

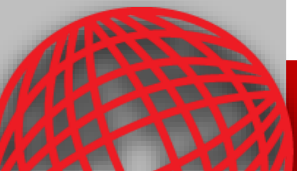


Macroeconomic priorities of the Agrofood and Agrocommodity Subsector in Malaysia

THE ECONOMICS OF ECOSYSTEM AND BIODIVERSITY
(TEEB) AGRIFOOD WORKSHOP

3 DECEMBER 2020

**Economic Planning
Unit**
Prime Minister's
Department



OUTLINE



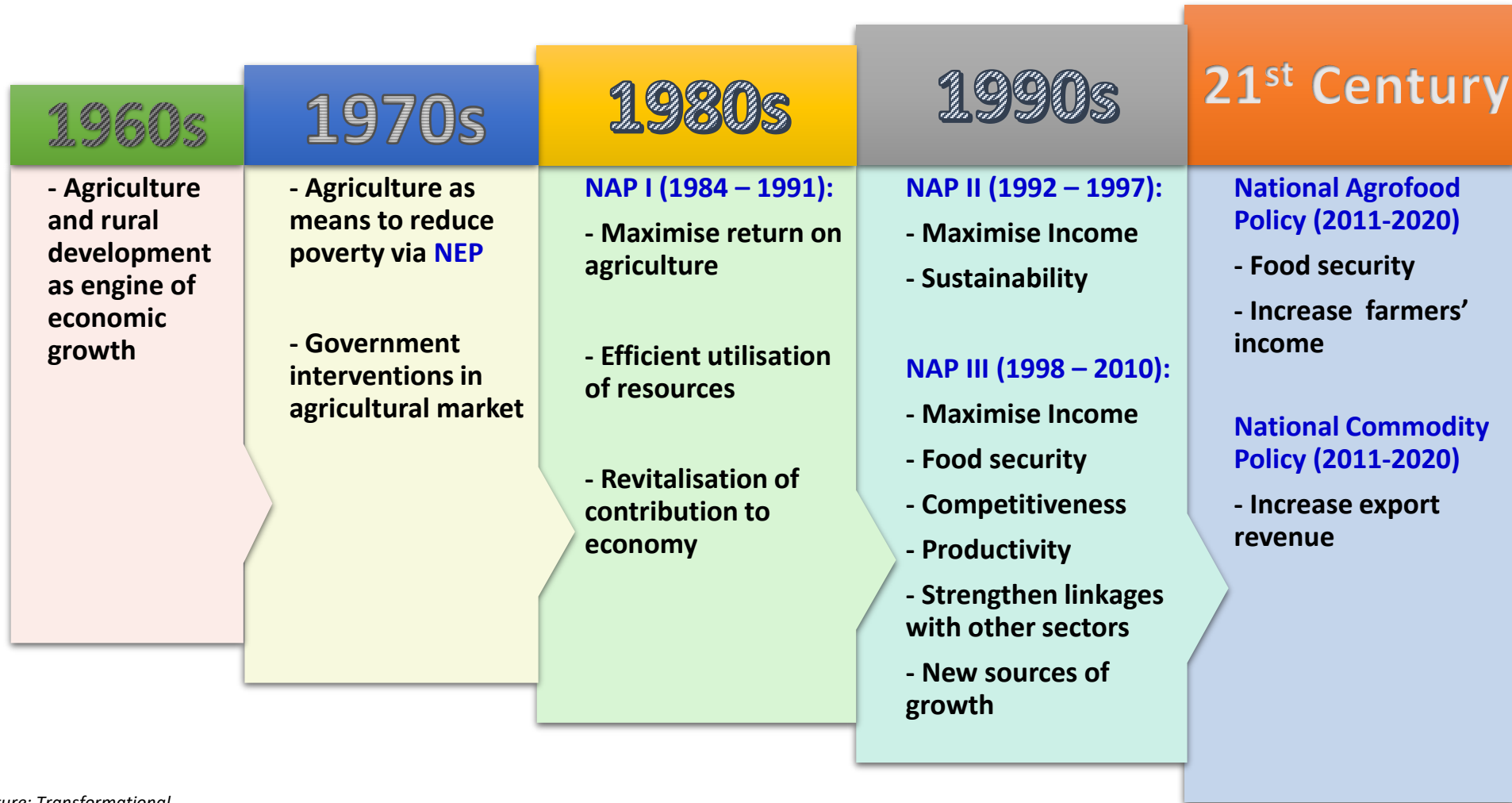
Evolution of Malaysia Agricultural Policy

