the liberal trade policies, Malaysia's merchandise trade has expanded tremendously. In the period, 1995-2000, exports grew from RM184 billion to RM373 billion, while imports increased from RM194 billion to RM312 billion. This has helped Malaysia achieve a positive balance of trade and to increase foreign reserves to sustain imports.

Ensuring national policies related to international and regional trade agreements do not have adverse impact on economic activities towards food security, especially women's activities

- iii. Participation in the programmes organized by multilateral organizations such as the UN, Commonwealth, and WTO will continue actively. Malaysia will cooperate with developing countries to reach a common position, particularly on the need for tangible benefits to developing countries from trade liberalization and to address the resultant growing inequalities of wealth and opportunities arising from globalization. Efforts will

continue to be undertaken towards the restructuring of the international financial architecture and to democratize the global decision-making process. In addition, efforts will continue to be undertaken towards progressive trade liberalization, without the inclusion of extraneous issues. Participation in such negotiations will contribute towards the optimization of trade. To undertake these measures, Malaysia will strengthen its capacity and expertise to meet the complex demands of multilateral work programmes, especially to enable an effective response to the challenges of globalization.

WTO Agreements promise more trade, investment, employment and income growth throughout the world through enhanced market access for trade for both developed and developing countries, level playing fields and increased volume and value of trade for all. Unfortunately, in the past the implementations of the agreements benefit the developed countries more than the developing countries. Market access to the developed countries is very much limited by the high protection given to the agriculture sector as well as by the stringent SPS regulations and procedures.

The WTO's Agreement on Agriculture (AoA) does not recognize the pressing need to increase food production in developing countries and no exemptions are given for food security purposes. The opening of markets in these developing countries as well as high protection given by developed countries to their agriculture sector has led to decrease in food production in developing countries despite the World Food Summit declaration.

Malaysia would call on the developing countries to support the Doha Declaration 2001. The declaration launched a comprehensive negotiation (work programme), on the AoA and will include market access, reducing domestic subsidies and export subsidies; special consideration for developing countries through Special & Differential Treatment (S&D); and capacity building for developing countries. Developing countries should work in a concerted manner in the New Round of Agricultural Negotiation to correct the present shortcomings and imbalance, to impose tighter discipline on various commitments and to review S&D provisions for developing countries.

Malaysia continued its commitment to open regionalism which promoted economic cooperation among member countries without reducing cooperation with countries outside the region. This was expressed through Malaysia's active role in regional groupings such as ASEAN, APEC and the Growth Triangle Initiatives as well as inter-regional groupings, particularly ASEM. Malaysia's membership in ASEAN contributed towards increasing closer relations between Malaysia and member countries. A Strategic Plan of Action of ASEAN Cooperation in Agriculture and Forestry in 2000 enhanced cooperation in these sectors. Several major agreements were concluded including the Framework Agreement in ASEAN Investment Area and the ASEAN Framework Agreement on Mutual Recognition Arrangements. Malaysia benefited from ASEAN's continuing relationship with its dialogue partners, namely Australia, Canada, the People's Republic of China, the European Union, India, Japan, the Republic of Korea, New Zealand and the United States of America. Cooperation with these dialogue partners was mainly in the areas of improving trade and investment ties, human resource development and strengthening private sector linkages. Malaysia also strengthened its linkages with Europe under the Asia-Europe Meeting, focusing mainly on trade and investment, economic and financial cooperation, interaction between their business communities and global economic development. Malaysia's participation in the East Asia- Latin America Forum established in 1999 aimed to promote economic and commercial ties as well as to discuss social, cultural and political issues enhanced cooperation between the two regions. Participation in sub-regional entities, namely the Indonesia-Malaysia-Thailand Growth Triangle, the Brunei Darussalam-Indonesia-Malaysia-the Philippines East ASEAN Growth Area and the Indonesia-Malaysia-Singapore Growth Triangle continued to be undertaken to promote economic growth in the less developed areas of the sub-region. Activities were conducted through various mechanisms including government to government fora and discussions between government and the private sector as well as among the private sectors of the participating countries. At the governmental level, efforts were directed to develop common rules and procedures for the conduct of trade and investments while the private sectors were encouraged to identify partners for joint-venture projects as well as to expand their business operations in member countries. Malaysia will continue to work with APEC to promote trade and investment flow and with ASEM for the same purpose as well as to increase market accessibility in addition to addressing social issues such as poverty and gender in development.

