

## MSM and Wilmar in sustainable sugar pact


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In a statement yesterday, MSM said it had signed an agreement with Wilmar Sugar last December to embark on joint efforts for sustainable raw sugar sourcing between the two companies.

PETALING JAYA: The country's largest refined sugar producer [MSM Malaysia Holdings Bhd](#)  has partnered with Wilmar Sugar Pte Ltd (Wilmar Sugar) on a sustainable sugar supply chain effort.

Wilmar Sugar, a subsidiary of Wilmar International, is a leading agribusiness group in Asia, which is linked to low-profile Malaysian tycoon Robert Kuok.

In a statement yesterday, MSM said it had signed an agreement with Wilmar Sugar last December to embark on joint efforts for sustainable raw sugar sourcing between the two companies.

MSM said the sustainable sugar programme comes on the heels of Wilmar International launching its "No deforestation, no people exploitation" or NDPE sugar policy back 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 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 said.

MSM chief executive officer Syed Feizal Syed Mohammad said the outcome from collaborating with Wilmar Sugar and its NDPE Sugar sustainability programme would 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.

"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.

MSM operates two sugar refineries, one in Prai, Penang with an annual production capacity of 1.05 million tonnes of refined sugar, and another in Tanjung Langsat, Johor with an annual production capacity of one million tonnes of refined sugar.

MSM is a 51%-owned unit of [FGV Holdings Bhd](#)  and a 9.43% stake is held by Federal Land Development Authority (Felda). Felda is the controlling shareholder of FGV with more than an 80% stake.

Wilmar's group head of sugar and Wilmar Sugar managing director Jean-Luc Bohbot 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 customers' demand for responsibly sourced sugar and fosters better inclusivity for smallholder sugarcane growers," he added.

He pointed out that sustainability within the sugar sector has been focusing 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.

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, co-generation plants, ethanol distilleries and sugar refineries across the globe, linking key origins and destinations through a market-leading team.

**Media: The Star Online**

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