

Open Access**Controlled Fresh Market (CFM): A case of rebranding Farmers' market with Government Intervention during Covid-19 in Malaysia**

Abd Razzif Abd Razak^{a*}, Muhammad Izzuddin Mat Sani^a, Mohd Hafiz Mohd Adnan^a, Ina Kartini Md. Salleh^a

^aFederal Agricultural Marketing Authority (FAMA), Malaysia

*Correspondence: abdrazzif@fama.gov.my

ABSTRACT:

The outbreak of Covid-19 in early 2020 has caused a rapid slowdown in global economic growth in all sectors. The impact on the agricultural sector is minor and tends to recover rapidly. This underscores the essential role of agriculture in food production, regardless of the situation. Farmers markets were innovated during Covid-19 to meet market demand and policy changes. This explains why it is behind the response to Covid-19 associated with food supply chain disruptions. Farmers markets are agile and connected to supply chain partners, so they can quickly innovate with a focused approach. Considering the shorter supply chains and smaller businesses that represent the farmers market, the fairness and relevance of the current regulatory environment can be scrutinised. The Federal Agricultural Marketing Authority (FAMA), a government agency, has established the Controlled Fresh Market (CFM). Farmers markets have been renamed during Covid-19 to meet the requirements of supplying food to consumers with strict Standard Operating Procedures (SOPs). This article focuses on the flexibility, responsiveness, and community-centric focus of the food supply chain, which enables it to continue to serve communities in the face of the challenges posed by the COVID-19 pandemic. The Controlled Fresh Market (CFM) is a case study of how the government has intervened to help promote and support these markets in order to meet the needs of consumers. CFM is a newly created market launched in Malaysia during Covid-19. This market was run by Malaysians.

KEYWORDS: Farmers Market, Covid-19, Entrepreneurship, Resilience, Government

MANUSCRIPT TYPE:

Case Study

PUBLICATION DETAILS:

Received: 9 June 2022

Revised: 24 June 2022

Accepted: 28 June 2022

INTRODUCTION

2020 was an exceptional year as the Covid-19 pandemic spread around the world and affected global economic growth. In the meantime, almost all activities had to be stopped altogether. In light of this difficult environment, the Federal Agricultural Marketing Authority (FAMA) has

upgraded the infrastructure and facilities of 40 FAMA operations centers, 157 refrigeration units, and 20 warehouses (FAMA, 2020). These improvements will ensure the distribution efficiency of fresh and processed products nationwide and increase the storage capacity. In addition, FAMA has taken a variety of proactive measures to overcome the domestic food security pandemic. Above all, the opening of the Controlled Fresh Market (CFM), which was a rebranding of the farmers market. CFM has played an important role in ensuring producers a market channel for agricultural products and providing consumers with continued access to food sources, especially fresh food. On the other hand, some argue that the local food system is more decentralised and has fewer intermediaries, making it more resilient to the Covid-19 19 turmoil than traditional supply chains (Colicchio and Kessler, 2020; Pollan, 2020; Thilmany et al., 2020).

Government initiatives through inter-ministerial collaboration have been further strengthened to reduce duplication and increase the efficiency of existing resource utilisation. Each strategic collaboration was an attempt to help farmers and entrepreneurs to continue to work throughout the year. These conflicting assessments have challenged policy makers in adapting the agricultural sector to Covid-19 as authorities launched large-scale emergency relief programs in a short period of time (Johansson et al., 2020). On the other hand, some predicted catastrophic financial difficulties for local producers if direct sales through farmers markets, restaurants, and institutions collapsed and the economy fell into a severe recession (Thilmany et al., 2020). FAMA took the initiative to open 63 CFMs at selected FAMA stores across Malaysia, especially during the Movement Control Order (MCO) phase, to help the government address food safety and availability issues. This effort is in line with the government's intention to ensure that people have constant access to food and efficient national food distribution, based on the Standard Operating Procedure (SOP) established by the National Security Council (NSC). With the opening of CFM incorporating the concept of walk-in, drive-in, early booking, and home delivery, sales of MYR 475.53 million were achieved, encompassing seven (7) main commodities, namely vegetables, fruits, chicken, fish or seafood, meat, groceries and agro-based goods (FAMA, 2020).

