

AVA TO LAUNCH TENDERS FOR NEW AGRICULTURE LAND FOR FOOD FARMING

- Productivity gains key to evaluating land tender proposals

New agriculture land for food farming is slated for tender from August 2017. The sites, which are located in Lim Chu Kang and Sungei Tengah, will be tendered on 20-year leases.

Land sales timeline

2. A total of 36 plots of farm land will be tendered out in the following tranches¹ :

	Date	Plots and farming type
First Tranche	Aug 2017	12 plots for leafy vegetable farming
Second Tranche	Oct 2017	3 plots for food fish farming
Third Tranche	2Q 2018	7 plots for leafy vegetable, quail eggs and general agriculture (e.g. frog, goat, cattle) food farming
Subsequent Tranches	2019 onwards	14 plots for leafy vegetables, beansprouts and general agriculture food farming

Land allocation

3. The new farm land will be tendered using new land tender methods: a fixed price tender method² (for leafy vegetables, food fish, beansprouts and quail eggs farming) or a concept and price tender method³ (for general agriculture food farming). Emphasis will be placed on the quality of proposals. This means that farmers will compete based on the best concepts proposed, with a focus on productivity gains rather than on land price alone.

4. The following evaluation criteria will be used to assess the tender proposals:
- Production capability - ability to achieve high production levels
 - Production track record - ability to achieve projected production levels based on past performance
 - Relevant experience & qualification - ability to deliver results
 - Innovation & sustainability - ability to use innovation to improve and sustain production, and maintain business viability

¹ Refer to Annex A for location of tranches 1 – 3.

² Under the fixed price tender method, the land price is fixed and tenderers compete purely on the tender proposals submitted.

³ Under the concept and price tender method, tenderers who meet the evaluation criteria are shortlisted. The tender would then be awarded to the shortlisted tenderer with the highest land price.

5. Farmers with good production records and good concepts that optimise production and manpower will stand a good chance of winning new plots.

6. AVA recognises that some farmers may not be familiar with putting up tender proposals based on concepts, as farm land tenders have traditionally been based primarily on land price. To help farmers, AVA will conduct advisory sessions on the drafting of tender proposals before every tender launch.

Working with our farmers to transform the local agriculture sector

7. Local production, in particular of key food items such as vegetables, fish and eggs, remains an important part of Singapore's food security. However, with competing uses of land, the local agriculture sector must innovate and adopt modern practices to be more productive given these land constraints.

8. AVA's CEO, Ms Tan Poh Hong said, "We strongly encourage our farmers to work with AVA, to embrace technology to boost Singapore's food security. Those planning to participate in the upcoming tenders must seize the opportunity to adopt innovative agri-technologies to maximise land and labour productivity. We have been engaging farmers to help them overcome the challenges of adopting technologies. I am glad that many farmers recognise that technology is critical to the future of farming. They have joined study trips to visit high-tech farms overseas to explore the possibility of adopting some of these technologies. We would like to see more farmers follow their lead."

9. Stressing the importance of farmers playing an active role in transforming our farming sector, Ms Tan added, "The recently formed Industry Consultation Panel, or ICP, comprising progressive farmers and academics, have worked closely with us to develop the Farm Transformation Map to guide us in our transformation journey. We have also listened to the suggestions from our ICP members to facilitate the adoption of technology. For instance, the ICP pointed out that farmers were often constrained by tight cash flows. Thus since April 2017, we had enhanced the Agriculture Productivity Fund (APF) to provide 30% upfront payment of the approved funding quantum."

10. The Government will continue to work closely with farmers, and support their efforts in transforming our agriculture sector into one that is high-tech, innovative and sustainable⁴.

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⁴ Refer to [Annex B](#) for details on assistance and support available to farmers.

