

UMK-ECER: Agropolitan Project - Initiatives in alleviating hardcore poverty

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Abstract

The east coast states of Malaysia, namely Kelantan, Terengganu and Pahang are usually considered to be left behind in the mainstream development of the national economy. To address this incongruence, where traditionally the west coast states in the peninsula are far more developed, the government has taken the initiative in setting up an ambitious Regional Development Plan referred to as the East Coast Economic Region (ECER). Universiti Malaysia Kelantan (UMK) as a public university was given the task to spearhead the development of the region. From 2009, UMK working jointly with the ECERDC (East Coast Economic Region Development Council) has initiated and implemented various programmes with the objective of changing the mind set of the hardcore poor. The Agropolitan project is an integrated socioeconomic project initiated by ECERDC with the aim of eradicating poverty among the hardcore poor communities within the region. A key feature of the project was the allocation of land for agriculture activities such as livestock farming (Dorper), oil palm cultivation and aquaculture. It also involves secondary activities such mushroom production, sweet corn cultivation, handicraft making, aqua and hydroponics that help to supplement the income of participants. Through these activities, participants were capable of generating a steady monthly income ranging from RM 1,000 to RM 2,000. Sinar ECER Programme is another initiative of ECERDC in which UMK was involved primarily. This educational programme was targeted to children of between 6 and 12 years old whose parents were the participants of the Agropolitan project. It was held to teach them the basic living skills and to provide knowledge with the ultimate goal of promoting academic excellence, as well as to develop positive mindsets and character buildup among the children. Besides the two main programmes, UMK has also organized a number of short hands-on training courses related to agriculture such as those on rearing and breeding of leeches, mushroom cultivation, worm composting and growing of rock melon and chili using fertigation which also include participants of the Agropolitan Project. The implementation of all these activities under the Agropolitan Project has seen a tangible impact on the participants whether it was from the heads of the household or members of the family. The same module will further be evaluated and improved for implementation on the participants of the Agropolitan Project in the next phase. However, the success of this programme is entirely dependent on close monitoring and supervision at all levels for those who implement it on the ground.

Keywords: Agropolitan, hardcore poor, mindset, training courses, ECERDC

1. Introduction

1.1 Definition of Hardcore Poor

A household is regarded as hardcore poor if the monthly income is less than the poverty level index (PLI) for food, that is income sufficient for the household fulfil the basic necessities from the point of view of the minimum nutrition required to ensure each member of the household has a healthy body. The PLI measured is based on the demographic composition of members of the household that is the family number, age and gender with the object of determining the dietary intake and calorie (Source: *Recommended Daily Allowance, Ministry of Health & Universiti Kebangsaan Malaysia, 2004*). The PLI also take into account the current selling price for purchasing the daily necessities needed based on the location in the State and Strata (Urban or Rural Area). PLI is then calculated taking into account the daily requirements for each household and the consumer price index for food. While the calorie requirements for each household is calculated based on the demographic structure namely, the number of individuals, age, body weight, gender and the basal metabolic rate depending on the physical activity level. Each day for a household of 5 members about 8725 calories are required based on the 7 food categories involving 13 types of food, which is: rice, wheat biscuits, chicken, eggs, fish, milk, cooking oil, margarine, sugar, fruits, vegetables and nuts (Source: *Food Nutrition Composition, IMR 1997*)

1.2 Definition of Poor

A household is regarded poor when the monthly income is below the PLI, which is income barely sufficient for meeting the needs of non-food items and essential services. The PLI for non-food items takes into account those figures supplied by World Bank when determining the needs for non-food items and essential services. The calculation is based on the total household expenditure and taking into account the PLI for food (household which fall in the category 10% over and below the food PLI). This will then reflect the actual expenditure including the non-food component enabling the household to be a functional entity within the community. The PLI will be calculated on the needs of each member of the household and the consumer price index (CPI) for food and non-food items based on each state and strata (urban and rural areas). The PLI for non-food items in this case will take into account the following basic needs: clothing, rental, petrol and electricity, basic services, transport and communication, and others. Based on these calculations the poverty level for food and non-food items for the poor household is set at RM750.00. However, for the hardcore poor based on similar calculations, the poverty level for food consumption is set at RM400.00 (<http://www.kpwkm.gov.my/nkra/definisi>)