The Covid-19 pandemic affected both the supply and demand of food Direct to Consumer (DTC) suppliers. Between March and April 2020, food demand increased simultaneously in supermarkets and worsened in restaurants (Lusk and McCluskey, 2020). Increasing demand for household groceries could benefit DTC producers as consumers become more enthusiastic about finding local groceries in March 2020 as supermarkets run short (Schmidt et al., 2020). However, some farmers markets are completely closed. Other farmers markets had to implement strict social distance guidelines in order to remain open during the pandemic. While these protocols evolved throughout 2020 and the details varied by jurisdiction, they included requiring customers to preorder food online for onsite pickup, requiring vendors to sell prepackaged foods, requiring attendees to wear masks and maintain distances from others inside the market, eliminating onsite food preparation and sampling, canceling community events, restricting the number of shoppers inside the market at any given time by requiring a single point-of-entry, and encouraging shoppers to reserve time slots for pickup to balance attendance throughout the day. These social distancing regulations imposed high transaction costs on DTC producers, in addition to market managers. Some DTC producers could not attend farmers markets altogether even when the markets remained open. This was attributable to market managers reducing the number of vendors for social distancing purposes, vendor's health challenges, and labour shortfalls (FMC, 2020). Local vendors also could not necessarily increase supply quickly due to capacity constraints.

The value proposition of the farmers market has changed with the Covid-19 pandemic. Market features have been shelved, face-to-face social interactions have diminished, and the physical workings of the walk-up market have changed. Just as the previous crisis prompted the market

to serve the community, the 2020 case shows that these low-capacity, high-performance units were forced to reform themselves again. This time, alternative models with online preorder, drive-through, and self-pickup scenarios were quickly introduced by individual vendors and market operators. The Open-air and Shed-market vendor placement has been redesigned to allow for social distance between vendors and customers. Hygiene and public safety measures such as gloves, hand sanitisers, and hand washing equipment are currently important considerations. The specific challenges faced by farmers markets in implementing these changes include:

- a. Market-day operational restrictions due to public agency mandates that change regularly, ignoring the realities of outdoor retail venues and forcing significant redesign.
- b. A sharp decline in organisational revenue stemming from decreased vendor participation and funder disruptions.
- c. Increased expenses related to new safety measures, including additional staff needs and equipment purchases such as PPE and handwashing stations.
- d. Individual vendors' needs around evolving technology and marketing.
- e. The need to integrate online ordering, delivery, prepacked box programs, and other shopping and purchasing options.

During Covid-19, farmers markets leveraged local food supply chain relationships to pivot agile new market channels and buyers. The shorter the supply chain, the more direct and personal relationships producers can have with supply chain partners and buyers (Hardesty et al., 2014). In the event of market turmoil, these relationships allow local farm and food managers to use community networks to find the information they need, including the workforce, attract new buyers, and advertise on word-of-mouth and social media. The strictness of the current regulatory and policy environment limits the potential marketing flexibility and strategic response of farms and food companies.

The Covid-19 pandemic highlighted the vulnerabilities of the general food supply system. As a result, many consumers have experienced rising food prices and a shortage of grocery stores. To improve the resilience of food supply systems in the face of massive turmoil such as the Covid-19 crisis, the Food and Agriculture Organization of the United Nations emphasises the importance of short supply chains and stronger rural and urban connections. (FAO, 2020; Rosenzweig et al., 2020). Most small and medium-sized farmers do not have the logistics infrastructure needed to support efficient transportation to reach the city's demand centers and the specialisation needed in acquiring and implementing such systems. They often lack access to knowledge, capital, and credit (Jensen, 2010). As a result, their distribution networks tend to be fragmented and less efficient than centralised distribution networks in traditional food supply chains (Gebresenbet and Bosona, 2012). Consumers place great importance on convenience when deciding to buy food (Morganosky and Cude, 2000). For example, online shopping, door-step home deliveries, and drive-through pickups are some ways conventional grocery stores have offered convenient delivery to their consumers (Raison and Jones, 2020).

This article presented a case study from Malaysia that exemplified the flexibility, responsiveness, and community-oriented focus of food supply chains, which allowed them to continue to supply food to their communities in the face of the logistics challenges presented by the Covid-19 pandemic. In contrast with conventional food supply chains, Controlled Fresh Market (CFM) was able to rapidly pivot its operations to distribute products directly to consumers, whose demand for regionally produced eat-at-home items increased even as restaurant and wholesale demand diminished. However, this case study demonstrated the potential of Controlled Fresh Market (CFM) to support a resilient and socially sustainable food system that communities can rely on, even in the face of a major disruption like Covid-19.

Hopefully, these success stories will encourage practitioners and stakeholders to proactively invest in collaborative ventures and other logistics enhancing practices, allowing them to take advantage of increased efficiencies and new market opportunities in the long term.

Federal Agricultural Marketing Authority (FAMA)

The Federal Agricultural Marketing Authority (FAMA) is a marketing agency within the Ministry of Agriculture and Food Industries (MAFI). FAMA is responsible for marketing agricultural products such as vegetables, fruits, and floral products, as well as food and agro-based industry products. FAMA helps to expand the market for agricultural products, resulting in increased income for producers and increased sales for marketing companies. FAMA helps ensure that agricultural and food industry products are available and can be obtained at a reasonable price to consumers (FAMA, 2022). FAMA has made efforts to increase efficiency throughout the marketing chain in order to improve performance through the following strategies:

- a. Development of market channels;
- b. Development of marketing infrastructure;
- c. Entrepreneurship development;
- d. Product marketing development; and
- e. Development of marketing regulations.

