

EXECUTIVE SUMMARY

TITLE	:	[Continuation] National Movement on Contract Farming for Chilies Cluster Farmers
OBJECTIVE	:	<ul style="list-style-type: none"> • To produce more agroprenuer among the youth and B40 • To establish cluster farms • To make AFPN as the command centre for cluster farming.
DURATION	:	April - July 2021
TOTAL COST	:	MPB-AFPN: RM99,750.00 Operational Budget: RM16,880.00
BUDGET	:	MPB-AFPN & Operational Budget
RECOMMENDED BY	:	
Comment/ Signature by PCT	:	

MALAYSIA PRODUCTIVITY CORPORATION (MPC)
PROPOSAL FOR BOARD OF MANAGEMENT

**[CONTINUATION] NATIONAL MOVEMENT ON CONTRACT FARMING FOR
CHILIES CLUSTER FARMERS (APRIL – JULY 2021)**

1.0 Purpose

The purpose of this paper is to request approval from Board of Management (BOM) to conduct National Movement on Contract Farming for Chilies Cluster Farmers for the next four (4) months with total estimated cost of RM99,750.00 using the MPB-AFPN budget and RM16,880.00 from operational budget.

2.0 Background

Initiative A2: Embed robust contract-farming model across the subsector seeks to promote market access for small farmers and reduce their dependence on middlemen by embedding a robust contract farming model between leading industry players and small farmers. This will help to improve the market access for small farmers and simultaneously build their capabilities through transfer knowledge from large players.

Thus, in year 2020 the Agro-Food Productivity Nexus (AFPN) has developed a training module that will help to promote contract farming and established cluster farmers. This year 2021, a National Movement on Contract Farming for Chilies Cluster Farmers will be embarked. This program will assist the farmers in a group to produce more yield and to have the certainty in selling their produced. Under this program, a total of 140 farm masters certified, 420 cluster farmers trained, and 700-acre cluster farms established throughout Malaysia.

3.0 Objectives

- To produce more agroprenuer among the youth and B40;
- To establish more cluster farms; and
- To make AFPN as the command centre for contract and cluster farming.

4.0 Output

- 140 farm masters certified to be cluster farmers trainers
- 420 cluster farmers trained
- 700-acre cluster farms established.

Current output (Phase 1)

- 162 registered
- 90 participants interviewed
- 44 selected for Farm Master training session
- 11 Farm Master certified

5.0 Potential risk

- Low participation for train of trainers.
- Farm master cannot persuade the farmers to join the cluster farming.
- The physical activities cannot be organized due to the current pandemic situation.
- The programme is behind schedule.

6.0 Implementation timeline

#	Activity	Jan			Feb			Mar			Apr			May			Jun			Jul			Aug		
1.	Procurement process																								
2.	Promotion and registration																								
3.	Train of trainers for farm master*																								
4.	Training for cluster farmers by farm master*																								

*Notes:

- Details for the train of trainers programme – Activity 3
 - A total of 140 farms masters will be trained and certified.
 - Each training session will be participated by at least 10 participants.
 - The training session will be conducted for 3 days (half-day session). Two days through online and one day physical session. The online training will be organized consecutively.
- Details for the cluster farmers training – Activity 4
 - Each farm masters to trained at least 3 farmers and establish 1 cluster farms.
 - The training session will be conducted for 3 days (half-day session). Two days through online and one day physical session. The online training will be organized consecutively.

7.0 Overall total estimated cost (January-August 2021)

#	Details	Cost per unit (RM)	Total (RM)	Spending (Jan – Mar) (RM)	Balance (RM)
1.	Train of trainers for farm master <ul style="list-style-type: none"> 3 days (half-day session) 14 sessions RM300/day x 3 days = RM900/session 	RM900/sessions x 14 sessions	12,600.00	6,300.00	6,300.00
2.	Training for cluster farmers by farm master <ul style="list-style-type: none"> 3 days (half-day session) 140 sessions RM300/day x 3 days = RM900/session 	RM900/session x 140 session	126,000.00	-	126,000.00
3.	Training package – physical session <ul style="list-style-type: none"> i. ToT <ul style="list-style-type: none"> 14 sessions 10 pax/session ii. Train cluster farmers <ul style="list-style-type: none"> 140 sessions 3 pax/session 	RM30/pax x 140 pax	4,200.00	540.00	3,660.00
		RM30/pax x 420 pax	12,600.00	-	12,600.00
4.	Promotion <ul style="list-style-type: none"> i. Video (4 video, 3 minit) ii. e-poster 	7,000/video x 4 video	28,000.00	7,600.00	20,400.00
		500/poster x 4 poster	2,000.00	2,000.00	-
TOTAL			185,400.00	16,440.00	168,960.00

8.0 Estimated cost for the next 4 months (April - July 2021)

#	Details	Cost per unit (RM)	Total (RM)
A. Development Budget			
1.	Train of trainers for farm master – Phase 2 <ul style="list-style-type: none"> 3 days (half-day session) 7 sessions RM300/day x 3 days = RM900/session 	RM900/sessions x 7 sessions	6,300.00
2.	Training for cluster farmers by farm master <ul style="list-style-type: none"> 3 days (half-day session) 40 sessions RM300/day x 3 days = RM900/session 	RM900/session x 40 session	36,000.00
3.	Training package – (4 hour/day) <ul style="list-style-type: none"> iii. ToT <ul style="list-style-type: none"> 3 days (half-day session) 7 sessions 	RM15/pax x 3 days x 70 pax	3,150.00
	<ul style="list-style-type: none"> iv. Train cluster farmers <ul style="list-style-type: none"> 3 days (half-day session) 40 sessions 	RM15/pax x 3 days x 120 pax	5,400.00
4.	Promotion (additional) <ul style="list-style-type: none"> i. Content Video (3 videos) Balance from previous BOM Paper = RM20,400.00 Additional request = RM28,500.00	RM16,300/video x 3 videos	48,900.00
TOTAL			99,750.00

#	Details	Cost per unit (RM)	Total (RM)
B. Operational Budget			
1.	Mileage Claim	RM300/session x 10 session x 3 pax	9,000.00
2.	Accommodation (MPC Officer) <ul style="list-style-type: none"> i. Gred E54 (RM240 + 16%) 	RM278 x 1 pax x 10 sessions	2,780.00
	<ul style="list-style-type: none"> ii. Gred E44/41 (RM220 + 16%) 	RM255 x 2 pax x 10 sessions	5,100.00
TOTAL			16,880.00

9.0 Approval from BOM

The consideration and approval from the Board of Management (BOM) is sought to conduct National Movement on Contract Farming for Chilies Cluster Farmers for the next four (4) months with the total estimated cost of RM99,750.00 using the MPB-AFPN budget and RM16,880.00 from operational budget.

Prepared by:



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Date: 6 April 2021

Checked by:



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Date: 6 April 2021

Approved by:



Suhaimi Hamad
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Date: 12 April 2021