

## MSM starts break bulk shipping of refined sugar

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MSM Malaysia Holdings Bhd has commenced its first maiden break bulk shipping of refined sugar from MSM Johor to China, exporting 7,000 tonnes of refined sugar.

Fully commissioned in November 2018, MSM Johor provides an avenue for the group to support domestic demand and further ramp up its export sales at a competitive pricing due to its strategic location at Tanjung Langsat Port.

It is also anticipated to reduce cost across the value chain, with strategic port facilities that contribute towards cost-efficiency as well as reducing reliance on manpower through better technology and automation.

According to the company, break bulk shipping reduces its logistic costs as it requires cargoes to be transported in unitised forms such as crated, bundled or palletised to which its refined sugars are carried in a 1.5 tonnes jumbo bag that ease the process of loading.

Besides that, break bulk shipping also allow goods to directly enter minimally-developed ports as some of them cannot accommodate large container ships.

The break bulk operations through Tanjung Langsat Port's jetty involves cooperation between MSM Johor and FGV Transport Services Sdn Bhd to synergise group resources effectively.

MSM aims to export more than 300,000 tonnes of refined sugar and other sugar related products potentially to Asia Pacific region under its Business Plan 2019-2021 that includes exporting to Asian markets as part of its priorities to maintain market leadership towards becoming one of the top 10 sugar players in the world by 2020.

However, MSM said it will continue to be selective on export markets with a focus on high premium markets due to the challenging prices as a result of a global sugar glut.

"The break bulk shipping is a part of our new business model which focuses on maintaining cost discipline and operational efficiency in our business activities, which include raw sugar procurement, external warehouse as well as cost for freight, refining and finance. The advantage of our strategic standalone refinery in Johor together with the break bulk shipping initiative will provide an opportunity for us to export our refined sugar at a very competitive price," said MSM group CEO Datuk Khairil Anuar Aziz.

"With our Johor refinery in place, we have the capacity to fulfil domestic demand and expand our market share on the export front whilst exploring additional revenue stream," he added.

Khairil, who has been with MSM since November 2017 as the executive director, is taking over the responsibility from Mohd Shaffie Said who assumed the role of acting CEO since January 2018. Mohd Shaffie has been re-designated as group COO effective immediately.

"It comes with a huge responsibility and challenging journey ahead as the sugar industry is forecasted to be more volatile in 2019, in view of the glut sugar situation internationally and locally," said Khairil, who is also FGV Holdings Bhd COO for sugar sector.

Source: The Sun Daily

**AGENCY:** Hellenic Shipping News (Online)

**LINK:** <https://www.hellenicshippingnews.com/msm-starts-break-bulk-shipping-of-refined-sugar/>