Vision

The leading authority in the marketing of food and agricultural products in the country.

Mission

To develop an efficient and effective food and agricultural marketing chain to increase customer value.

Objectives

- a. The realisation of the national vision and national agricultural policy to make Malaysia a major world producer of food through the efficient and effective marketing of agricultural products and food;
- b. Development of marketing infrastructure and a supply chain system that is efficient and effective;
- c. Development of marketing and increasing demand for agricultural produce and food, both domestic and internationally; and
- d. Leading human resource capacity in agricultural marketing based on knowledge and the latest technology.

PROBLEM STATEMENT

At the beginning of the MCO outbreak, no Farmers markets were allowed to operate due to the security concerns surrounding Covid-19. Based on the characteristics of the Farmers market that operates in an open area, it was very risky to allow the activities of the Farmers market, which are categorised as a temporary place of business, to continue as usual. The government's decision to ban and order the closure of the temporary market was very timely and wise in light of the Covid-19 virus outbreak at the time.

However, with the consent and approval of the NSC (National Security Council) at the time, in order to ensure adequate food supply, especially for basic agricultural products such as fish, chicken, vegetables, fruits, and groceries, a total of 63 structured sales centers under FAMA were allowed to operate with selected entrepreneurs to market their produces via these CFMs.

FAMA in facing the Covid-19 pandemic

The Covid-19 pandemic had a major impact on the global economy, health, and social sectors throughout the world. The Malaysian economy shrank by 5.6 percent in 2020. The agricultural sector's contribution to GDP in 2020 fell by 2.2%. The country's agricultural sector decreased by 3.5% in 2019 from its level in 2018 (FAMA, 2020). The Malaysian government implemented local containment measures in 2020, including:

- a. Movement Control Order (MCO) from 18th March to 3rd May 2020;
- b. Conditional Movement Control order (CMCO) from 4th May to 9th June 2020; and
- c. Recovery Movement Control Order (RMCO) from 10th June to 31st December 2020.

CONTROLLED FRESH MARKET (CFM)

CFM's goal is to help expand the market for agricultural products and increase income for farmers, agro-entrepreneurs, wholesalers and distributors, and food industry entrepreneurs. FAMA helps to keep agricultural products and agro-based industries affordable for consumers. This role helps market the value chain, from the farm to the consumer, to ensure that the products produced can be marketed and benefits the well-being of the people. FAMA has been given the responsibility of marketing and implementing the sale of fresh goods at CFM agro-food marketing outlets specifically for the implementation during the enforcement of the MCO. CFM can help to stabilise food supplies so that they meet the needs of the population. This is one of the marketing outlets that meet the demand for local agricultural products during the MCO period. The agricultural products marketplace needs to offer a wide selection of affordable, fresh produce that is easy to access by consumers.

FAMA had opened 63 CFM locations nationwide during the MCO period; during the First Phase, 17 were FAMA Operations Centers, 17 were Permanent Farmers markets (PFM), and three (3) were MyFarm Outlets (MFO). Meanwhile, ten (10) were selected farmers markets and 16 Permanent Farmers markets during the second phase. A total of seven (7) commodities were offered in all CFMs, namely vegetables, fruits, chicken, fish or seafood, meat, groceries, and agro-based goods. PFM and MFO had started operating from 6 a.m. until 4 p.m., while the FAMA Operations Center had started at 7 a.m. to 12 noon. The objective of CFM was to give consumers access to essential items with savings between five (5) to twenty (20) percent. The initiative was also a platform for entrepreneurs to market their products during the implementation period of the First Phase of MCO. The CFM also operated following SOPs with the distancing of stalls three (3) meters apart, venue entrances and exits were regulated, and limiting the number of visitors at any one time (FAMA, 2020). Consumers were advised to make payments online or alternative modes such as QR Pay and E-wallet to curb the spread of Covid-19 through banknotes. Orders can be made before the CFM operating hours through social media platforms, eWallet or eCommerce, and direct payments online or Cash on Delivery (COD).

Consumers can also choose to get the order through the pickup, delivery via the rider, or dropship. In the meantime, entrepreneurs who face problems marketing agricultural products

can contact the nearest FAMA office or through the FAMA Feedback System portal (<http://ffs.FAMA.gov.my/aduan/>). In addition, users who want to get information on the dates and hours of operation of the Permanent Farmers Market (PFM), Farmers Market, and operation centres throughout the country during the first Phase of MCO can visit www.fama.gov.my/faq. From 1st April 2020, the government had allowed FAMA to open CFMs in 63 selected locations, as in Table 1. The implementation of CFM started on 30th March until 1st May 2020 (FAMA, 2020).