1.3 E-Kasih

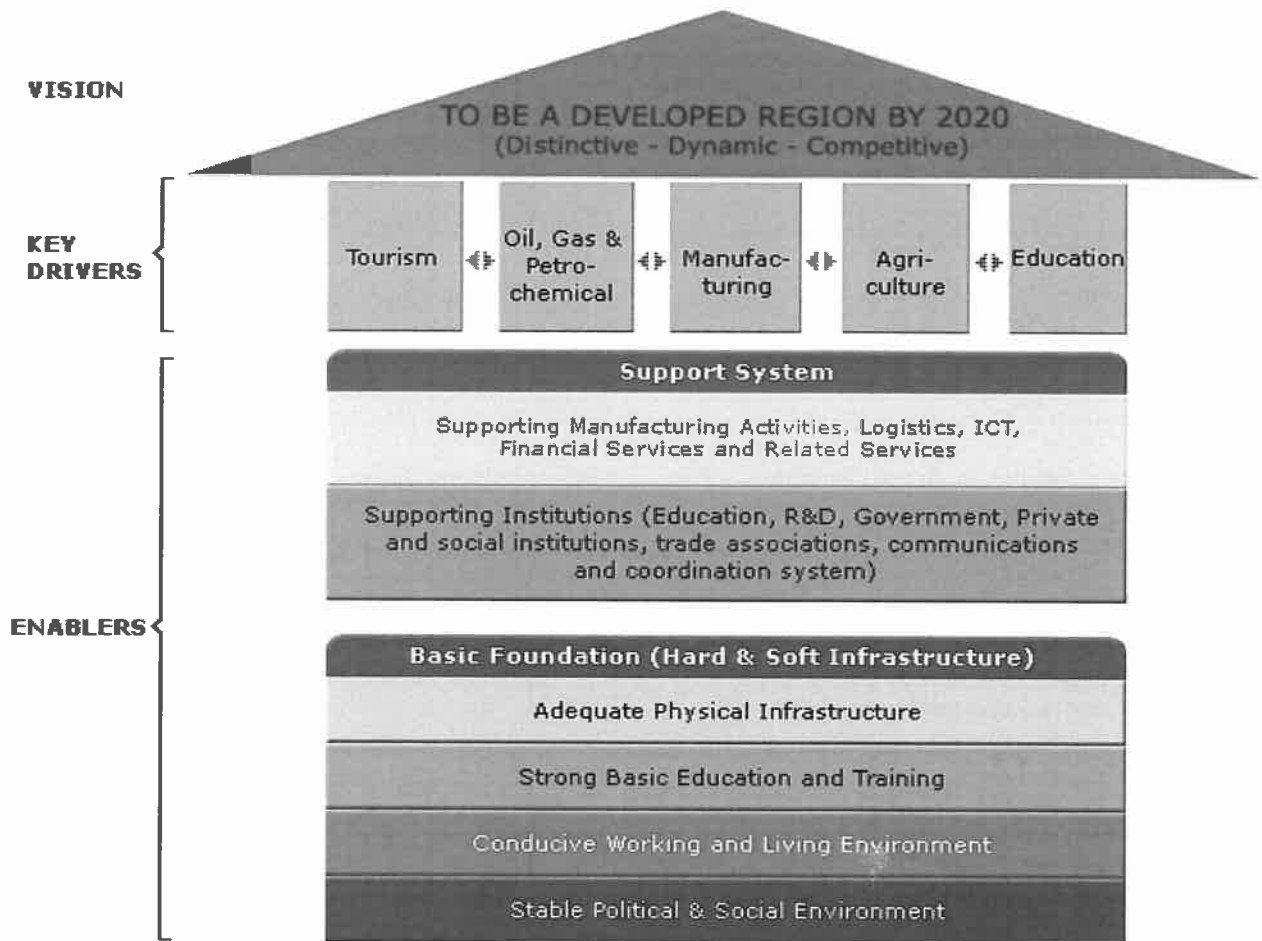
The e-Kasih system introduced in the country is basically a comprehensive database for poor families established at the national level for the purpose of aiding in the planning, implementation and monitoring the programmes on poverty alleviation. This system has been in operation since June 2008 and all the data and information found in the database are those based on Census of Poor Households (BIRM). This is essentially a census programme solely on households rather than individual poverty and was carried out by the Department of Statistics and the results of which are submitted to the Implementation Coordination Unit of the Prime Minister's Department as input for e-Kasih. It represents the Data Bank on National Poverty containing all information relating to poverty beginning from the individual profile or makeup, program or assistance received by the head of household and family members from aid agencies including details of application for assistance and monitoring the effectiveness of the aid programme given out (<https://ekasih.icu.gov.my/Pages/InfoeKasih.aspx>). The key features of the e-Kasih amongst others are: on-line evaluation of poverty status, coordinating the information on aid received, updating records on poverty online, verifying poverty status (either poor or hardcore poor) automatically based on the poverty income level per capita, generating reports and statistical data on poverty, and poverty mapping and monitoring

1.4 East Coast Economic Region Development Corporation (ECERDC)

The East Coast Economic Region (ECER) covers the states of Kelantan, Terengganu and Pahang, as well as the district of Mersing in Johor. With an area measuring more than 66,000 sq km, the ECER covers more than half of Peninsular Malaysia. The ECER's population of about 3.9 million represents 14.5% of the total population of Malaysia.