Agriculture Sector Performance

Issues & Challenges

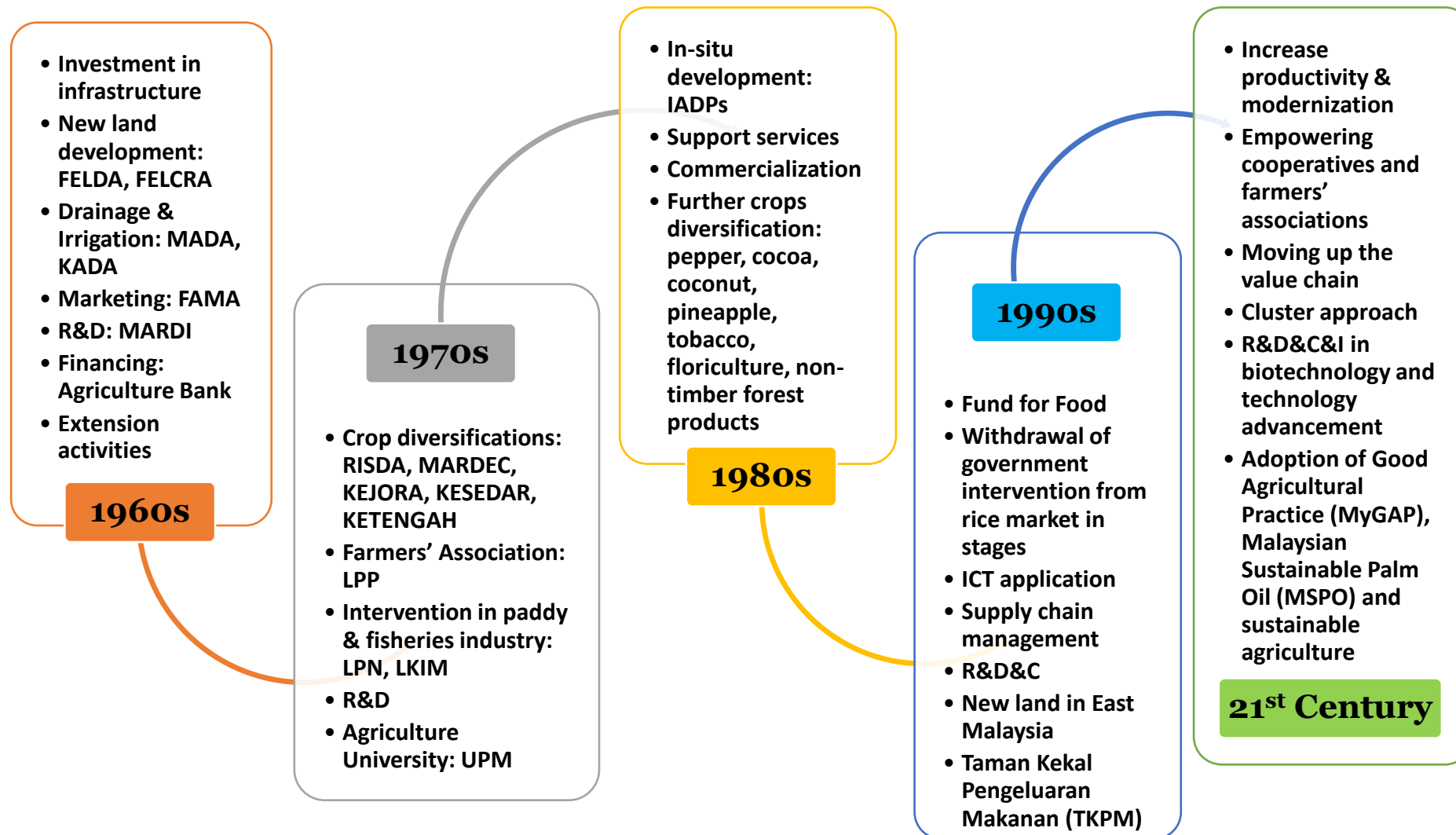
Way Forward

Evolution of Malaysia Agricultural Policy