Table 1: Total of CFM according to phase

CFM PHASE	
First	Second
17 FAMA Operations Centres	10 selected Farmers markets
17 Permanent Farmers markets	16 Permanent Farmers markets
3 MyFarm Outlet (MFO)	-
Total : 37	Total: 26
Total CFM: 63	

These initiatives were part of the government's efforts to prevent and stop the spread of the pandemic among the people while allowing consumers ready access to basic food commodities. In addition, the spread of this pandemic also had negative implications for the agro-food marketing sector. Among those affected were:

- a. Distribution was affected due to disruption of logistics services and movement control;
- b. Declining demand from the domestic economic sector, especially hospitality and services such as restaurants, hotels, schools, universities, and factories; and
- c. The global economic slowdown resulted in a large contraction in demand for the export sector.

To ensure that the domestic agricultural sector could survive and continue to grow, FAMA took several proactive measures by providing market channels to increase access to consumers through the opening of Controlled Fresh Markets (CFM), which benefited 9,790 agro-entrepreneurs and 25 million customers nationwide (FAMA, 2020).

The opening of CFM had successfully generated sales of RM475.53 million with contributions from:

- a. Fruits (54,048.89 mt);
- b. Vegetables (15,143.85 mt);
- c. Retail/agro-based industry products (9,446.79 mt);
- d. Chicken (1,825.88 mt);
- e. Fish (1,432.26 mt); and
- f. Meat (222.49 mt).

All operations at FAMA marketing outlets were guided by the SOPs as outlined by the NSC. Compliance and enforcement of SOPs throughout the MCO period gave buyers the confidence to always conduct business at FAMA marketing outlets. Compliance was monitored via the application of Mysejahtera QR codes and body temperature scanners on-premises, physical distancing, and more organised, clean, and safe facilities. MySejahtera is an application developed by the Government of Malaysia to manage the Covid-19 outbreaks in the country. To minimise the risk of Covid-19 transmission, FAMA made some adjustments in its marketing activities at all operating outlets, including:

- a. Consumers were allowed to patronised FAMA outlets if only they were in compliance with SOPs as prescribed;
- b. Consumers could place orders through Agrobazaar Online (ABO) with the option of self-pickup or home delivery;
- c. Usage of cashless payments was expanded; and
- d. The drive-through concept was implemented at selected CFMs to facilitate transactions.



Figure 1: Compliance with SOPs at The Entrance of CFM



Figure 2: Drive-through Sales Activities of CFM

When the MCO came into force on 18th March and continued until 14th April, ten daily Farmers market locations were allowed to operate under the CFM category. The success of the CFM led FAMA to open several more similar type locations because there was a need to overcome the supply of basic food items, especially agricultural products, in these identified locations. The selected locations included ten daily Farmers market operating locations. Still, when opened and operating under the CFM category, the minimum number of participants and only basic sales products were allowed (between seven to ten participants with five to seven

main basic products). The permission and approval must first be obtained from the local authority where the location of Farmers market was sited. FAMA submitted the Covid-19 Pandemic Contagion Prevention Control SOP, which will be enforced before, during, and after the Farmers market operation. Among the main/basic conditions imposed by almost most local authorities were:

- a. Only 50% of the usual participants were allowed to operate;
- b. Food and Beverage Sales to be sold only in packages;
- c. Limit the number of visitors/buyers at one time; and
- d. Routine Control Measures as per SOP requirement by Ministry of Health (MOH): Body Temperature Intake; Customer Registration; Hand-sanitize and Mask Wearing.

The conditions set by the local authority were important to maintain and ensure the safety of participants, visitors, and staff. The participants faced the risk of a lack of customers. This consequence was unavoidable because, considering the implementation of canopy detachment among participants, that priority should be made to ensure the prevention and control of disease transmission. The main rules and regulations contained in the SOP of CFM included:

- a. No CFM opening in the Red Zone Area;
- b. Make / Install Perimeter around the Farmers market site to limit the entrance /exit of visitors. There were only one or two entrances and exits;
- c. Canopy displacement of three (3) meters for each participant;
- d. Limit the number of participants per stall/canopy lot;
- e. Register all entries of participants/visitors/officers by using two methods: QR Code Scan / MySejahtera and Registration Book;
- f. Body temperature-taking of each participant/visitor/officer;
- g. Mask application;
- h. Not encouraging senior citizens aged 60 years and over and children aged 12 years and below to enter the Farmers market;
- i. Use of hand sanitisers;
- j. Control the number of visitors capacity at one time;
- k. Social distancing of one meter between visitors;
- l. Social distancing 1.5 meters between buyer and seller;
- m. One-way route: Avoid face-to-face collisions between visitors;
- n. Reduce close contact between buyers/sellers;
- o. Avoid touching sales products;
- p. Shorten shopping time; and
- q. Give full cooperation to the authorities.

