



MSM Eyes Sugarcane Revival and Palm-Based Sweeteners to Boost Domestic Resilience

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KUALA LUMPUR, MALAYSIA: 12 May 2025 — MSM Malaysia Holdings Bhd (MSM), the country's leading refined sugar producer, has announced ambitious plans to revive sugarcane cultivation in Malaysia, marking a significant pivot toward greater self-sufficiency in sugar production amid rising global uncertainties.

In an interview with Bernama TV's *Bual Bisnes* programme, **MSM Group Chief Executive Officer Syed Feizal Syed Mohammad** said the company has begun feasibility studies to relaunch local sugarcane plantations, particularly in **Sarawak and the northern states of Peninsular Malaysia**, which have been identified as suitable for large-scale cultivation.

“Yes, MSM is currently 100 percent dependent on imported raw sugar, but we aim to reduce this in the future, God willing. We are studying how to restart sugarcane plantations in Malaysia,” he said.

A Return to Domestic Cultivation

The initiative represents a revival of MSM's earlier involvement in sugarcane farming, which had once spanned approximately **4,000 hectares in Chuping, Perlis** during the 1970s. However, that project was eventually discontinued due to the uneconomic scale of operations.

This time, MSM is determined to revisit the strategy with renewed vigor and updated insights, especially in light of modern challenges such as **climate change, geopolitical tensions, and supply chain disruptions**, which continue to affect the price and availability of raw sugar on global markets.

Exploring Alternative Sugars for Regional Tastes

In addition to reviving domestic sugarcane, MSM is also exploring **palm-based sweeteners** such as **gula nira** (palm sugar) derived from coconut and nipa palms. This move is part of a broader strategy to diversify its product base and cater to evolving **consumer tastes in the Asia Pacific region**.

"In Europe, they use sugar beet as an alternative raw material, but this doesn't suit the taste profile of consumers in our region. We may look into gula nira sources like from coconut and nipah palm—not necessarily at an industrial scale, but certainly to meet the demand of consumers who prefer palm sugar," Syed Feizal explained.

The company believes that tapping into these **alternative raw materials** could also align with growing health-conscious trends and the demand for artisanal or traditional sweeteners across Malaysia and its regional export markets.

Strengthening Supply Chain Resilience

The dual approach—reviving domestic sugarcane farming and exploring non-cane sweetener alternatives—is embedded in MSM's long-term strategy to build a **more resilient and sustainable supply chain**. It also positions the company to better withstand market shocks and shifting consumer behavior.

“Alternative raw material sources are part of our long-term strategy to strengthen supply chain resilience and adapt to changing market trends,” added Syed Feizal.

Looking Ahead

The strategy also aligns with broader national efforts to enhance **food security and agricultural self-sufficiency**, particularly amid global economic headwinds. MSM's renewed focus on domestic agriculture could potentially open opportunities for rural development, job creation, and downstream food processing industries—especially in states like Sarawak and northern Peninsular Malaysia.

Past Experience and Renewed Focus

MSM's previous foray into sugarcane farming in Chuping, Perlis, offers a historical reference point for its current ambitions. Though the 4,000-hectare project eventually shuttered due to inefficiencies in scale and yield, the changing technological and economic landscape now offers new potential for revitalization. Improved crop management systems, precision agriculture, and a stronger push for agro-based industry in Malaysia could help make the model more viable today.

At the same time, Malaysia's total reliance on ****imported raw sugar**—largely from countries such as Brazil and Thailand—****remains** a critical vulnerability in a volatile global environment. By localizing part of its supply chain, MSM not only mitigates this risk but may also help cushion consumers from future price spikes driven by currency fluctuations or international supply bottlenecks.

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