

SUGAR

# 'RAISE PRICE BY 29 SEN PER KG'

The current level is not competitive, say manufacturers

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**A**SUGAR manufacturer has called on the government to increase the retail price of sugar by 29 sen per kg to RM3.24.

Felda Global Ventures Holdings Bhd (FGVH) group presi-

dent and chief executive officer Datuk Zakaria Arshad said the company was in talks with the government on the matter.

"But, we also know that the government has difficulty to (ap- prove it)," he said.

He had earlier attended the annual general meeting of FGVH's subsidiary, MSM Malaysia Holdings Bhd.

The government increased the sugar price by 11 sen per kg to RM2.95 per kg on March 1, although MSM had asked for a 40-sen increase.

Zakaria said the current price was less competitive than that in other countries such as Thailand,

which is one of largest sugar producers in the world.

"Thailand prices a kilogramme of its refined sugar at RM4, which is inclusive of goods and services tax, while ours is priced only close to RM3.

"If the government can raise it (by another 29 sen), this will ease our burden and we can sustain our performance ahead," he said.

MSM CEO Mohamad Amri Sahari said the price volatility of raw sugar and ringgit performance had posed a challenge for the company to sustain its operations.

However, he said, MSM was

fortunate that the raw sugar price had dropped to US\$0.155 (67 sen) per pound now compared with US\$0.22 per pound in November and December last year.

"If the raw sugar price increases, it will be very difficult for us."

Amri said with the recent increase of sugar price locally, consumption was expected to remain flat this year.

He said sugar price in Malaysia was among the cheapest in the region, especially among non-sugar producing countries.

Federation of Malaysian Consumer Associations deputy presi-

dent Mohd Yusof Abdul Rahman said an increase in sugar price would lead to domino effects in the market.

"There will be spillover effects as has happened in the past. It will cause price increases for other food items such as your regular glass of the *teh tarik* or *roti canai*. Consumers will be affected."

"The government should study the market and decide on a suitable rate that will not adversely affect consumers," he told the *New Straits Times*.

Yusof said the government should crack down on traders who raised prices unreasonably.

## COOPERATION

# 'OBOR to boost tourism, education sectors'

**KUALA LUMPUR:** The local business community has expressed support for China's One Belt, One Road Initiative (OBOR), saying it will build stronger business ties between Malaysia and all countries involved.

Malaysia-China Chamber of Commerce (MCCC) president Tan Yew Sing yesterday said OBOR was not confined to China, and Malaysia should look into ways to benefit from it.

"Although China has its own plans to benefit its people, I think this initiative will have an over-flow of mutual benefits."

"There are a lot of government-to-government projects being negotiated."

"Several agreements have been signed between China and Malaysia," he said yesterday.

Tan said OBOR would have an immediate positive economic impact on the country's tourism and education sectors.

He said the two sectors would experience further growth following the completion of the High-Speed Rail, Pan-Asia Railway Network and East-Coast Rail Link.

"These projects have caught the eye of the world, and China is very keen to be part of them. This includes investing in Malaysia."

"The set target of Chinese tourists to Malaysia is four

million at the moment.

"This may seem like a very ambitious target, but I think it is attainable once our infrastructure projects are ready."

He said China was keen on the mining, natural resources and plantation industries, all of which were Malaysia's main sources of revenue.

"These resources are much needed by Chinese industries."

Other sectors that would elevate Malaysia's status in the economic arena, Tan said, were the halal and Islamic finance sectors.

"China knows they have a bigger population of Muslims compared with Malaysia, but they are not as strong with Islamic financing and the halal concept."

"Malaysia is a very open country with a large Muslim population and China is very keen to work with us in these areas."

He said Malaysia should also leverage China's strength in research and development.

"When we talk about China having strong capitals, we are not just talking about money, but also manpower."

"China has a very high output of research and development personnel and Malaysia is not well known for that."

Tan said small- and medium-sized enterprises would benefit from OBOR.



## VISIT TO THE FORBIDDEN CITY

The prime minister's wife, Datin Seri Rosmah Mansor, and the spouses of leaders who attended the Belt and Road Forum visiting the Forbidden City in Beijing yesterday. Accompanied by China's First Lady Peng Liyuan, the group spent about an hour touring the historical Chinese imperial palace of the Ming dynasty to the end of the Qing dynasty (1420 to 1912). BERNAMA PIC

"Malaysia must be well prepared to negotiate the best deal and remind China that they must take into account Malaysia's local culture to maintain a sustainable relationship."

"This is also the focus of MCCC at the moment."

"We are working towards achieving mutual benefits between Malaysia and China."

Economist and group chairman

of PKT Logistics Group Sdn Bhd Datuk Jalilah Baba said OBOR would see Malaysia retracing the connection between the Melaka sultanate and China's famed Admiral Cheng Ho in the 15th century.

"Those days, Cheng Ho travelled by ship, but today, we hope to revive the economic opportunities using this 'belt' of countries that he travelled through."

"We want to see Malaysia's businesses ties with China enhanced and increase Chinese investments in Malaysia."

Jalilah, who is also former director-general and chief executive officer of Malaysian Investment Development Authority, said OBOR would boost bilateral investments and business between Malaysia and participating countries.