## COMMITMENT V

### Measures taken to prevent and to be prepared for natural and man-made disasters

#### Institutional arrangements for early warning and advance information on possible emergencies

- i. Institutional arrangements for early warning and advance information for possible emergencies such as floods, droughts, diseases and other environmental hazards such as haze are well in place. This includes data collection and analysis of rainfall and weather patterns, installation of equipment to monitor both the water levels of rivers in flood prone areas with a high concentration of population and agricultural activity as well drop in water level in dams and reservoirs. As regards to diseases such as *Avian Influenza*, *Foot and Mouth Disease* and other viral diseases, the relevant Departments under the Ministry of Agriculture and Agro-based Industry has established procedures for preventive measures to be followed. The public is informed through the mass media.

#### Mechanisms in place to combat disasters and to provide rehabilitation for people affected

- ii. Curative and preventive mitigation measures were put in place to address the occurrence of *floods*, The preventive measures included the wider use of integrated planning, the preparation of a *Manual* for better drainage and raising awareness on the importance of clean and clear flowing rivers. On the other hand, curative measures included the construction of dams, retention ponds and pumps, the deepening and widening of rivers as well as the upgrading of bunds on river banks to enhance the capacity of rivers to hold water.

The National Disaster Relief and Management Committee coordinate and supervise relief functions during times of emergencies. NGOs like the Red Crescent and others also respond to emergencies complementing the work of the Committee.

#### Measures taken to link post-emergency relief operations to development programmes

- iii. In the agriculture sector, farmers affected by disasters such as floods are rendered assistance in the form agricultural inputs and for the reconstruction of infrastructure to rehabilitate agricultural projects. These include assistance in the form of fertilizers,

seeds and other planting materials to the farmers. Assistance is also given to livestock and aquaculture farmers to resume their activities.

Watershed management strategies put in place

- iv. A National Water Policy is being formulated to be considered by the National Water Resources Council to provide a framework for water resources management and conservation towards achieving sustainable water shed management at both the federal and state levels. The Policy will address challenges including the efficient and effective management of water resources, flood occurrences, and emphasizing the need to keep development within the carrying capacity of river basins while protecting and rehabilitating the environment. It also emphasizes the integrated river-basin approach and at the same time, the sustainable management of forests will be continued to protect watershed and water catchment areas.

## COMMITMENT VI

### **Measures taken to promote optimal allocation and use of public and private investments to foster human resources, sustainable food, agriculture, fishery and forestry systems**

Share of national budget allocated for human resource development indicating its impact in terms of primary and secondary school and higher education development

- i. The national budget (revised) allocated for human resource development was RM40.0 billion representing 25% of the total national development allocation for the period 2001-2005. At the *primary education* level, the number of students enrolled increased from 2.9 million in 2000 to 3.0 million in 2003. To accommodate the increased number of students as well as to provide a more conducive learning environment, 6,254 new classrooms were constructed. Completion of these classrooms improved the overcrowding problem in urban schools. As a result, the percentage of overcrowded schools nationwide declined from 18 per cent in 2000 to 14 per cent in 2003. These additional classrooms also contributed to the improvement in the class-classroom ratio from 1:0.90 in 2000 to 1:0.91 in 2003.

The *secondary education* level in Government and Government aided schools increased from 2.0 million in 2000 to 2.1 million in 2003. The enrolment included the increased number of students in secondary technical schools from 60,425 in 2000 to



76,630 in 2003. The improved enrolment at the secondary level was due mainly to a better transition rate from the primary to the secondary level, which increased from 88.6 per cent in 2000 to 89.4 per cent in 2003. To accommodate the increase, 6,800 additional classrooms were built, improving the class-classroom ratio from 1:0.83 in 2000 to 1:0.84 in 2003.