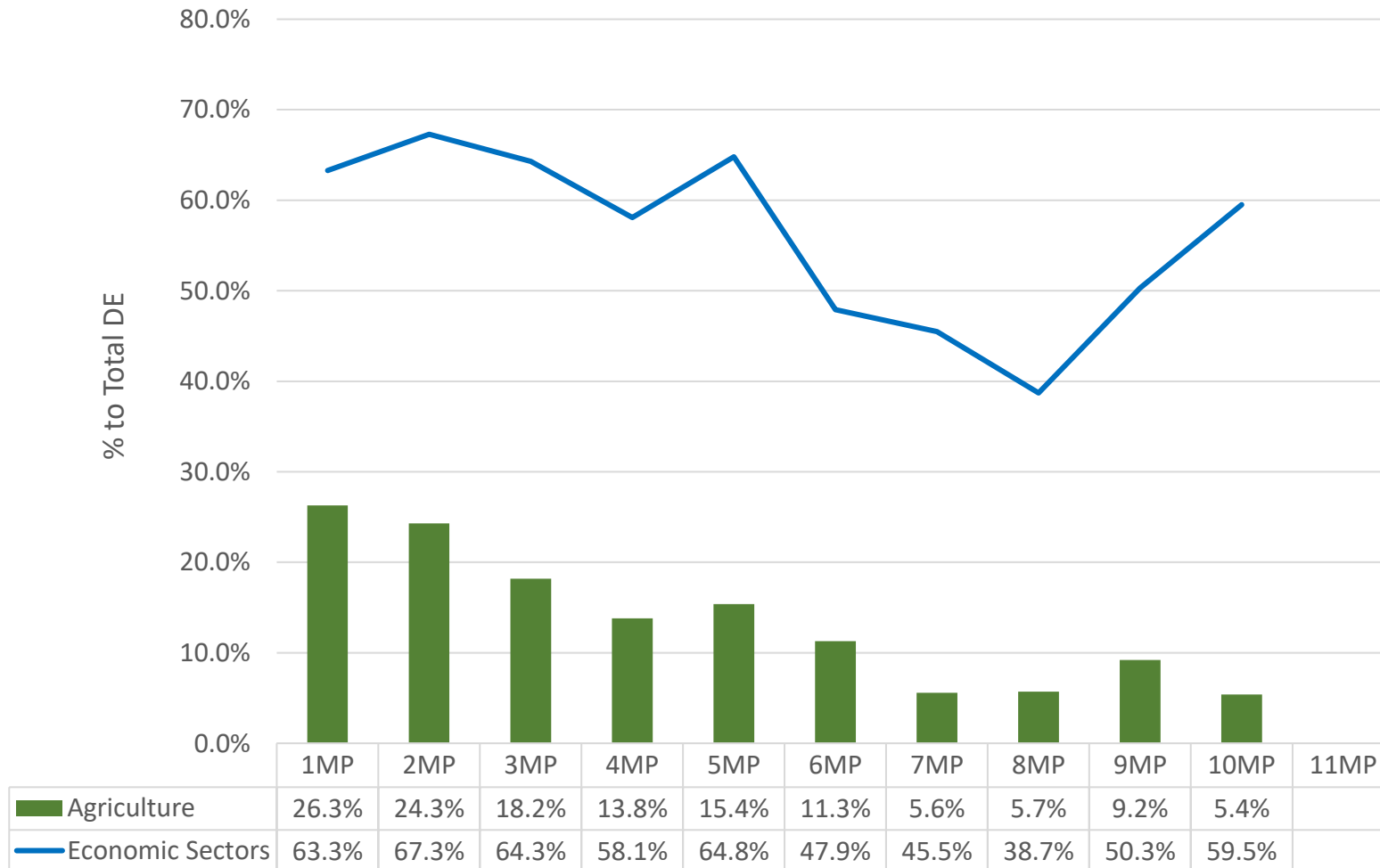
Source:
50 Years of Malaysian Agriculture: Transformational
Issues, Challenges & Direction, UPM Publisher