The sales operation at the FAMA Operations Center outlets is from 7.00 a.m; to noon, while at PFM and MyFarm Outlet (MFO) is from 6.00 a.m. to 4.00 p.m. The business concept of omnichannel new retail marketing had been conducted in the CFM, covering the methods of sales by walk-in, preorder, delivery, and online as well as drive-through where all CFMs comply with SOP by the NSC.

In the context of efforts to address the cost of living of the people, the creation of the CFM is seen as very helpful in facilitating the people to get fresh food supply at between five (5) to 20 percent lower than the prices in other markets. The CFM also does not require the consumers to travel far to get food supplies and is still within a radius of 10km from their settlement area. This situation restricts the movement of people within a 10km radius and requires only locations with permanent building structures equipped with basic infrastructure to be allowed to operate as a CFM. Large areas were allowed to be used as CFM outlets to comply with SOPs and reduce congestion and public concentration.

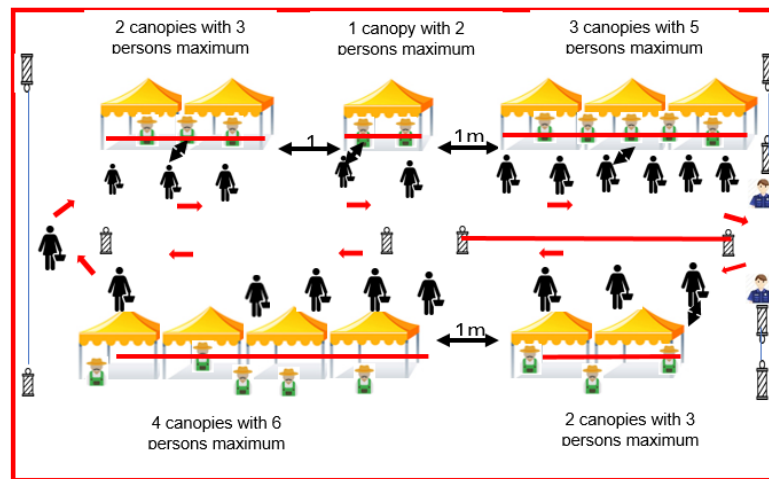


Figure 3: Layout for the implementation of CFM operations.

The CFM initiative under the FAMA contributed to a sales value of RM475.53 million, involving 9,790 agro-entrepreneurs and 25 million customers at 63 CFM nationwide (FAMA, 2020). When the MCO was implemented, most economic sectors were affected by shutdowns except the agriculture and food industry. The marketing chain was running smoothly to ensure that the best service was provided to the consumers by supplying fresh food from the farm. The effort was for CFM to balance the supply and demand of agricultural products in the country during the Covid-19 pandemic.

A total of FAMA outlet locations nationwide had operated as CFM to ensure continuity of supply and efficient food distribution. The concept of sales and distribution at selected retail outlets involved the sale of fresh goods of seven (7) main commodities such as vegetables, fruits, poultry, fish, meat, groceries, and agro-based goods. It was implemented in stages throughout the MCO according to the SOP. FAMA was tasked to open 63 outlet locations nationwide, namely, ten selected farmers markets, 33 Permanent Farmers markets (PFM), 17 FAMA operation centres, and three (3) MyFarm Outlets (MFO). For the first phase of CFM implementation, a total of 37 FAMA outlets nationwide have been operating, involving 17 FAMA operation centres, 17 Permanent Farmers markets (PFM), and three (3) MyFarm Outlets (MFO). Ten (10) selected farmers markets for the second phase, and 16 Permanent Farmers Markets (PFM) operated. Selected farmers markets operated twice a week from 8 a.m. to 12.00 noon (FAMA, 2020).

The permanent farmers market (PFM), MyFarm Outlet (MFO), and FAMA operations centre will be open as early as 8.00 a.m. to 4.00 p.m. every day. This regulated operating hours were to maintain the social distance protocol as advised by the Ministry of Health Malaysia (MOH) to prevent the spread of Covid-19. The social distance between the stalls is under the purview of FAMA, while the local authorities regulate the entrance and exit. Consumers were also advised to make payments online and without cash either through QR Pay or e-wallet to curb the spread of Covid-19 through banknotes. Each FAMA marketing outlet is set to follow the SOP outlined for visitors who want to get food supplies during the MCO period. For instance, vehicles were parked in specific areas, and visitors line-up at a distance of one meter and passed the temperature screening. Apart from that, visitors should use the disinfectant provided during entry and exit, and the time allowed to make purchases was only between 10 to 20 minutes for each customer. For consumers who make a drive-through purchase, the vehicle entering the business area is among the SOPs that need to be complied with. The booking form was handed over to the consumer before being handed over to the staff and waiting in the area provided.