To meet the increasing demand for *tertiary education*, especially in technological fields, the capacity of existing universities were expanded and university colleges were established. The focus of these university colleges was on specialised areas of study, particularly in engineering as well as technology and related areas emphasizing hands-on experience using the experiential and action learning approach. With the expanded capacity, enrolment at the degree level increased from 201,271 in 2000 to 250,480 in 2003. At the certificate and diploma levels, 110,020 places were made available through 18 polytechnics. Enrolment at the first-degree level improved from 170,794 in 2000 to 222,300 in 2003. Similarly, the number of students enrolled at certificate and diploma levels increased from 28,154 to 56,110 and from 92,308 to 122,550. In line with the demand for science and technical courses, enrolment in these fields at all levels increased from 163,142 in 2000 to 241,630 in 2003, especially in engineering, pure sciences and ICT. A large number of qualified students, especially from the low-income families, were able to gain access to higher education as a result of the financial assistance provided by the National Higher Education Fund. The total amount of fund disbursed was RM3.1 billion benefiting 401,130 students. With greater access to tertiary education, the participation rate of the 17-23 age cohort improved from 25.0 per cent in 2000 to 27.9 per cent in 2003.

Share of national budget allocated to agriculture, fisheries, and food security programmes

- ii. The national budget (revised) allocated to the agriculture sector was RM7.6 billion representing 4.8% of the total national development allocation for the period 2001-2005. Food production increased significantly to meet national food requirements as well as to broaden the export capacity of the sector due to benefits from economies of scale as relatively larger projects were established with innovative production and management systems. As a result, the self-sufficiency levels for all major food commodities, with the exception of rice, improved.

Nature and extent of investment in infrastructure aimed at improving access to markets and food

- iii. Better returns, improved incomes to farmers and wider access to food are backed by sufficient marketing networks and systems. Various Government agencies are involved in the development of new and strengthening of existing distribution and marketing channels to assist farmers, smallholders, fishermen, entrepreneurs and consumers. As part of the efforts to promote more organised marketing of food and food products, the Federal Agricultural Marketing Authority set up contract farming arrangements between farmers and major supermarkets. In addition, more farmers' market was established to promote direct selling by farmers. The marketing of fish and fish products, through the Fish Marketing Authority, continued to be given increased emphasis with the upgrading of fish landing facilities, improvement of the auctioning system as well as diversifying outlets to ensure fair prices for fishermen and high quality fish for consumers.

Although wet markets remained the main channel for marketing of agricultural produce, the increase in the number of *hypermarkets* changed Malaysia's retail landscape, offering wider choices for consumers. The number of foreign hypermarkets increased from 16 in 2000 to 27 at the end of June 2003. The presence of the hypermarkets helped to expand the marketing channel for traditional farmers. The foreign hypermarkets established international procurement centres to operate distribution activities such as bulk purchasing, grading of products, repackaging into retail quantities, labelling and exporting value added products overseas. The hypermarkets also worked closely with the Government by supporting efforts to enhance the competitive edge of their local suppliers. Apart from procuring supplies, the hypermarkets extended consultancy and advisory services to their suppliers in the areas of adherence to minimum product specification level, maintaining product quality, packaging, pricing and marketing.

Initiatives undertaken and resources allocated to promote technology development and transfers for improved production

- iv. Public sector research and development institutions undertook *research* activities in new and potential growth areas in collaboration with the private sector. This arrangement ensured that research was relevant and market-driven as well as contributed towards the commercialization of research findings. R&D in the food sub

sector focused on animal and plant breeding; biotechnology, especially in herbal and specialty natural products; post-harvest handling and delivery management systems as well as food processing and packaging. The Malaysian Agricultural Research and Development Institute (MARDI) introduced new seed varieties with commercial potential.

R&D activities will continue to focus on improvement of planting materials, agronomic practices and post-harvest handling of high value crops that will contribute to higher levels of productivity, expand product development and expedite development of new sources of growth. The collaborative *research* with private sector will be intensified to ensure greater commercialization of R&D findings. MARDI will further strengthen its R&D competence in the production of herbs, and simultaneously undertake collaborative research with the private sector on herbal and medicinal plants to produce high-value food and medicinal supplements as well as health care and cosmetic products.

In the fisheries sub sectors, the Department of Fisheries will intensify R&D efforts in fish and fish fry production while the Fish Marketing Authority will concentrate on downstream fish-based products. In addition, R&D will continue to focus on breeding of fish fry, fish and shrimp diseases as well as seaweed and related product development to promote aquaculture while R&D will be focused on wide ranging applications of pepper and pepper products especially in culinary preparations.