Evolution of Malaysia Agricultural Policy... from conventional to modern farming

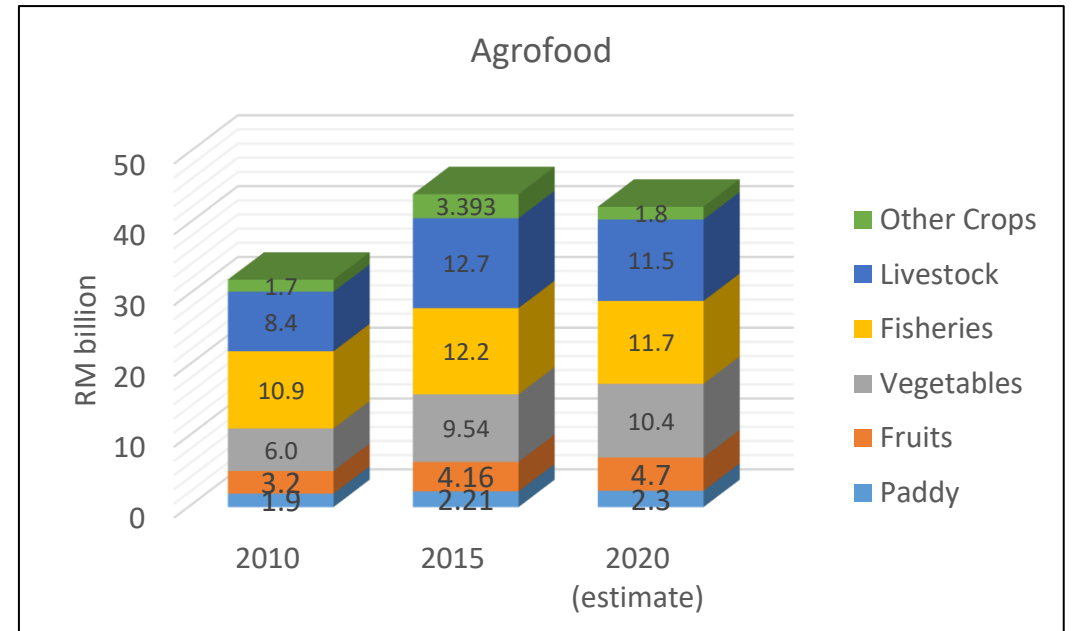
