



AVA AGRICULTURE PRODUCTIVITY FUND AND AGRICULTURE POLICIES FOR LOCAL FARMS

1. Local production, while limited, complements AVA's source diversification strategy. Local farms provide a buffer in times of sudden supply disruptions. They also serve as a platform to test-bed agricultural innovations to increase food supply. Farms such as ornamental fish and orchid farms are important too, as they have significant global market share, and put Singapore on the world.

2. Since 2009, AVA's Food Fund has been co-funding farms in upgrading their production capability and supporting farms in research and development (R&D) in food farming technology. AVA has also been providing technical support through its workshops/seminars on production technologies and good agricultural practices.

3. Nonetheless, as land is scarce in Singapore, there is a need to balance the different needs. Farms will need to achieve higher productivity and use farmland more efficiently. To this end, farms can tap on the new Agriculture Productivity Fund (APF), which will subsume the existing Food Fund. Farms will also have to adhere to several agriculture policies outlined in the ensuing paragraphs.

Agriculture Productivity Fund (APF)

4. To support farmers in their efforts to expand production capabilities, the new \$63 million APF consists of three components:

- a. Basic capability upgrading (BCU) - Funding support for equipment that would help increase productivity.
- b. Productivity enhancement (PE) – Funding for quantum leap in productivity and production capability through the adoption of automation system or advanced/high-tech integrated systems.
- c. Research & Development (R&D) – Funding of technology for intensive farming systems, consultancy services in land intensification, system prototyping and technological system pilot trials to explore innovative and commercially viable solutions to further maximise farm productivity.

5. Details of the APF are shown in Tables 1 and 2.

Table 1: Details of Agriculture Productivity Fund

Funding Component	Basic Farm Capability Upgrading	Productivity Enhancement for Transformation	R&D
Funding Scheme and Scope	<p><u>Basic Capability Upgrading (BCU) Scheme</u></p> <p>This scheme aims to assist farms co-funding equipment that would help increase productivity.</p>	<p><u>Productivity Enhancement (PE) Scheme</u></p> <p>This scheme aims to assist promising farms in making a quantum leap in productivity through the adoption of automation system or advanced/ high-tech integrated production systems.</p>	<p><u>R&D Scheme</u></p> <p>This scheme is targeted at progressive and growth-oriented farms. It funds R&D in intensive technology systems, consultancy services in land intensification, system prototyping and technological system pilot trials.</p>
Funding Outcome	Higher overall productivity level and higher production yield for the farming sector.	Highly productive farming sector with production level comparable to or better than overseas intensive farms, better skilled worker and optimal manpower utilisation.	Development and adoption of new and innovative technologies or production systems leading to higher productivity and better quality of produce.

Table 2: Funding level for components of APF for different farm types

Funding Scheme	Farm Type & Funding Level/Quantum		
	Food farms (Hen egg, leafy vegetable, food fish, quail egg and beansprout farms)	Orchids and ornamental fish/aquatic plants farms	Other Farms
<u>Funding Level</u>			
BCU Scheme	50%	50%	
PE Scheme	70%	30%	
R&D Scheme	70-90%	Not applicable	
<u>Funding Quantum Cap (per application)</u>			
BCU Scheme	\$50,000	\$50,000	\$20,000
PE Scheme	\$700,000	\$300,000	\$100,000
R&D Scheme	<ul style="list-style-type: none"> • \$250,000 for Proof-of-Concept • \$500,000 for Proof-of-Value • \$1mil for Test-bedding 	Not applicable	

New Agriculture Policies

6. To intensify land use, local farms will have to adhere to the following:

Policy 1: Use 90% of Farmland for Production

7. To ensure maximum use of farmland for production purposes and to maintain high levels of local production, all farms must use at least 90% of their farm area for agriculture production and uses related to production. They are only allowed to use up to 10% of their farm area for ancillary purposes, compared to 30% previously. These ancillary uses include dwelling houses, workers quarters, offices and visitor centres. This will be applicable to all land based farms licensed by AVA for lease extensions and new leases. AVA will implement this requirement through the approval of farm plans and periodic farm inspections.

Policy 2: Minimum Production Levels

8. To ensure farms make use of land efficiently, there will be minimum production levels set for all land based farms licensed by AVA. These levels are reasonable as most farms should be able to meet them. The policy is applicable to all land based farms licensed by AVA and will be considered as a criteria for lease extension and for new leases.

9. The minimum production levels are shown in Tables 3 and 4.

Table 3: Minimum production levels for food farms

Farm Types	Minimum Production Levels
Vegetables	
Leafy vegetables	130 tonnes/hectare /year
Bean sprout	1,000 tonnes/hectare /year
Food Fish	
Land based	25 metric-tonnes/hectare /year Hatcheries: Fish fry up to 5cm: 0.75mil/hectare /year Fish fry 5-10cm: 0.5mil/hectare /year
Eggs	
Hen eggs	9,000,000 pieces/hectare /year
Quail eggs	7,000,000 pieces/hectare /year

Table 4: Minimum production levels for non-food farms

Farm Types	Minimum Production Levels	
Ornamental fish	Type of fish	Total Fish Holding Capacity (TFHC)
	Dragon fish	1,000 fish/ha/year
	Small-sized fish (guppy, platy, molly, etc)	400,000 fish/ha/year
	Large-sized fish (goldfish, koi, etc)	200,000 fish/ha/year
	Export business	800,000 fish/ha/year
	Mixed activities	To be assessed according to the ratio of the respective fish/plant types. (If farm also engages in the import/export of fish/aquatic plants, the volume of export (number of fish/ plants/month) would be taken into consideration.)
Orchid	<u>Total Orchid Holding Capacity (TOHC)</u> 40,000 plants/ha/year	
Crocodile	Hatchlings	At least 10% of total crocodile population each year
		Less than 3% mortality each year
Aquatic plants	Small plant (<30cm length) Including all plants sold as cuttings	300,000 plants / ha / year
	Big plant (>30cm length) Including mother-plants and plants grown/sold on substrate (driftwood, etc)	100,000 plants / ha / year
Mushroom	90 tonnes / ha / year	
Bird	10% increase per year	
Cattle	35,000 litres / ha / year	
Goat	70,000 litres / ha / year	
Frog	110,000 kg / ha / year	

Policy 3: Land Tenures

10. AVA will be tendering new farmlands with 10-year leases. Farms may renew or extend their farm leases in tenures of 10 years with the option to extend for another 10, on condition that they are able to meet the new minimum production targets and other prevailing criteria; and as long as their land is not required for redevelopment.