

MSM, Wilmar Sugar collaborate to set up sustainable sugar supply chain

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KUALA LUMPUR (Feb 15): MSM Malaysia Holdings Bhd (MSM) and Wilmar Sugar Pte Ltd signed an agreement in December 2021 to collaborate in the establishment of a sustainable sugar supply chain.

In a statement on Tuesday (Feb 15), MSM said the sustainable sugar programme comes on the heels of Wilmar Sugar's parent company, Wilmar International Ltd (Wilmar) launching its "No Deforestation, No People Exploitation (NDPE) Sugar Policy" in September 2021.

The group said this demonstrates the commitment by MSM and Wilmar Sugar to protect the environment, labour and communities while promoting progress in operational efficiencies and best practices.

"MSM and Wilmar Sugar will embark on joint efforts to assist and support each other to pilot an approach to enable sustainable raw sugar sourcing within MSM and Wilmar Sugar's joint supply chain by focusing on traceability reporting of sugar supplies and monitoring of sustainability performance based on the NDPE Sugar Policy," it said the statement.

MSM group chief executive officer Syed Feizal Syed Mohammad said the outcome from collaborating with Wilmar Sugar, one of the prominent players in the sugar commodity, and its NDPE Sugar sustainability programme enable MSM to establish concrete raw sugar traceability and sustainable practices in line with MSM's environmental, social and governance (ESG) framework commitment.

"MSM targets to source sustainable raw sugar for local market production to begin with. This collaboration with Wilmar Sugar takes us one step further in enhancing MSM's ESG commitment and presence to wider markets globally as a sustainable refiner of premium sugar and will further strengthen our position as a top eight integrated sugar refiner in the world," he said.

Wilmar group head of sugar Jean-Luc Bohbot, who is also managing director of Wilmar Sugar, said the collaboration will provide both companies with the ability to address consumers' increasing demand for a sustainably sourced product.

"The launch of the NDPE Sugar programme delivers on customer demands for responsibly sourced sugar and fosters better inclusivity for smallholder sugar cane growers," he said.

Through this programme, MSM will improve its sustainable values and manifest its support towards Sustainable Development Goal (SDG) 12, Responsible Consumption and Production — ensure sustainable consumption and production patterns, one of the United Nations SDGs.

Currently, MSM operates two sugar refineries, one in Prai, Penang with an annual production capacity of 1.05 million tonnes of refined sugar, the country's largest sugar refinery, and another in Tanjung Langsat, Johor with an annual production capacity of one million tonnes of refined sugar, set to ramp up its production in 2022.

Wilmar Sugar operates an integrated sugar business across the entire value chain from sugar cane plantations to processing, merchandising and distribution of sweetener products.

It operates sugar mills, cogeneration plants, ethanol distilleries and sugar refineries across the globe, linking key origins and destinations through a market-leading team.

Media: The Edge Markets

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