A Master Plan was developed and will be the basis for guiding the development of this region over the next 12 years where it will be transformed into a major international and local tourism destination, an exporter of resource based and manufactured products, a vibrant trading centre, and an infrastructure and logistics hub. The Master Plan also details measures to eradicate poverty, and improve incomes and distribution in a sustainable manner for ECER. The ECER's distinctive natural resources, culture & heritage will form the basis for transforming the economy into one that is dynamic and competitive in light of greater regional and global competition and economic liberalization. The main objective of the ECER Master Plan is to accelerate the growth of the East Coast Economic Region in a viable, equitable and sustainable manner. The Master Plan complements existing development plans for the region. This is undertaken via programmes and projects to raise income levels and reduce poverty by expanding employment prospects through the introduction of high impact, catalytic projects to spur development in the region. The execution will be through the introduction of

practical, realistic, and implementable projects to create the most impact to the population. The ECER Master Plan will be the blueprint to guide the development of the region for the next 12 years covering the 9th, 10th and 11th Malaysia Plan.



The way forward for the ECER's economy will be very much centred on developing several key sectors:

- The development of the service industry in the ECER will see a new focus in the tourism industry, particularly in segments such as mainland coastal and island tourism, highland tourism, ecotourism and cultural heritage tourism.
- The region has also attracted substantial investments in upstream oil and gas exploration and production activities, as well as downstream refining and petrochemical based venture. Efforts will be made to spur propylene and ethylene based industries.

- Non-resource based industries such as boat-building and repair, automotive assembly and distribution, handicraft and textile making and heavy industries will be enhanced to be more competitive.
- The education cluster will witness the development of services and skills training in line with the needs of the region and the nation. At the same time, the quality of educational products will be enhanced to turn it into a marketable offering overseas.
- Due emphasis will be given to the logistics and distribution services, especially in the movement of goods and products, to strengthen the ECER's position as a major trade and commerce hub.
- The agro and resource-based industries, long a mainstay of the region's economy will receive a boost with agriculture branching out to embrace new areas of interest such as gearing towards high-yield and large-scale commercial farming. Wood, latex and palm oil-based products, together with plastics and polymers will form much of the region's industrial output for local consumption and export. Traditionally, the ECER's main focus has been agriculture. The vast experience of the locals in this area poses much potential to enhance farming and fisheries to a more value-added and achievement of higher yields.

Leveraging on resources already in place, these developments will change the ECER's social and economic landscape.

