



PRESS RELEASE
MINISTRY OF FOOD INDUSTRY, COMMODITY
AND REGIONAL DEVELOPMENT SARAWAK



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SARAWAK SETS PRICE CEILING TO STABILIZE PORK PRICE AFTER AFRICAN SWINE FEVER (ASF) OUTBREAK AS FOOD INFLATION SOARS

In response to YB Chong's statement, the Sarawak Government is ready to step in to help moderate the price of pork as this commodity was said to have increased sharply recently. Though the Ministry of Food Industry, Commodity and Regional Development does not have the power to regulate the price of foods and goods, it will work closely with relevant authorities to help in addressing particularly the pork price hike issue.

YB Chong, being the former Deputy Minister of the Ministry of Domestic Trade and Consumer Affairs should know better that the price control over essential food items is under the jurisdiction of the Ministry of Domestic Trade and Living Costs. Perhaps, YB Chong could shed more light on what his former Ministry has done to curb the rising prices of goods and food nationwide. My Ministry, through the Department of Veterinary Services Sarawak (DVSS) only has the autonomy to regulate the livestock development, disease control and matters pertaining to import and export control.

The statistics of the Department of Veterinary Services Sarawak (DVSS) revealed that there are two main sources of fresh pork supply for Sarawak market. The first major supplier of fresh pork is from Pig Farming Area (PFA) in Pasir Puteh, Simunjan, sold through Precious Food Products Sdn Bhd more than 17 retail outlets under the brand of Borneo Pork. DVSS observed that there is no increase in the selling price of pork by this company. The breeders of different scales outside PFA is the other major supplier, whose live pigs are sold to butchers and thereafter, the pork are sold in wet markets, food vendors and butcher shops. The pork that are sold by these market outlets are the one that are found to have increased in price in recent months.

The upward pressure on pork prices has gained momentum during Christmas and New Year holidays due to the limited supplies and increased demand, which is a common phenomenon worldwide. The price hike was greatly induced by the spike in the operating costs coupled with the outbreak of African swine fever (ASF) in Sarawak. The shortage of supply was significantly due to the recent African Swine Fever (ASF) outbreak, which has greatly reduced live pig production. Besides, the increased in the price of feed which used to be RM800 per tonne, now costs RM2,000 per tonne. Raw materials are costly, and operating costs are high too; thus, total costs have gone up by 50% to 60%. For example the imported grain corn price increase from USD165.45 per tonne to USD255.5 per tonne.

As a short term measure, the Sarawak Government is allowing for the importation of frozen pork from exporting countries that are free from Foot and Mouth Disease (FMD). This measure is undertaken as an alternative to address the shortage supply of fresh pork and a key step towards stabilizing the price. In 2022, Sarawak imported more than 2,380 metric tonnes of frozen pork valued at RM26.48 million.

My Ministry will closely monitor pork price movement throughout Sarawak. A continuous engagement will be done with the Ministry of Domestic Trade and Living Costs as well pig associations and other industry stakeholders to address the issue of pork supply especially during the Lunar New Year period and to facilitate the formulation of unified pork prices for the New Year period. My Ministry is also proposing the implementation of a price ceiling of pork to the Ministry of Domestic Trade and Living Costs. The aims is to stabilize the price and prevent further price hike. For example, "Lean with Skin On are currently sold at RM31.5 -RM32" per kg, while "Pork Belly is priced at RM34-RM35" per kg at Borneo Pork retail outlets. In Sibul and Miri wet markets, Lean Meat with Skin On are sold between RM33-RM40 per kg.

For a medium to long term measure, the Sarawak Government is planning to establish more Pig Farming Area (PFA) to expand the production of this commodity to meet both domestic and foreign demand. The Government will also facilitate the development of Modern Pig Farm with Zero Discharge, a closed-house system, Biogas and Biosecurity infrastructure to ensure Sarawak has surplus pork and continue to export. In another development, the Sarawak Government has been paid out compassionate assistance amounting to RM5.6 million to more than 390 pig farmers who were affected by ASF in 2022. Another RM2.0 million will be paid this year.

Finally, with the full cooperation of all stakeholders, I am confident that the pork prices would be stabilized soon to give consumers peace of mind for Chinese New Year. I would also like wish all the Chinese community a very happy and prosperous New year, Gong Xi F Cai.

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