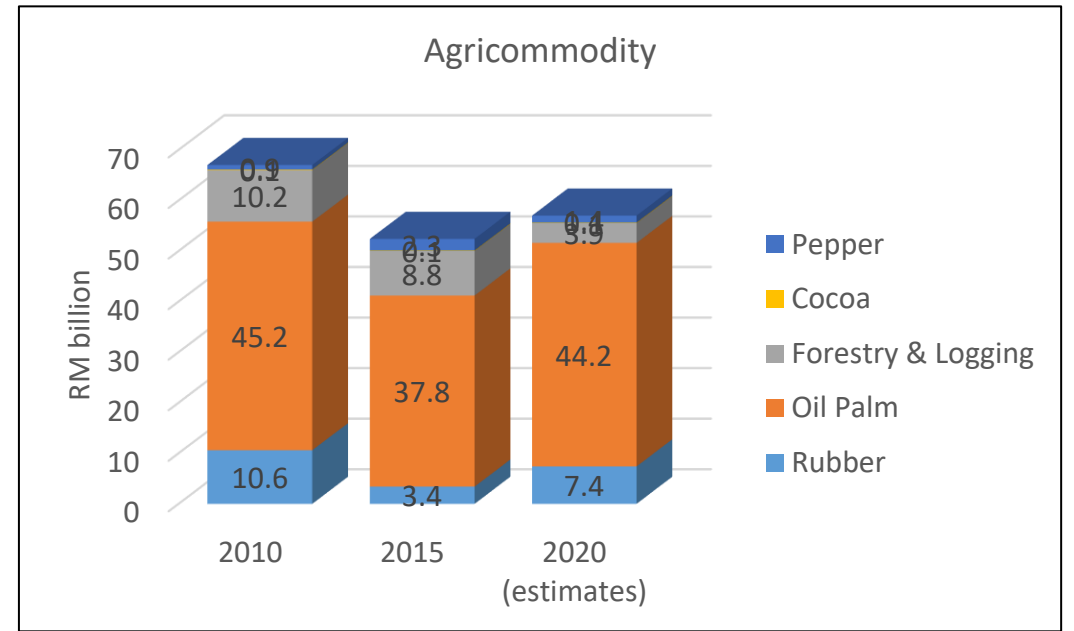
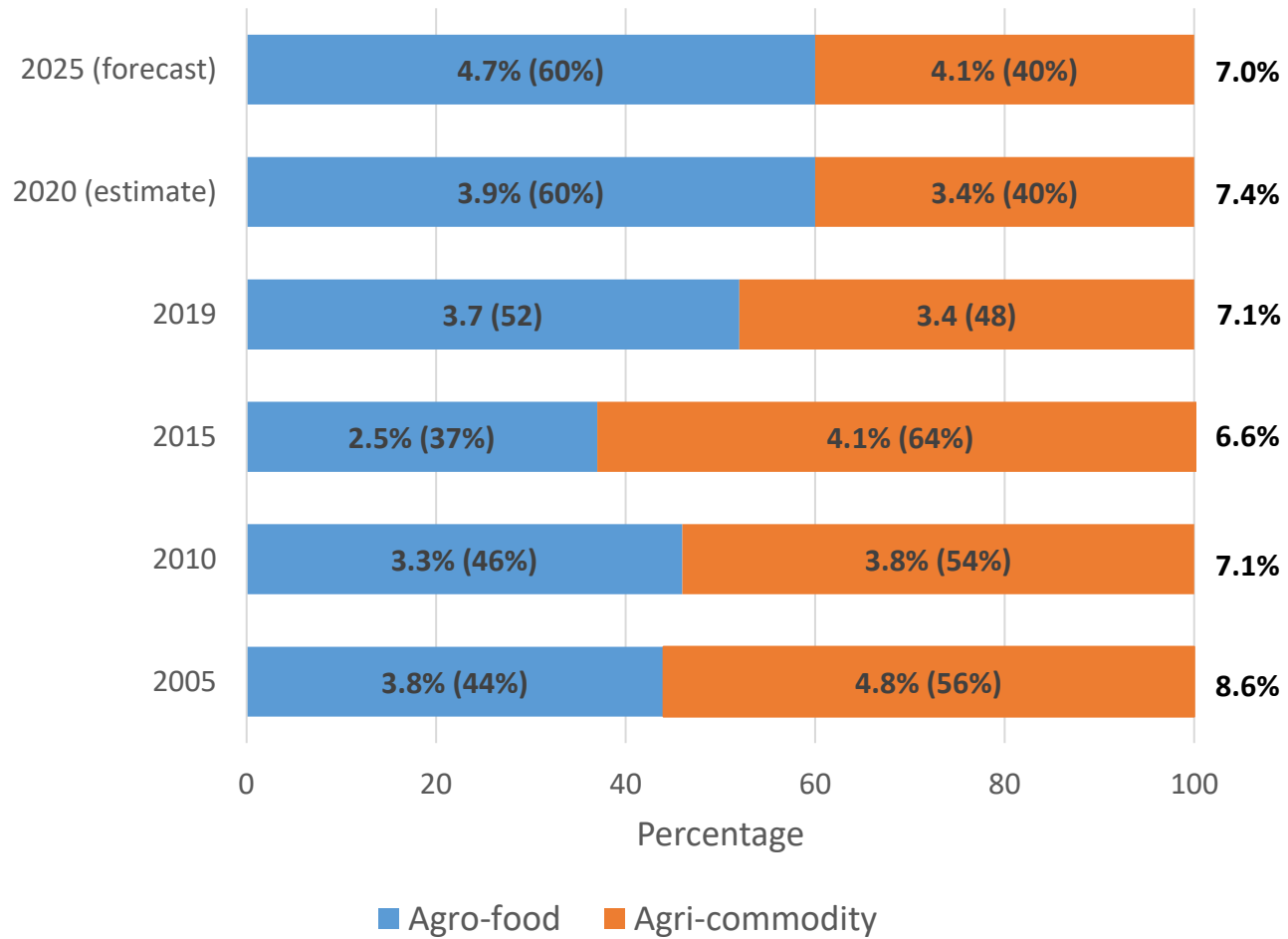