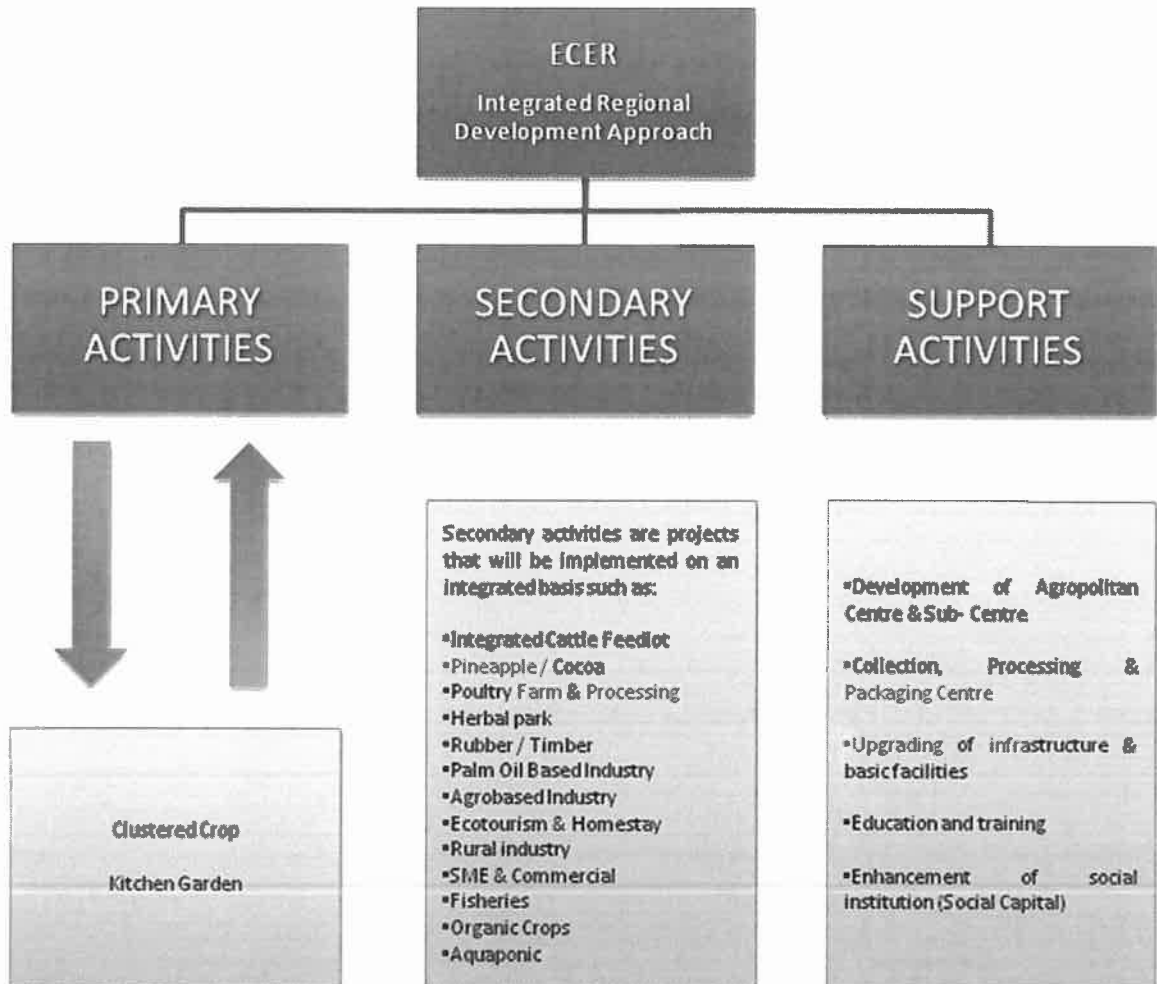
As for the regional challenges, the ECER seeks to improve the following areas, namely: reducing regional disparities between the West Coast and East Coast states, increasing level of income of rural populace, eradicating hard core poverty, improving accessibility to and within the Region, upgrading infrastructure in areas such as flood mitigation, water supply and sewerage systems and optimising real estate sector that includes effectively utilising Malay Reserve Land. The resolution of these key challenges is fundamental in developing this Region (<http://www.ecerdc.com.my>).

2. UMK and ECERDC

The initiative taken and followed by official establishment of the ECER-KPT-UMK Centre of Excellence on 29 October 2007 was the due recognition given by the university to the importance of ECER's role in realizing the development of the education sector and improvement of the socioeconomic status of the local inhabitants. UMK never fails to work towards ensuring that each citizen especially in Kelantan would reap the benefit from the presence of this higher education institution. Consequently, UMK was given the honour and chosen by ECER and Ministry of Higher Education when it was appointed as the Central Secretariat for ECER-KPT-UMK. The university has also shown its commitment in assisting the government to develop the East Coast Region by giving solid

support to all initiatives which was implemented for this purpose. A proof of this commitment UMK is enshrined in its establishment the agenda of regional development as one of its objectives and goals.

2.1 Agropolitan



The Agropolitan project is an integrated socioeconomic project initiated by ECERDC with the ultimate aim of eradicating poverty among the hardcore poor communities within the Region. A key feature of the project is the allocation of land for agriculture activities such as livestock farming, crop planting and aquaculture that are supported by processing and marketing activities and resettlement of hardcore poor families. It also involves secondary activities such as mushroom farming, sweet corn cultivation, handicraft making and aquaponics that will help supplement the income of participants. Through these activities, the

families are expected to generate a steady income ranging of between RM1, 000 to RM2, 000 per month.

The Agropolitan project in Pekan, Pahang was officially launched by the Prime Minister on August 4, 2009. Here, the project adopted the resettlement and "*in situ*" approaches for the 1,100 participating hardcore poor families, whereby the Malay families were relocated in Runchang while the local Orang Asli were mobilised "*in situ*" to embark on various economic activities. The primary activities were sheep rearing of the Dorper breed and working at oil palm plantation. The Federal Land Development Authority (FELDA) was appointed as the implementing agency for this project.

