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Challenges & Opportunities for Implementation of GAP certification schemes for the FFV sector in Malaysia



Sathianathan Menon
qa plus asia-pacific sdn. bhd.

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FFV Sector

- Provides opportunities for export diversification, poverty alleviation and rural development
- Policies & Objectives of various ASEAN countries is to increase FFV production and exports
- 9th Malaysia Plan – FFV sector to achieve self-sufficiency and become net exporter

Table 1: Selected private sector standards and codes in the market place

	Pre-Farm Gate Standard	Post-Farm gate	
		Food Processing	Retail outlets and supermarkets
Collective Standards	SQF 1000 GLOBALGAP Freshcare Code of Practice (Australia)	SQF 2000 BRC Global Standard Dutch HACCP	SQF 3000
Retailer-specific standards	Tesco (Nature's Choice) Marks & Spencer (Field-to-Fork) Carrefour		

Source: Adopted from Chia-Hui Lee, 2006, Henson 2006

Table 2 Selected GAP Programs in ASIA (Pre-Farm

Country	National GAP
Malaysia	SALM, MS-GAP
Thailand	Q-GAP, Thai GAP
ASEAN	ASEAN GAP
Vietnam	GAP scheme in Vietnam
Indonesia	National GAP scheme
India	India GAP
Japan	Japan GAP
China	China GAP

FFV Sector in Malaysia

-Current situation on GAP implementation

- About 5000 farms involved in vegetable and fruit growing
- Majority are small farmers – traditional
- Perceived importance of GAP especially among small farmers is low
- Commercial farmers are more receptive to change



Initiatives on GAP in Malaysia

- Implementation of SALM
- Development of Malaysian Standard
MS 1784: 2005 for Crop Commodities –
Good Agricultural Practice



Implementation of National and private sector standards and challenges in obtaining certification

SWOT Analysis

SWOT analysis :Implementation of GAP at Farm Level in Malaysia-**Strengths**

- A.** GAP program- adopted as a National Agenda for the Malaysian agriculture in total, namely the Horticulture, Livestock and Fisheries sectors.
- B.** The Ministry of Agriculture and Agro-based Industries - is the driving force.
- C.** The DOA who developed a National GAP program (SALM) for the FFV sector – is wholly responsible for the management and provides free services to farms



SWOT analysis :Implementation of GAP at Farm Level in Malaysia-**Strengths**

- D.** Extension officers throughout the country to assist
- E.** Costs of sampling and testing of the soil, water, pesticide residue and heavy metals - borne by the DOA.
- F.** Dedicated pre-formatted checklists to manage keeping of records on the farm.

SWOT analysis :Implementation of GAP at Farm Level in
Malaysia-**Strengths**

- D.** FAMA has set up the infrastructure for Collection Centers - Guarantees the marketability of the farmer's produce.
- E.** FAMA- contract farm concept, SALM certification and **Malaysia Best** branding

SWOT analysis :Implementation of GAP at Farm Level in Malaysia-Weaknesses

- A.** Majority of the farmers are small-holders and farm-size is small
- B.** Location of farms and logistics
- C.** Small Farmers are often dependent on middle men
- D.** Small farmers are poor to adopt changes necessary for implementing SALM unless financial assistance is forthcoming.

SWOT analysis :Implementation of GAP at Farm Level in Malaysia-Weaknesses

- E.** The 'mind-set' of the farmers need to change- unable to visualize the benefits of implementing a GAP scheme; see it as additional cost.
- F.** There is a general lack of knowledge and understanding on the concepts of GAP and the objectives
- G.** The farmers see little economic benefits – no guarantee of price premium.
- H.** General apprehension - implementing SALM involves a lot of documentation and paper-work

SWOT analysis :Implementation of GAP at Farm Level in Malaysia-Weaknesses

- I. DOA serves as both 'judge' and 'jury' for implementation of SALM.
- J. The certification process is generally slow - bottle-neck is the lack of sufficient auditors.
- K. 'Soft approach' for auditing : strict auditing may work negatively.
- L. Initial registration fee for application to SALM –farmers are reluctant



SWOT analysis :Implementation of GAP at Farm Level in Malaysia-**Weaknesses**

- M.** Testing of samples of produce are expensive and : not possible for small farmers to bear this cost, unless government continues to underwrite the cost of testing
- N.** Small Farmers lack the knowledge on IPM technology - resort to wanton use of chemicals : unaware of the requirements for food safety and quality.
- O.** Consumers-general lack of awareness on GAP : farmers are not subject to the pressures, hence reluctant to adopt GAP.
- P.** Private sector standards e.g. GLOBALG.A.P. – only by some commercial farmers

SWOT analysis :Implementation of GAP at Farm Level in
Malaysia-**Weaknesses**

P.Exports to EU - confusion on the status of stringent demands of EU food safety laws

Q.Intra-departmental co-operation between the various government agriculture related agencies



SWOT analysis :Implementation of GAP at Farm Level in Malaysia- Opportunities

- A.** SALM program is already in place
- B.** Setting up of more testing laboratories- Government initiative
- C.** Outsourcing 3rd party Auditing and Certification e.g. to SIRIM- QAS
- D.** SALM program must be upgraded for the future : MS-GAP or Benchmarking are alternatives



SWOT analysis :Implementation of GAP at Farm Level in Malaysia- **Opportunities**

- E.** Benchmarking of SALM, MS-GAP to GLOBALG.A.P. standard – viable alternative
- F.** Concept of Farmer Group Associations - being encouraged by FAMA and the Farmers' Organization Authority.
- G.** The Permanent Food / Fruit Park (TKPM) project by the Government
- H.** Implementation of SALM or MS-GAP on farms can translate into improved quality and productivity

SWOT analysis :Implementation of GAP at Farm Level in Malaysia- **Threats**

- A.** Malaysia is a net importer of fruits and vegetables -Shortage in supply actually enables the farmer / importer to sell produce with or without quality specifications.
- B.** Absence of incentives or price premiums on SALM certified products
- C.** Shortage of auditors :Delays in inspection and certification
- D.** Lack of consumer awareness on food safety and quality: No “domestic consumer pressure”



Key Areas requiring Support in implementation of GAP programs

⊖ Auditing

⊖ Analyses

⊖ Documentation

⊖ Awareness creation

Conclusion

- FFV sector is small in Malaysia
- Government has set objectives and priorities
- National GAP Program – SALM is a positive step towards quality assurance for FFV sector
- SWOT analysis shows issues that has to be addressed
- Prioritizing Key Areas





THANK YOU

FOR YOUR KIND ATTENTION

qa plus asia-pacific sdn. bhd

No. 132A, Jalan Kasah, Medan Damansara
50490 Kuala Lumpur, MALAYSIA

Tel: 03-20936195 Fax: 03-20942920

Website: www.qaplusasia.com

E-mail: qaplus@consultant.com

qaplus.asiapacific@gmail.com