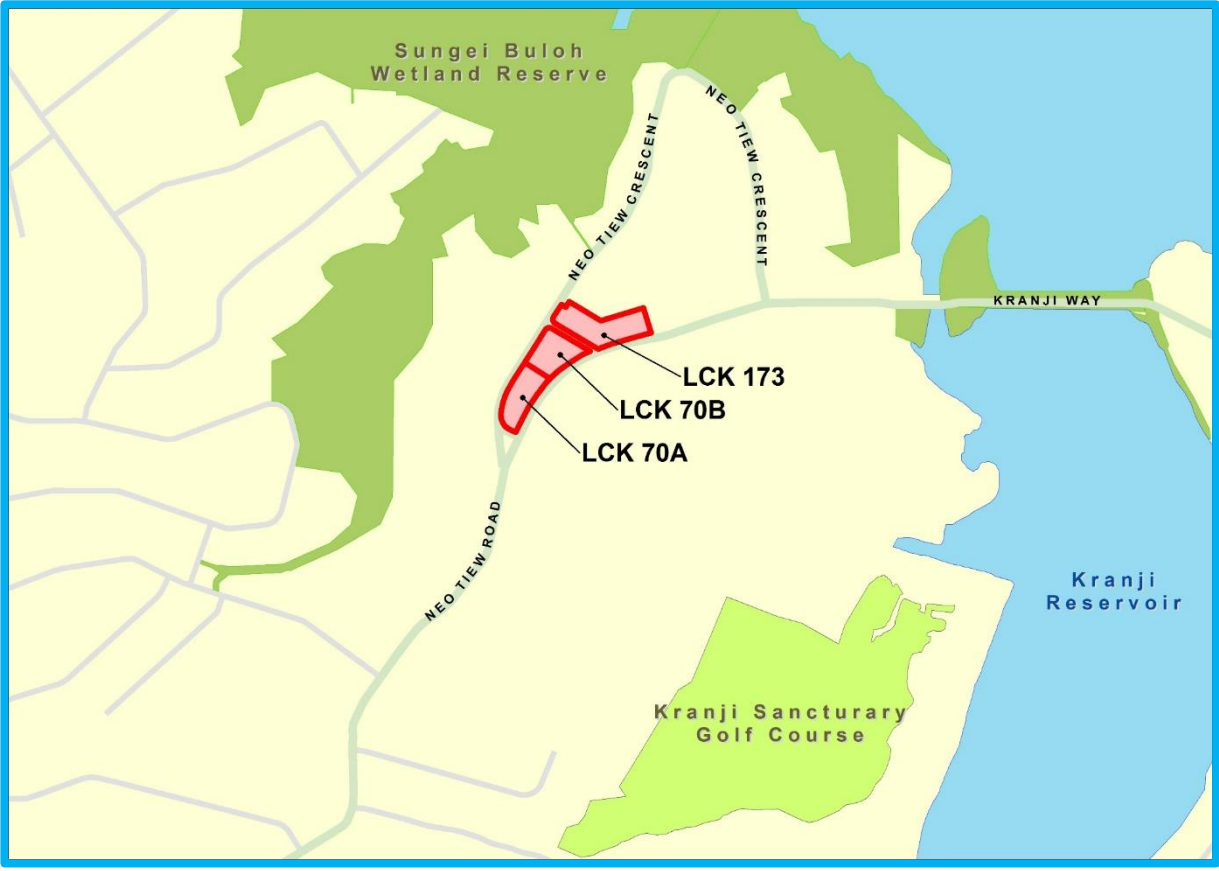
Tranche 1: Leafy Vegetables

Location	Farming Type	No. of Plots	Size per Plot	Month of Tender Launch
Turut Track/ Neo Tiew Lane 2	Leafy vegetables	12	~2ha	Aug 2017



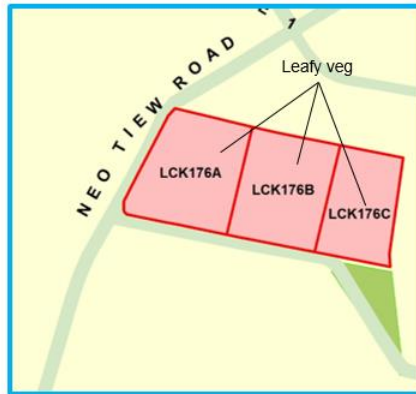
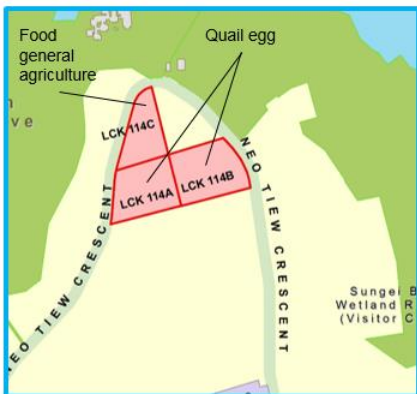
Tranche 2: Food Fish

Location	Farming Type	No. of Plots	Size per Plot	Month of Tender Launch
Neo Tiew Crescent	Food fish	3	~1.5ha-2.3ha	Oct 2017



Tranche 3: Leafy veg, quail eggs & food general agriculture

Location	Farming Type	No. of Plots	Size per Plot	Month of Tender Launch
Neo Tiew Lane 2	Leafy vegetables	3	~2ha	2Q 2018
Sungei Tengah Road	Food general agriculture	1	~1ha	
Neo Tiew Crescent	Food general agriculture	1	~1ha	
Neo Tiew Crescent	Quail egg	2	~1.5ha	



Supporting our farmers to transform the local agriculture sector

Local production plays an important complementary role in ensuring Singapore's food supply resilience. AVA is committed to working with farmers to achieve the vision of a high-tech, innovative and sustainable agriculture sector that makes efficient use of limited farmland and labour. We will continue to support farmers' efforts through capability building and technical support, strategic R&D collaborations and technology transfer.

2. We strongly urge farmers to tap into AVA's Agriculture Productivity Fund (APF) to modernise and invest in innovative technologies, advanced farming systems and R&D. Launched in 2014, the \$63 million APF supports farmers through the Basic Capability Upgrading (BCU) scheme, the Productivity Enhancement (PE) scheme, and the Research & Development (R&D) scheme.

3. Under the BCU scheme, AVA co-funds the purchase of basic equipment by farms. Under the PE scheme, AVA co-funds the purchase of high-tech, automated and integrated farming systems. To encourage farmers to adopt higher-level technology, the funding caps for the PE scheme are higher than the BCU scheme.

4. The R&D scheme supports farms in researching on high-tech and innovative systems. It covers R&D in intensive technology systems, consultancy services in land intensification, system prototyping and technological system pilot trials.

5. From April 2017, up to 30% of the approved APF funding quantum will be disbursed upfront instead of on a reimbursement basis. This will help farmers ease their cash flow when investing in expensive technology.

6. Since April 2017, AVA has adopted a new "account management" (AM) approach. Each farm has a dedicated AM to advise them on business development, technology adoption and financial assistance. The AM will facilitate the farmer's interactions with many agencies and will also work with stakeholders.

7. Besides these, AVA has been working closely with local farmers to raise productivity through advising on good farm management practices, helping farms manage animal diseases, monitoring water quality around farming areas and promoting local produce to consumers. AVA also conducts R&D to transfer technology to farms and work closely with the private sector to develop innovative solutions to maximise productivity.