Performance... Federal Government Development Expenditure

Federal Government Development Expenditure Malaysia Plan



Performance... Contribution to GDP



Performance... Value-added Growth

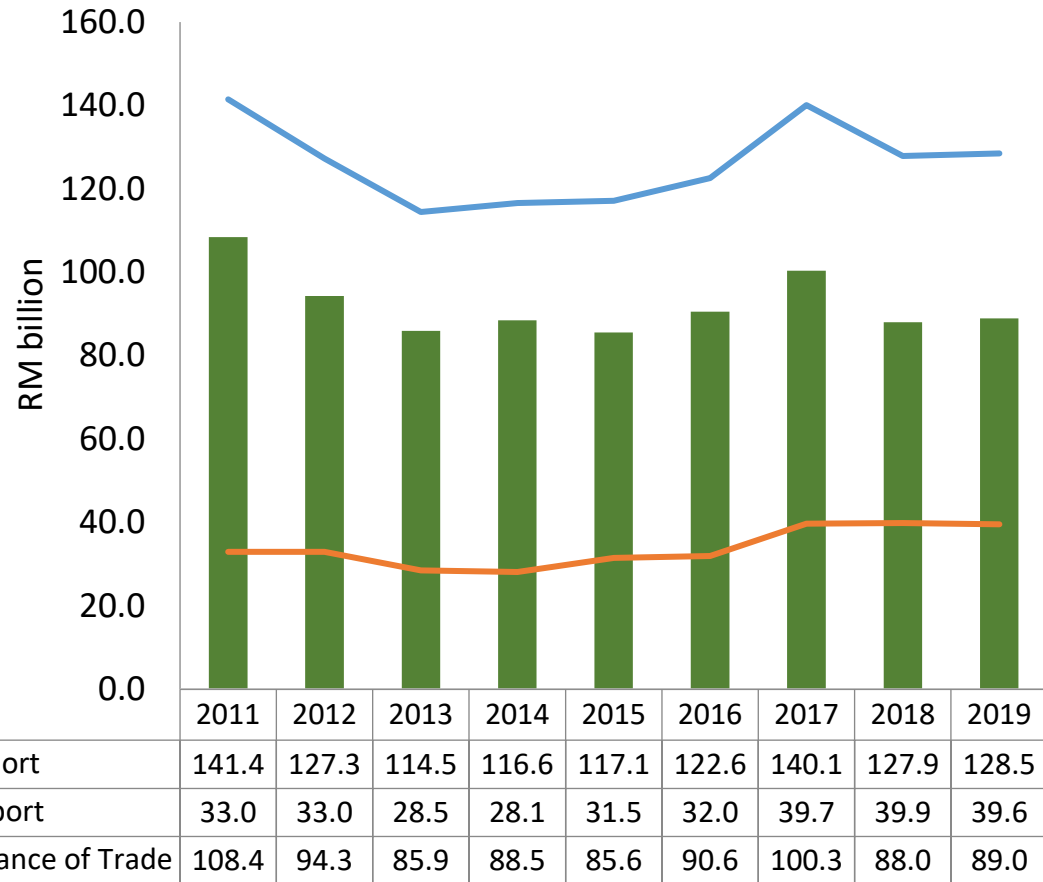
SECTOR	(in 2010 prices)	(in 2015 prices)	
	2010	2015	2019
Agriculture Value Added (RM million)	82,882	97,539	101,549
Industrial Commodities (RM million)	55,597	53,368	51,407
% to Agriculture	67.1	54.7	50.6
Agrofood (RM million)	27,285	44,171	50,142
% to Agriculture	32.9	45.3	49.4
Contribution of Agriculture to GDP (%)	10.1	8.3	7.1
Labour Productivity (RM/Worker)	52,887	51,984	54,212
Agriculture Export (RM million)	71,351	65,958	65,958
% to Agriculture	11.2	8.5	6.6
Agro-based industry value added	39,042	30,880	36,258
Total Agriculture & Agro-based industry Value Added (RM million)	121,923	128,419	137,806
% to GDP	14.8	10.9	9.7
Contribution of total agro-based industry to manufacturing value added (%)	20.3	11.8	11.5