For preorders via the Agrobazaar Online (ABO) portal or social media, all orders must be placed between 8 a.m. to 4 p.m., and delivery shall be made the next day with payment online.

The opening of the CFM in selected locations nationwide was targeted to overcome the problem of dumping or overproduction of food supplies during the full movement restriction of the MCO. 63 CFMs were operating that were supervised by FAMA. Each CFM had seven (7) commodities: vegetables, fruits, chicken, fish or seafood, meat, groceries, and agro-based goods. CFM operated following the SOP set by the National Security Council (NSC) and continued to operate throughout the implementation of MCO. CFM offered essential goods to consumers, especially locals, during the period of full closure of the economic and social sectors. FAMA has also established an Operation Room that operates from 8 a.m. to 7 p.m. every day to ensure the smooth marketing activities of agricultural products during the implementation period of this full movement restriction. The move was to ensure the continuity of food supply and distribution in the country, thus helping farmers to market their agricultural produce.

The program met the needs and made it easier for the people to obtain food items needed following the closure of certain economic and social sectors during the MCO. This time, the concept of CFM operation was done by drive-through at the selected FAMA Operations Center. CFM was created to give consumers a choice to obtain essential goods with savings between five (5) to twenty (20) percent. The initiative was also a market platform for entrepreneurs to market their products. CFM operates following SOPs set by the authorities with the detachment of stalls between traders as far as three (3) meters apart. The authorities regulated the entrances and exits and limited the number of entries in the CFM area at any one time. FAMA also offers online purchases where preorders can be made before the operation of CFM by contacting the dealer.

CFM was very helpful to farmers during this challenging period by providing a platform to do business since MCO in March 2020. This CFM can ensure that farmers continue to trade and, to some extent, reduce losses due to damaged crops during the MCO. It can also meet the needs of locals to buy necessities without congestion to reduce the risk of Covid-19 infection. Although the revenue decreased by about 30 percent, farmers tried other sales methods, including online sales and Cash on Delivery (COD) services. The CFM concept provides business opportunities to farmers and SME traders and makes it easier for the community to get daily goods and food in a simple and safe method. This place is open and spacious, and there is even a drive-through for users who buy online.

FAMA has implemented the following marketing initiatives to ensure that the domestic agricultural sector is resilient and continues to grow in this challenging economic situation by providing market opportunities to improve access to consumers with the opening of the CFM, which has benefited 9,790 agro-entrepreneurs and 25 million visitors nationwide:

- a. At the beginning of the MCO phase, agricultural produce distribution activities were affected due to travel restrictions and the closure of several wholesale, retail, hotel, restaurant, and catering premises.
- b. To address the issue, the opening of a CFM was initiated.
- c. FAMA had also opened the CFM to provide market opportunities for producers to market their products directly to consumers. Direct sales mechanisms, preorder, drive-through, and delivery services were also provided to ensure the safety and comfort of sellers and visitors. There were 63 CFMs nationwide that have successfully benefited 9,790 agro-entrepreneurs and 25 million customers nationwide.
- d. Measures to resolve supply chain disruptions during the MCO to prevent wastage of agricultural produce were implemented through several strategies.

- e. Increase producers' access to the retail market when wholesale and wholesalers begin to reduce purchases due to reduced demand from the institutional sector. Therefore, the CFM was implemented during MCO, which recorded a sales value of RM475.53 million.

FAMA has implemented several short-term initiatives as follows:

- a. Opening of CFM with strict compliance with SOPs. CFM provided market opportunities for producers to market their products directly to consumers.
- b. Direct sales mechanisms, preorder, drive-through, and delivery services were also provided to ensure the safety and comfort of sellers and visitors. There were 63 CFMs nationwide that have successfully benefited 9,790 agro-entrepreneurs and 25 million customers nationwide.

To address the impact of the Covid-19 pandemic, FAMA adopted the strategies of Recovery, Resilient, and Reform. From a marketing perspective, the Recovery strategy or recovery phase is a short-term initiative to ensure that the production of agricultural products can be marketed immediately. The closure of economic sectors, especially manufacturing and hospitality, reduced domestic demand. Therefore, to increase household demand, FAMA implemented the opening of the CFM in compliance with strict SOPs. CFM provides market opportunities for producers to market their products directly to consumers. Direct sales mechanisms, preorder, drive-through, and delivery services were also provided to ensure the safety and comfort of sellers and visitors. There were 63 CFMs nationwide that have successfully benefited 9,790 agro-entrepreneurs and 25 million customers nationwide. The drive-through and preorder services at the outlets of the CFM were also implemented. Methods to ensure social distance was complied with, as well as to provide comfort to users. Apart from that, the affected agro-food entrepreneurs were also assisted with the CFM opening. During MCO, FAMA had been tasked to minimise the impact on agricultural products' supply chain. This initiative was to help farmers market their produce, and the food supply was adequate and easily accessible to consumers.