In July 2009, more than 30 hardcore families were resettled in the Agropolitan project in Pekan, while 11 Animal Production Units (APU) for these hardcore poor Orang Asli families was completed. On the basis of the success of this pilot project the concept has been extended to cover a total of 250 APU in Pekan District involving the allocation of 25,000 Dorper sheep in all, making it the largest sheep population centralised in one single location in Asia. The project is nearing completion and the impact of this infusion is being appraised currently. In line with the 1Malaysia concept, the Agropolitan project in Pekan has enabled the Orang Asli in the area to earn a stable income through participation in agro-based activities.

- Another such project was implemented in South Kelantan again targeting at eradicating hardcore poverty among 3,000 families in the Gua Musang area. The project components consist of the resettlement of the participants to 3,000 new homes, and the development of over 9,900 hectares of land, mainly for oil palm plantation. The Southern Kelantan Development Board (KESEDAR) is the implementing agency for this project. The agropolitan project in South Kelantan saw the construction of 10 houses for the hardcore poor families at the initial phase which was completed in February 2009. This pilot project was the precursor for eventually meeting the target set for 3,000 new houses. The first 10 hardcore poor families have already moved to their newly completed homes in May 2009 and more participating families are being relocated as and when the houses become ready and to date 350 of these are ready to be occupied including the provision of public amenities and 'kitchen gardens'. Another 370 houses complete with public amenities and 'kitchen gardens' are under construction in the period 2011-12 and are expected to be completed at the end of 2012. The targets are the housewives for them to generate additional sources of income from their backyards.



Pioneer participants of the Agropolitan Project in South Kelantan and Pekan



The construction of new houses for participants implemented in stages in Pekan



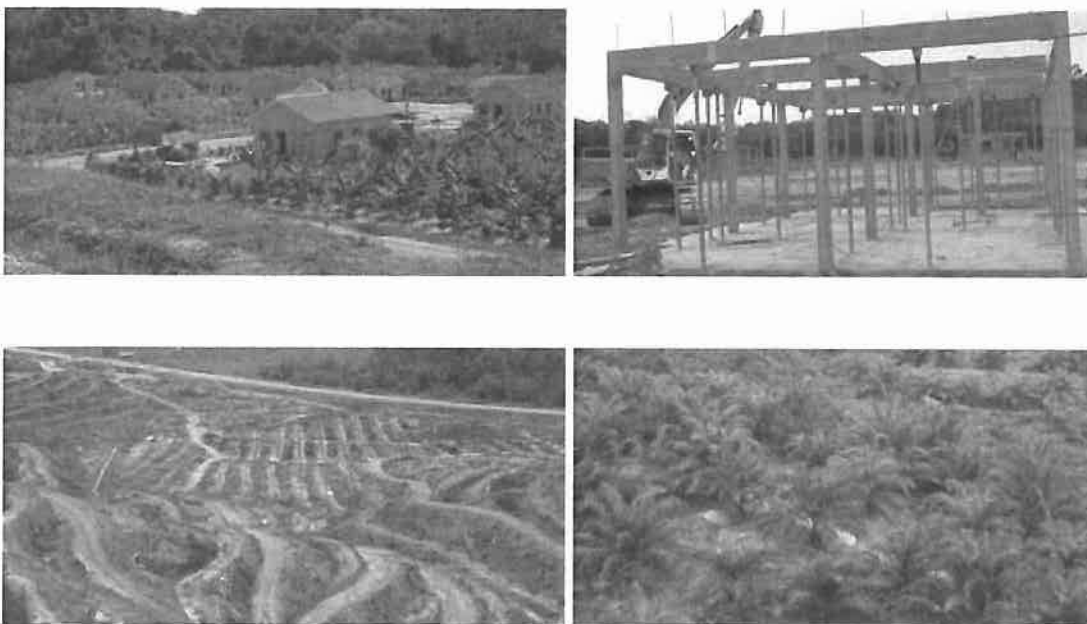
Participants engaging in Dorper sheep production in the Agropolitan Project in



A typical Animal Production Units (APU) cited in Pekan

During the review period of the Agropolitan Project in South Kelantan, the development of over 1,165 hectares of oil palm areas which involves replanting and rehabilitating works have also begun and are currently ongoing. In addition, the introduction of cocoa farming for the “kitchen garden” concept, done in collaboration with the Malaysian Cocoa Board, has also been initiated for the 10 pioneering families.

