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21ST CENTURY**

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Introduction

Pepper had been cultivated in Malaysia since 1800s. Beginning with a modest output of four tonnes in 1870, Malaysia is now the sixth largest pepper producer in the world after Vietnam, India, Indonesia, Brazil and China. With a production of 20,000 mt in 2007, Malaysia's share of the total world pepper production had declined to about 7.38%. In terms of export, Malaysia ranks fifth with an annual export volume of 16,300 mt or 6.79% of the world pepper trade in 2007.

In Malaysia, pepper is grown predominantly in the state of Sarawak which accounts for 98% of the country production. Another 2% of pepper is produced in Sabah and Johor. The acreage under pepper production in Malaysia has increased from 10,178 ha in 1997 to 12,268 ha in 2006 with majority of the farms concentrated in Kuching, Samarahan, Sri Aman, Betong and Sarikei Divisions (DOA, 2007). Sarawak Pepper is the trade name of pepper produced and exported from Malaysia. Almost all pepper farmers especially from Sarawak are smallholder farmers. Annual pepper production in Malaysia increased from 18,000 mt in 1997 to about 27,000 mt in 2001. However, as pepper prices continued to decline since 2001, many farmers could not afford to adopt the recommended but not inexpensive agricultural practices and crop protection measures. This has caused the average production drop to about 20,000 mt in 2007 (MPB, 2008). Over 90% of the pepper production in Malaysia is exported. The increase in pepper production in 1997-2001 was due to better maintenance of pepper farms and an increase in the planting area. Furthermore, the climate, soil and terrain of Sarawak are suitable for the cultivation of a wide range of spices, as evidenced by the wide variety of fresh spices available in the market.