



## **NEW TENANCY MODEL AND PRODUCTIVITY TARGETS FOR LANDSCAPE NURSERIES**

1. NParks will be implementing a new '3+3+3 year' tenancy model for landscape nurseries in Singapore. This is part of ongoing efforts to support growth in this sector, reduce costs and time associated with starting up new operations.

### **New tenancy model**

2. The tenure of the property comes with an initial three-year tenure, and is renewable up to two further terms of three years each. The new tenancy model will not require nursery operators to pay land premiums upfront. A monthly rental scheme will be applied instead. Additionally, operators benefit from not having to put in place infrastructural services as NParks will provide connections to utilities such as potable water, electricity and tele-communications cables, sewage pipes and roadways<sup>1</sup>. This will help to reduce start-up costs. Landscape nurseries can then better divert resources into operational productivity. They can take advantage of NParks' assistance schemes to invest in mechanisation, technology and skills training for their workers.

3. Landscape nurseries seeking to bid for land parcels put up for tender by NParks must be on both the Landscape Company Register (LCR) and Nursery Accreditation Scheme (NAS). Companies are also encouraged to invest and build up their industry credentials before submitting bids when land parcels are made available.

4. Successful tenderers will need to put 90% of their land to landscape nursery operations use, and also meet productivity targets. These include:

- a. \$30,000 value-add per worker, per year
- b. \$500,000 in revenue per hectare, per year

5. Every three years, companies will be evaluated against the tenancy renewal terms and conditions, which include maintaining an active profile on the LCR and NAS, together with the demonstrated ability to meet productivity targets. Companies will also be assessed on their land-use efficiency and business operations.

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<sup>1</sup> Up to the front gate of land parcels.

## **NParks' assistance to landscape nurseries**

6. To increase productivity levels, landscape nurseries are encouraged to utilise assistance schemes under the NParks' Landscape Productivity Roadmap.

### *Landscape Productivity Roadmap*

7. Announced in 2010, the \$12 million Landscape Productivity Roadmap is a holistic and comprehensive approach to improving productivity in the landscape industry. Developed in collaboration with the landscape industry, the Roadmap aims to enhance productivity, raise capabilities and professionalism of the sector.

8. Some of the initiatives under the Roadmap include the following:

- a. Nursery Accreditation Scheme
- b. Landscape Productivity Grant
- c. Publication of Guide Book on Landscape Design Guidelines
- d. Landscape Apprenticeship Programme

### ***Nursery Accreditation Scheme (NAS)***

9. The nursery sector is at the front of the landscape supply chain, and the source of soft landscape materials. Currently, products from the nursery sector are of variable quality and standards across the industry. The NAS seeks to identify and implement best practices and standards, as well as optimise land productivity for the nursery sector. This will allow for more consistent quality nursery products and supply.

10. The NAS aims to help nurseries deliver quality products, reduce operating costs through better resource management, and improve work processes and layout. To be accredited, nurseries need to benchmark their practices against specified standards and adopt internationally-competitive processes. There are currently 19 accredited nurseries.

### ***Landscape Productivity Grant (LPG)***

11. In September 2013, NParks launched a \$3.9 million Landscape Productivity Grant to help local landscape companies defray the cost of purchasing equipment. This LPG is an initiative under the \$12 million Landscape Productivity Roadmap.

12. The LPG will be disbursed to eligible companies which purchase new equipment for projects such as landscape construction and maintenance as well as nursery operations. Each company will receive up to 50% funding or a maximum of \$100,000. To-date, 18 companies (24 applications) have received funding support from the LPG, with more than \$350,000 disbursed. For example, Prince's Landscape and Construction Pte Ltd, which was the first recipient of the LPG, used the funds to acquire a tractor-mounted hedge trimmer that reduces the time taken to trim hedges by 75%.

### ***Publication of Guide Book on Landscape Design Guidelines***

13. The conventional approach in landscape designing focuses on beautifying spaces and making them functional for users. NParks has published a guide book in 2012 to highlight how design decisions can affect landscape maintenance regimes downstream. Entitled 'Landscape Design Guidelines for Productive Maintenance and Sustainability', it includes tips such as ensuring a contiguous layout of turf in parks to facilitate the use of mowers, instead of fragmenting the turf into strips and patches, which require manual and laborious mowing.

### ***Landscape Apprenticeship Programme***

14. Developed in consultation with the Landscape Industry Association (Singapore) (LIAS) and the Singapore Arboriculture Society (SAS), supported by the Workforce Development Agency (WDA), the programme was created to train a new generation of highly-skilled landscape specialists and project managers. The 24-month programme will combine work assignments, on-the-job and formal training under the Landscape Framework of the Workforce Skills Qualification system. Currently, there are seven apprentices and five participating landscape companies, namely: Prince's Landscape and Construction Pte Ltd, Swee Bee Contractor Pte Ltd, Mao Sheng Quanji Construction Pte Ltd, Nature Landscapes Pte Ltd and Tropic Planners & Landscape Pte Ltd.