Performance... Employment

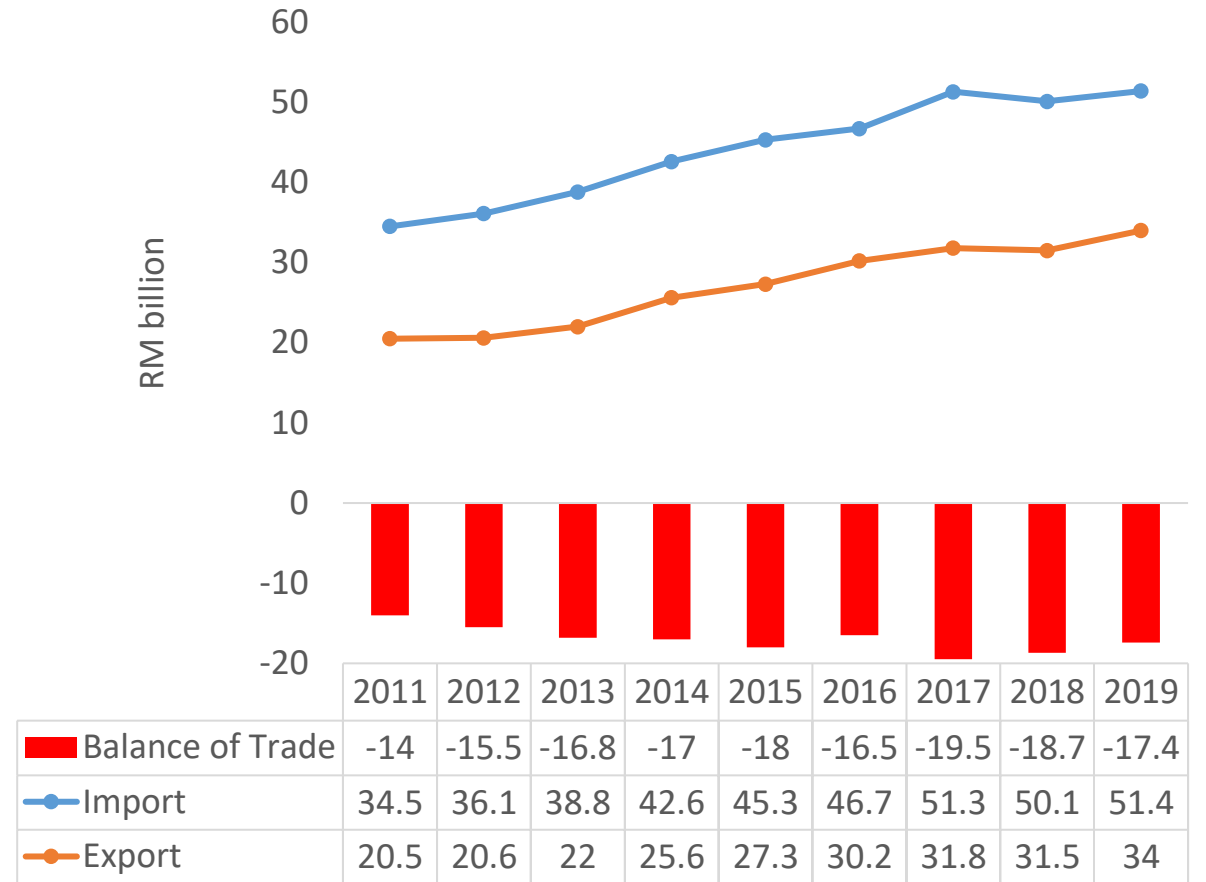
Sector	Total (Person)			Average Annual Growth Rate (%)
	2015	2018	2020 (E)	11MP
Agrofood	498,925	510,055	490,168	-0.3
Commodity Industries	1,254,941	1,060,196	1,187,029	1.6
Agriculture	1,753,866	1,570,251	1,677,197*	1.0

