



UNIVERSITI TEKNOLOGI MARA

**FACTORS THAT AFFECTING AGRICULTURE
SECTOR IN MALAYSIA**

**FARAH IZZATI BINTI NORZAHID
2016595879**

Final Year Project Paper submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Finance)**

Faculty of Business and Management

DECEMBER 2018

AUTHOR'S DECLARATION

I declare that the work in this final year project paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergraduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Farah Izzati Binti Norzahid

Student I.D. No. : 2016595879

Programme : Bachelor of Business and Administration (Hons)
Finance.

Faculty : Business and Management

Thesis : Factor That Affecting Agriculture Sector in Malaysia

Signature of Student :

Date : December 2018

ABSTRACT

Agriculture is one of the important sector Malaysia's economy. Rubber, palm oil and cocoa have dominated agricultural exports in Malaysia. Agriculture sector in the economy as economic growth have benefitted greatly towards the growth of the country. The percentage of contribution of agriculture is influenced by factors associated with the level of economic development of the country. The objective of this research is to identify the economic factor that affect the agriculture sector in Malaysia. In the recent year, there have been increasing concern about the declining contribution of the agricultural sector to the GDP, especially in developing countries. Agriculture sector relatively show low growth rate compared to other sector this is because lack of capital for rapid transformation, structural change and integration with manufacturing. Despite effort to diversify, Malaysia agriculture has remain predominantly export-oriented. Thus, the agricultural is very vulnerable to the factors such as change of climate, disease and pest infestation so it can be unpredictable.

ACKNOWLEDGEMENT

Foremost, I wish to count our blessings and thanked Allah S.W.T for providing me with the mental and physical faculties as well as other positive attributes notably perseverance to complete this challenging research paper. Special mention goes to my research advisor Sir Husnizam Hosin supervision and support. His constructive comments and suggestions greatly assist in the successful completion of this project paper.

I would take this opportunity to extend my appreciation to all those who have assisted in one way or another in the completion of this research paper. Sincere thanks to all my friends and for their understanding, kindness and moral support during the testing time undertook to complete this assignment. Last but not least, my deepest gratitude to my beloved parents for their unwavering support, invaluable assistance and sincere blessings.

Thank you.

ABSTRACT	3
ACKNOWLEDGEMENT	4
TABLE OF CONTENT	5
CHAPTER ONE INTRODUCTION	7
1.1 Introduction	7
1.2 Research Background	7
1.3 Problem Statement	8
1.4 Research Questions	9
1.5 Research Objectives	9
1.6 Significance of the Study	10
1.7 Scope of the Study	10
1.8 Limitation of the Study	10
1.9 Definition of Key Terms	11
1.10 Summary	11
CHAPTER TWO LITERATURE REVIEW	12
2.1 Introduction	12
2.2 Agriculture sector and agriculture raw material export	12
2.3 Agricultur sector and trade	13
2.4 Agriculture sector and foreign direct investment	14
2.5 Agriculture sector and gross domestic product	14
2.6 Research Framework	15
2.7 Summary	15
CHAPTER THREE RESEARCH METHODOLOGY	16
3.1 Introduction	16
3.2 Data Collection	16