CFM opened at selected FAMA operating centres and Permanent Farmers Market (PFM) to market agricultural products directly to consumers. Implementation of these strategies by taking an offline and online marketing approach. CFM and retail outlets that operate offline also accept preorders and drive-through orders. Drive-through and preorder services were methods implemented to ensure social distance was complied with. In addition, this proactive method provides convenience to consumers to visit the open outlets.

The implementation of CFM aims to ensure that the people will always have access to food and reduce the cost of living regardless of circumstances. To help the government ensure the adequacy of supply and streamline the distribution of the national food supply, the Ministry of Agriculture and Food Industry (MAFI) approved the concept of sales and distribution of selected retail outlets under FAMA during the MCO known as CFM. This CFM was implemented during the inception of MCO by specialising in premises with a permanent building structure and equipped with basic infrastructure to comply with SOPs set by the National Security Council (NSC).

FAMA had expected production dumping due to the contraction in market demand. This factor was due to the closure of institutions such as schools, institutions of higher learning, shortening the period of operation at outlets selling food, and consumers' increasingly limited purchasing power. In addition, the simultaneous production of agricultural products and lack of understanding among farmers and marketers regarding the direction of movement across states and districts also contribute to these inconsistencies.

For small farmers in rural areas, lack of access to markets due to MCO orders has a major impact on their income because of low-price returns, manipulation by middlemen, high depreciation rates, and increased production and marketing costs. This situation causes them to earn income that is not commensurate with their crop yields.

CHALLENGES FOR CFM OPERATIONS

FAMA faced several issues and challenges as follows:

- a. Compliance with NSC SOP was the main agenda of FAMA in operation and security involving visitors and traders at CFM. In this effort, FAMA will have to bear additional costs in providing additional business infrastructure, utilities, cleaning, sanitation, and recruiting RELA (Home Defense) members to oversee safety and compliance with SOPs.
- b. The daily rental fee for CFM sites charged by FAMA to entrepreneurs was as low as RM3.00 depending on the location, and there were also CFM sites, such as at the FAMA Operations Center, which were free of charge. This income is used to cover the cost of daily and periodic maintenance and cleaning at MFO and PFM outlets.
- c. FAMA was responsible for creating CFM to address the problem of adequate supply and food access to the people. The income from this rental was insufficient to cover operating costs and increased CFM security following compliance with SOPs, especially regarding disinfection costs, RELA service charges, cleaning costs, utility costs, and others.

FAMA throughout Malaysia has logistics facilities that house storage depots and cold room complexes to house the supply of agricultural products throughout the country. In addition to being a reference centre for farmers and marketers to obtain guidance on government policies and regulations during the MCO phase. The implementation of this CFM was for the survival of the people and the guarantee of adequate food security for the people's needs.

CONCLUSION

FAMA plans to increase the number of CFMs to ensure the country's supply and efficiency of food distribution. It is expected that ten more CFMs and 14 farmers markets will start operations soon, providing more than 2,595 farmers to trade and market their agricultural products. This increasing trend was expected when opening CFM, which will be able to market agricultural products and ensure that they are sold within the stipulated time.

The people perceived the program as an alternative to purchasing goods at more competitive prices through FAMA, where preferred access to consumers and the result of a mutual agreement were provided. FAMA undertook various approaches to manage the issue of agricultural supplies in the state. Among them was the implementation of CFM in selected locations used following SOP that has been determined by the National Security Council (NSC). CFM increased the income source for entrepreneurs and helped the government provide agricultural products continuously. FAMA has a proven track record as an effective agent for practitioners in the agricultural sub-sector.

The implementation of CFM was seen as very effective in enabling the people to gain access to food supply effectively by expanding the country's marketing where the entire CFM and FAMA Operations Center can operate optimally. Holistically, FAMA had opened more

marketing outlets to address marketing issues resulting from the excess production of agricultural products. This situation provides opportunities for the local community to venture into entrepreneurship that can impact economic development in the target area. These efforts help them increase their income and ensure the commodities market meets the locals' needs.

Many people wish the Covid-19 pandemic could pass quickly, where many farmers market participants and the world were severely affected. All people should be careful, and the SOPs and instructions recommended to help the government prevent the spread of this pandemic. Farmers market participants must be patient and hope that the reopening of the Farmers market in stages can give a ray of light. To some extent, the exemption from site rental payments for six (6) months to Farmers market entrepreneurs reduces their burden.

