

## The Star : Call for more efficient market supply system

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To work towards a more efficient system as well as lower prices, he suggests that the Government revamps the Federal Agricultural Marketing Authority (Fama), which was established to enhance the marketing of Malaysia's agricultural produce.

By Fama's own admission, 85% of the fruit and vegetable market is controlled by cartels, he says, adding that only 5% of the market goes through the *Pasar Tani* (farmer's market) system set up by Fama.

In a study carried out in 2003, CAP found that red chillies bought in Cameron Highlands by these cartels for not more than RM2.50 per kg retailed at the Penang wet market for more than RM6 per kg.

Fama has not significantly enhanced the distribution of fruit and vegetables in the country. It has not been able to provide consumers with constant and affordable price. It has failed in assuring the majority of farmers of consistent and reasonable returns, says Idris.

Another way to ensure stable prices is to ensure enough supply. If there is no need for approved permits for the import of foodstuff, then supply will increase, and this will bring down prices.

Exports, meanwhile, should be cut down. According to the Ninth Malaysia Plan, fruit cultivation increased by an average rate of 9.8% per annum while production of vegetables improved at an average rate of 13.8% annually.

It does not help consumers if production increases simply mean more exports. Local consumers must be taken care of and this can be done by ensuring that a portion of the fruits and vegetables grown is channelled to the local market, says Idris.