

Huge demand for tropical fruits from China — association

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KOTA KINABALU: SME Association of Sabah proposed tropical fruit farming for export to China to create jobs for youth in Sabah through entrepreneurship.

Demands from China alone for tropical fruits far exceeded the supply from the whole of Malaysia, according to N.K Foo, the co-founder and president of SME Association Sabah in the just concluded seminar on Job Creation for Youth employment through entrepreneurship held at Hyatt Regency Kinabalu on 13 September organized by Institute of Development Studies for Sabah (IDS), in partnership with Konrad Adenauer Stiftung (KAS) and in collaboration with Universiti Malaysia Sabah (UMS).

Foo highlighted that Sabah alone in the next few years cannot sufficiently and consistently produce the quantity demanded by China.

He even suggested that tropical fruit farming should include the Philippines, Indonesia, and Brunei in the BIMP-EAGA region to meet the demands from China.

He stressed that Sabah has the advantages of plenty uncultivated fertile land for lease or purchase from Sabah Government at low cost, clean water and unpolluted air.

“Countries like China cannot



Foo

complete with us due to climatic differences. We can rest assured that China cannot import our tropical fruits, plant and innovate them and re-export back to us at a higher price like they often do so well for other types of product,” he said.

Foo presented a paper on the trends and prospects of job creation for youth employment through entrepreneurship as an alternative source of job creation and economic dynamism for youth in Sabah.

In his presentation he highlighted that many traditional

jobs throughout the world are now being replaced by automation due to Industry Revolution 4 (IR4). Thus, the expectation of stable or permanent jobs is becoming less realistic.

However, the IR4 has created many opportunities and technology related jobs that do not exist 10 years ago, such as web designing, cloud-based software for accounting and marketing, apps providing simple solutions, convenience, low cost of entry but has worldwide market access.

He suggested that many jobs and business opportunities can be created through tropical fruit farming for exports.

SME Association of Sabah is working with relevant authorities both at the State and Federal level as well as with China Consul-General in Kota Kinabalu Consulate.

Among the proposals being put forward is the setting up of a quarantine complex to facilitate certification and inspection of agriculture products for exports to China.

Without the certification of products in Sabah to meet the requirements of importing countries, exporters can incur heavy losses if their exports are rejected in the ports of the importing nations.

Some exporters are presently

sending their products to West Malaysia for certification resulting in higher costs of freight, double handling and longer time taken to reach the importers for perishable agriculture products pose additional risks and challenges.

Infrequent and high cost of shipping freight is another issue. Hopefully when the export trade increases, the number of ships calling at Sabah ports will increase and with better two-way trade the cost of shipping will naturally decrease.

Low scale farming and the lack of large fruits farms is another issue; but by encouraging more youth to venture into farming, it can multiply the production and export of farm produce to China.

Not only more jobs will be generated, it can also increase Sabah's GDP and per capita income.

On the question of smallholders planting in Sabah not being organised and not planting according to China market requirements, private export companies (PEC) can be setup to co-ordinate and collect the farm produce for export to China.

PEC will also inform the farmers on the types of produce that are in demand from time to time. Thus, PECs play the important role of engaging with

individual farmers; warehousing, processing, packaging and exporting them to importers in China.

Besides fruit farming, the SME Association of Sabah also suggested tour guide entrepreneurship considering there is a huge influx of tourists from China and Korea to Sabah.

For the first six months of 2018, there were 300,103 and 162,276 tourists from China and Korea respectively.

In this regard, Dr Edmon Guntis, the president of Kiulu Tourism Association shows several examples of entrepreneurship for ecotourism in Kiulu.

They can be role models for profitable ecotourism that do not need a lot of money to start and as an alternative to youth seeking employment.

The business that they start can in turn create jobs for other youth seeking employment.

The said seminar was moderated by Datuk Nancy Ho, and six papers were delivered for the day and speakers from UMS were Dr James Silip and Dr Bonaventure Boniface, Dr Edmon Guntis, Ms Mery Ringegon @ Catherine, chairman of The Society of The Blind Malaysia and Dr Sahara Djaenudin, Head of Department of Economics, Bogor Agricultural University, Indonesia.