FAMA regularly optimises the role of farmers markets, specifically in creating positive change. Yet, more stakeholders are needed to ensure that markets remain welcoming and inclusive spaces for all who wish to participate while also ensuring they receive sustained funding and policy support. The impact of Covid-19 created rapid change, adaptation, and innovation in the farmers market sector and demonstrated its capacity for flexibility and resilience. FAMA continues to amplify those successes while encouraging operators to seek site-specific data collection partnerships and foster collaborative learning in and around their markets. Covid-19 has highlighted the vulnerability of the food system and the value of having access to locally sourced, nutritious food. The extends of end markets and the knowledge gained will assist entities like CFM in discerning how best to deploy their expertise and partnerships to develop positive sector-wide growth from this unprecedented challenge.

REFERENCES

- Colicchio, T., and E. Kessler. (2020). "How to Crisis-Proof Our Food System." Internet site: <https://www.politico.com/news/agenda/2020/05/13/how-to-crisis-proof-our-food-system-254798> (Accessed May 28, 2020).
- FAMA (2020). FAMA 2020 Annual Report. www.fama.gov.my/fama-annual-report.
- FAMA (2022). FAMA's Official Website. www.fama.gov.my/latarbelakang.
- FAO. (2020). Urban food systems and COVID-19: The role of cities and local governments in responding to the emergency. In: Policy Brief. Retrieved from: [WWW Document]. URL. <http://www.fao.org/3/ca8600en/CA8600EN.pdf>. accessed 8.14.20.
- Farmers Market Coalition (FMC). (2020). "Farmers Markets Across Nation Face Potential Economic Crisis from COVID-19." Internet site: <https://farmersmarketcoalition.org/farmers-markets-across-the-nation-face-a-precarious-economic-situation-due-to-covid-19/> (Accessed June 19, 2020).
- Gebresenbet, G., Bosona, T. (2012). Logistics and supply chains in agriculture and food, in: pathways to supply chain excellence. InTech 125–146. <https://doi.org/10.5772/25907>.
- Hardesty, S., G. Feenstra, D. Visher, T. Lerman, D. Thilmany McFadden, A. Bauman, T. Jensen, J. (2010). Local and Regional Food Systems for Rural Futures. Retrieved from: http://www.rupri.org/Forms/RUPRI_Rural-Futures-Lab_2010_Food_Systems_for_Rural_Futures.pdf.

- Jensen, J., (2010). Local and Regional Food Systems for Rural Futures. Retrieved from: http://www.rupri.org/Forms/RUPRI_Rural-Futures-Lab_2010_Food_Systems_for_Rural_Futures.pdf.
- Johansson, R., A. Hungerford, M. Sewadeh, and A. Effland. (2020). "Unprecedented Crisis Calls for Unprecedented Policy Responses." *Applied Economic Perspectives and Policy*. Doi: 10.1002/aapp.13128.
- Lusk, J., and J. McCluskey. (2020). "Consumer Behavior During the Pandemic." *CAST Commentary: Economic Impacts of COVID-19 on Food and Agricultural Markets*. Ames, IA: Council for Agricultural Science and Technology, pp. 11–13.
- Morganosky, M.A., Cude, B.J. (2000). Consumer response to online grocery shopping. *Int. J. Retail Distrib. Manag.* 28, 17–26. <https://doi.org/10.1108/09590550010306737.national-farmer-survey-report.pdf> (Accessed 22nd May, 2020).
- Pollan, M. (2020). "The Sickness in Our Food Supply." Internet site: <https://michaelpollan.com/articles-archive/the-sickness-in-ourfood-supply/> (Accessed 2nd September, 2020).
- Raison, B., Jones, J. (2020). Virtual farmers markets: a reflective essay on a rural Ohio project. *J. Agric. Food Syst. Community Dev.* 9, 1–12. <https://doi.org/10.5304/jafscd.2020.094.020>.
- Rosenzweig, C., Mbow, C., Barioni, L.G., Benton, T.G., Herrero, M., Krishnapillai, M., Liwenga, E.T., Pradhan, P., Rivera-Ferre, M.G., Sapkota, T., Tubiello, F.N., Xu, Y., Mencos Contreras, E., Portugal-Pereira, J. (2020). Climate change responses benefit from a global food system approach. *Nat. Food* 1, 94–97. <https://doi.org/10.1038/s43016-020-0031-z>.
- Schmidt, C., S.J. Goetz, S.J. Rucker, and Z. Tian. (2020). "Google Searches Reveal Changing Consumer Food Sourcing in the COVID-19 Pandemic." *Journal of Agriculture, Food Systems, and Community Development* 9:9–16.[supply/](https://doi.org/10.5304/jafscd.2020.094.020) (Accessed 2nd September, 2020).
- Thilmany, D., E. Canales, S.A. Low, and K. Boys. (2020). "Local Food Supply Chain Dynamics and Resilience During COVID-19." *Applied Economic Perspectives and Policy*. Doi: 10.1002/aapp.13121.