Performance... Trade of Agriculture

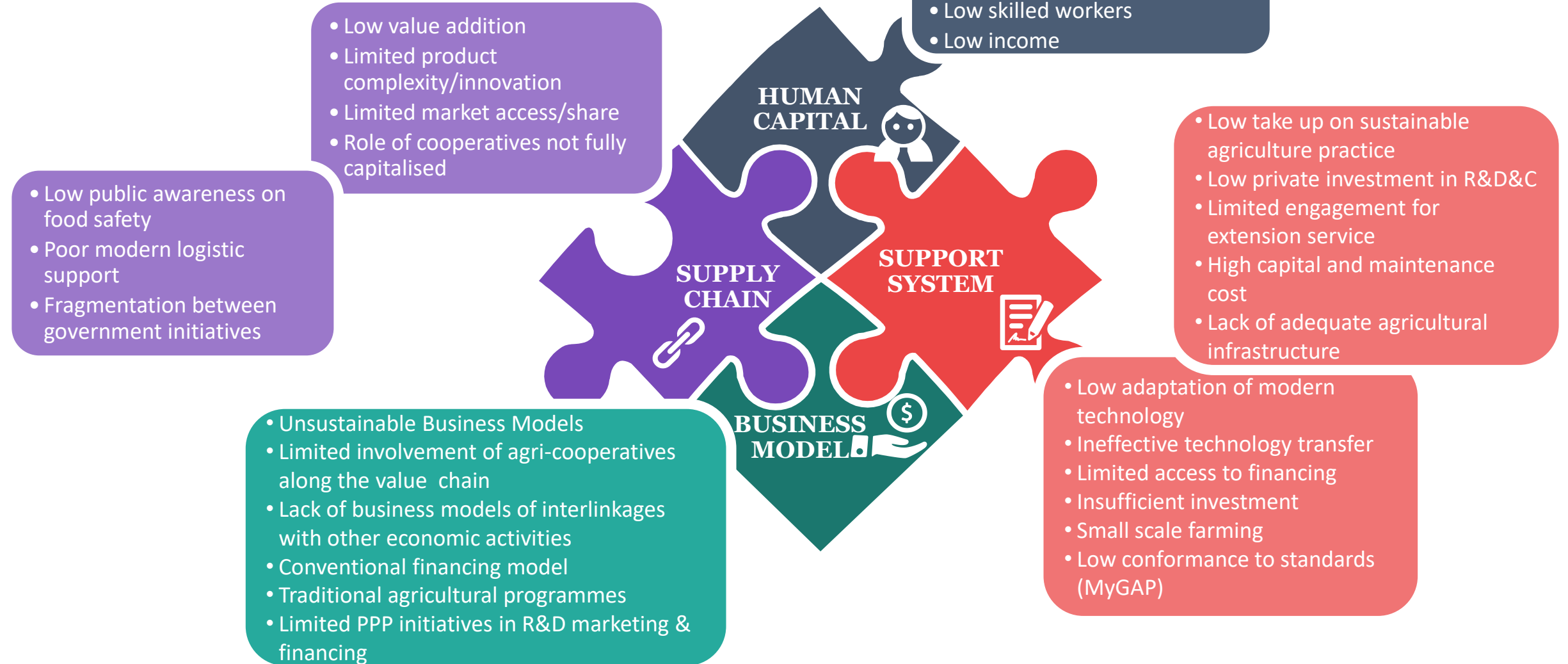
Surplus in agricommodity trade balance, 2011 - 2019



Deficit in foodstuff trade balance, 2011 - 2019



Issues & Challenges



Way Forward... 12th Malaysia Plan, 2021-2025



Agrofood

Accelerate modern technology application

Modern Farming

Agricultural Outsourcing Services

Urban Farming

Optimise farm size for productivity

Land Management Consolidation

Mix & Integrated Farming

Idle Land

Establish efficient agro-food value-chain system

R&D&C&I

Upskill & Reskill

Incentive & Financing

Logistics & Infrastructure

Strengthen industry specific produce

Sustainability of Crops, Livestock & Fishery

High Value Commodity

Food Industry

Agricommodity

Enhance sustainability & productivity

- Mechanisation & Automation, 4IR
- Sustainable Agricultural Practices

Empower human capital

- Skills Development & Industrial Training
- Transfer of Technology

Empower & strengthen cooperatives

- Increase Participation
- Entrepreneurial Competencies

Accelerate high value added activities

- Circular Economy – Biomass Industry
- R&D&C&I

Intensify private investment

- Public-Private Partnership Investment Platform

Strengthen current market & explore potential market

- Overseas Promotional Activities
- Business Matching



Thank you... Q&A

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