With regard to the provision of water supply, the upgrading of the current capacity of the water treatment plant in Rantau Manis in Gua Musang District is being upgraded from 1.9 million litres per day to 5.9 million litres per day to support the requirements of the inhabitants in the project site and surrounding areas as part of its public amenities programmes.



Snapshot of various activities carried out for the Agropolitan Project In Gua Musang

The other aspect of assistance and guidance provided was motivational training for the participants of this project. This is done to enable them to adjust to the new environment and towards building a better livelihood having had to relocate from their original home in the interior. This was done in collaboration with Universiti Malaysia Kelantan, under ECER's Centre of Excellence (COE) initiative.

UMK played a prominent role in providing training in the management of livestock and oil palm plantation to the male participants, while their wives and children were also trained on downstream activities that can help supplement their family's income. These 'soft' elements have greatly benefited the project participants, including the Orang Asli in Agropolitan Pekan. Since joining the

project, there has been a significant change in the mentality and mindset among the Orang Asli participants, who have started to think of their future by giving more emphasis on their children's education and financial savings. Some have also begun buying life insurance policy, opening savings account and even investing in Amanah Saham Bumiputra (ASB) unit trust fund through monthly bank deduction.

Another two projects namely the Besut-Setiu Agropolitan and North Kelantan Agropolitan are currently in the pipeline and they are expected to be initiated in 2012. Goat farming will be the major activity in Besut-Setiu Agropolitan, which will see the development of 100 units of houses with 50 units of APU. In North Kelantan Agropolitan, which covers the areas of Machang, Pasir Putih and Pasir Mas, the four major activities will be goat farming, chilli cultivation, dairy cattle farming and fresh water fish farming.

As for the aquaponic project this was basically a secondary programme to complement that of oil palm cultivation with the objective of assisting the family members to acquire additional household income. The integrated farming project involved the rearing of catfish and the growing of lettuce as both has a huge market and is expected to bring a net return of RM200 per month per family. The Faculty of Agro Based Industry which has the expertise in this integrated farming method was given the mandate to develop and monitor the success of the project among the selected participants. In addition, the researchers were also involved in the training programme and consultancy work to the participants until they are able to handle the projects by themselves independently.

The other supporting programme was the SINAR ECER module which is the heart and soul of ECER. As the name implies, it brings about hope to the future generation of the community. It is all about instilling confidence, pride and recognising ones unlimited capabilities by inspiring, motivating and inculcating strong values to build strong characters in the budding leaders of tomorrow. Basically the aims of the programme are to assist/enhance existing learning via close monitoring, provide knowledge living skills aimed at developing positive mindsets and character building, develop world class human capital/talents by inculcating sense of resilience, competitiveness and integrity, promote a culture of excellence and innovation among the younger generation and provide motivation for study and continuous learning

In 2010 and 2011 alone, ECERDC has organized around 15 SINAR ECER events at 5 Agropolitan sites (3 at each site, throughout the year – Pekan, Gua Musang, Pasir Mas, Pasir Putih and Machang) and the number will grow from year to year as more programmes are undertaken. The target participants for this program are the children from all Agropolitan's participants in Kelantan Selatan and Pekan.

In addition, UMK and KESEDAR have also organized a series of courses related to family development to all participants in the Agropolitan project. Amongst these were: seminar to instill self confidence and ones potential, *Program Jalinan Kasih*, and various other courses on Family Excellence "*Keluargaku Syurgaku*" Entrepreneurship and Basic Agriculture.

Conclusion

The implementation of all activities chosen under the Agropolitan Project has seen a perceptible impact on the participants whether it was from the heads of the household or members of the family. A change in mindset of the participants and their eagerness to participate with minimal supervision is most encouraging. Some has developed the basic skills in entrepreneurship and were able to generate a decent income. A number of the Orang Asli kids in schools given the right motivation and coaching were able to achieve educational excellence and acquire some generic skills. The womenfolk were most willing to learn some basic trade and this has contributed to the development of a segment of the human capital. Above all, the project has laid the foundation for the development of a harmonious and integrated society rather than being isolated as in the past.

The complete success of this programme in future, however, is entirely dependent on close monitoring and supervision at all levels by the implementing agencies on the ground. There is a lot more to do to lift the poor and the hardcore group out of their wretched poverty so that they are not left behind but are able to participate in the country's mainstream development agenda.

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Source: *Food Nutrition Composition, IMR 1997*)

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