

Market-Matching

- a. Introduction to Royal Brunei Culinary
- b. Contract Buying (RBC/MPRT/Farming Industry)
- c. Successful Outcomes
- d. Matters Arising
- e. Moving Forwards



a. Royal Brunei Culinary

- Brunei's Leading Food Solutions Company since 1975:
 - Airline Catering
 - Healthcare Catering
 - Food Manufacturing
 - Restaurants & Cafe's
- RBC's Central Kitchen established December 2020, meal capacity 20,000 meals/day
- RBC averaging 7000 meals/day (Pre-Covid)



b. Contract Buying with Local Farmers

Working with MPRT to secure contracts

- Obtained farmer list from MPRT
- Provided list of current suppliers
- Provided list of acceptable price ranges
- Farm Visit
- Generate price comparisons
- Successful suppliers were selected based on price & quality



b. Contract Buying with Local Farmers (Cont.)

RBC coordinated with MPRT

- Jabatan Pertanian, Bahagian Agrimakanan & Pengurusan Akses Pasaran
- Phase 1: 40,000 Kg & Phase 2: 22,000 Kg – Based on RBC usage

Contract Phases:

- Phase 1 – 22 types (2 fruits, 19 vegetables, 1 herbs)
- Phase 2 – 25 types (6 fruits, 10 vegetables, 9 herbs)

Acceptable price range

- Based on the product specifications and price comparison against all suppliers

Draft contracts & MOU stage

- See attached file name : Phase 2 - Draft Contract



b. Contract Buying with Local Farmers (Cont.)

Site visit to farms

- Introduced by Kementerian Sumber-Sumber Utama dan Pelancongan., Tuan Herman (Head Unit Marketing) & Tuan Ahmad Hafiz (Senior Asistant Agriculture)

Total of 8 farms were visited:

- Sykt Peniagaan Hj Sapar
- Koperasi Pengusaha Sayur Berhad
- Juja Enterprise
- Sykt P.Damit Emran Trading
- Sykt Pg Haji Morsidi B Pg Hj Ali (Sykt Pg Hjh Limah & Anak-Anak/Sykt Norafikah)
- Sykt Mohd Noorfaidzal B Hj Zainuddin & Anak-Anak
- Sykt Hj Yahya Hj Mohammad Trading Co.
- Oregano Enterprise



c. Successful Outcomes (the Win-Win)

RBC signed Contract Farming & Supplying - 1st Phase

- Signing date 19th September 2019 for Phase 1 (7 farmers)
- Koperasi Pengusaha Melayu Berhad, T16 Farm, Bioprop Sdn Bhd, Juja Enterprise, Syarikat Perniagaan Hj Sapar, The Orchid Vegetables Mart, Rz Prisma Enterprise
- Total Contract Value at \$145K & RBC averaged savings of 28%

Contract Farming & Supplying - 2nd Phase

- Dated 13th January 2020 for Phase 2 (4 farmers)
- Koperasi Pengusaha Sayur Berhad, Juja Enterprise, Oregano Enterprise, Ameen Farm Agrotech & Trading
- Total Contract Value at \$35,895 & RBC savings of 28%



Borneo Bulletin: 20/09/20

d. Matters Arising

Crop Issues:

- Withdrawal of contract by supplier
- Contract granted however unable to fulfill
- Uncertain supply
- Products not meeting requirements/specifications

Delivery:

- Inconsistent delivery, multiple follow ups needed
- Inflexible, unable to supply ad-hoc or during out of normal times

Quality Assurances (Hygiene):

- Transportation is main challenges for farmers as well as current suppliers as they are unable to use chiller trucks
- As RBC is HACCP certified, fresh produce to be delivered at specific temperatures

Quality Assurances (Product):

- Product itself less of an issue as unacceptable products will be rejected, replacements are negotiated for later deliveries

Payment:

- RBC Finance settles timely based on the credit terms given. However, any issues, Procurement will assist immediately



e. Moving Forward:

Awaiting Covid/Normalization

- Consistent volumes

For retailers/buyers to be specific:

- Forecast usage properly
- State acceptable specifications
- Honour contractual payment terms

For farmers:

- Competitive Pricing for Fixed volumes & Secured Revenues
- Continue improving SOP's and quality control

Recommend more suppliers to work with MPRT/Jabatan Pertanian to begin the market matching process





Terima Kasih

Taste of modern Brunei