The Department of Veterinary Services will intensify research for disease control in livestock especially vaccines to reduce the incidence of animal diseases and emergence of new diseases. Veterinary centres, laboratories and R&D facilities will be further modernised and equipped, together with sufficient manpower to provide more effective delivery of veterinary support services. Apart from this, bio safety and the Sanitary and Phytosanitary (SPS) Plan will be promoted to enhance food safety, food quality and competitiveness of the livestock sub sector for domestic consumption as well as export markets.

Strategies for sustainable watershed management and associated investments

- v. See Commitment V (iv) above. As regards associated investments, a total of RM200 million has been allocated for the forestry sector for the period 2001-2005.

Measures taken to control deforestation and to enhance national forest cover

- vi. Deforestation was controlled through various sustainable forest management measures such as reduction in the felling of timber in permanent forests to 276,000 ha. in the country, substituting natural timber with rubber wood in the down stream industries and development of non-timber forest products such as bamboo and rattan to promote new sources of growth for the agro-forestry sector. The National Guideline for tracking sawlogs and timber products as required in the timber certification system will be further improved.

The operationalisation and implementation of the Malaysian Criteria and Indicators for Sustainable Forest Management programme will be expanded to promote sustainable forest management. Efforts will also be directed towards sustainable managing the inland forest and the sustainable use of peat swamp forest. The use of higher resolution imageries for sensitive forest areas will be intensified for the purpose of categorisation of such forest at a more detailed level. In addition, the use of the global positioning system, remote sensing technology, geographical information system and the forest canopy density system will be integrated to provide better information on the forest.

## COMMITMENT VII

### Steps taken to facilitate the implementation of the WFS Plan of Action and its progress

Institutional arrangements at national and local levels to implement the Plan of Action and monitor the progress of implementation

- i. Actions taken include the strengthening of coordination and cooperation with the State Governments to facilitate food production programmes. This involves gazetting of state land for ensuring the success of food production zones (for crops, livestock, fishery sub-sectors), provision of basic infrastructure and increased investment by the State Agricultural Development Corporation. The participation of the private sector in

food production was facilitated through investment opportunity seminars/fora and reviewing current rules, procedures and incentives. In addition, a *one-stop agri-business centre* was established to serve the needs of the private sector.

An inter-agency National Food Safety and Nutrition Council was established in 2001 to ensure the adoption of an integrated approach throughout the total food production process. Towards this end, the National Food Safety Policy and a Plan of Action were formulated in 2003 to provide direction and guidance to relevant agencies in the public and private sectors. Various steps were also undertaken to ensure the quality and safety of locally produced and imported foods. This include the formulation of the National Nutrition Policy to ensure household food security, access to safe and quality food regardless of location as well as ascertain that food is nutritious for the optimal growth, development and health of the family.

Progress of implementation is a continuously activity monitored by the Council as well as other agencies.

*Food for All Campaigns to mobilise stakeholders and their resources at all levels of society in the implementation of the WFS Plan of Action*

- ii. FAO has indicated that less than 2.5% of the Malaysian population is undernourished. Malaysia has been classified as a low vulnerable country in terms of the right to access to food. Nevertheless, food availability, accessibility and affordability is given due recognition at all levels of society with the thrust given domestic production of food.

*Mechanisms to ensure food security for every person in the country*

- iii. Mechanism to ensure that food is available to all is as elaborated in the various policies formulated, programs/projects implemented, collaboration with stakeholders as outlined under the various commitments above.

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## **SECTION IV: LESSONS LEARNED**

### **A REVIEW OF BEST PRACTICES OR CONSTRAINTS ENCOUNTERED IN REDUCING HUNGER**

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*Policies, Action Programmes and the Implementing Process Contributing Towards the Improvement of Food Security at the Local and National Levels*

The Government's commitment in the form of a comprehensive and holistic social and economic development policy has enabled the creation a more equitable society, particularly with regard to poverty eradication and income distribution. This has provided the foundation for the country to achieve a strong and stable political, economic and social environment. This coupled with a high economic growth rates over the past three decades has contributed towards the high level of food security achieved and currently enjoyed in the country.

In addition, the Government recognises the effectiveness of implementing target specific programmes and projects to improve food security at all levels by way of the various policies, strategies, programmes and projects as well as the institutional arrangements outlined and discussed in Section III.