

MSM, Wilmar Sugar collaborates to establish sustainable sugar supply chain



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by TMR / pic by MUHD AMIN NAHARUL

MSM Malaysia Holdings Berhad (MSM) and Wilmar Sugar Pte Ltd (Wilmar Sugar) signed an agreement in December 2021 to collaborate in the establishment of a sustainable sugar supply chain.

The sustainable sugar programme, which comes on the heels of Wilmar Sugar's parent company, Wilmar International Limited (Wilmar), launching its No Deforestation, No People Exploitation (NDPE) Sugar Policy In September 2021, MSM said in a statement today.

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.

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 enables MSM to establish concrete raw sugar traceability and sustainable practices in line with MSM's Environmental, Social and Governance (ESG) framework commitment.

"We are moving rapidly in ensuring that we embody sustainability in our operation and business. Therefore, it is important to ensure sustainability starts with the supply chain ecosystem. 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 8 integrated sugar refiner in the world," said Syed Feizal.

Wilmar's Group Head of Sugar who is also the Managing Director of Wilmar Sugar Pte Ltd, Jean-Luc Bohbot, said, the latest 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 sugarcane growers.

He added that sustainability within the sugar sector has so far focused only on third party certification which has made it difficult for smallholders around the world to be part of the sustainability supply chain.

"The NDPE Sugar programme and the collaboration with MSM will allow the provision of more support to sugarcane smallholders in key producing countries, thereby helping to bring sustainable sugar through the supply chain from smallholders to global consumers," said Bohbot.

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 SDGs by the United Nations.

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 in Tanjung Langsat, Johor with an annual production capacity of 1 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 Malaysian Reserve

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