



MSM calls for gov't action on marginal sugar ceiling increase

By Eynez Syazmeena | 06/12/2023 | in Mainstream , Top



SUGAR industry key player MSM Malaysia Holdings Bhd anticipates government intervention to address the current low sugar ceiling prices. The sugar refining sector has been in ongoing discussions with authorities regarding the need to adjust the retail sugar ceiling price, which has witnessed a marginal increase of only 1 sen since 2013.

As it stands, the sugar ceiling prices are fixed at RM2.85 per/kg for coarse sugar and RM2.95 per/kg for refined sugar. Concerns over the industry's sustainability have prompted calls for a reconsideration of these prices in light of the continuously rising production expenses.

MSM Malaysia Holdings Bhd CEO Syed Feizal Syed Mohammad noted that the government is cognisant of the industry's financial challenges in sustaining the current pricing structure.

“Inflationary pressures on raw sugar, shipping, and gas have left sugar producers with negative margins when producing coarse sugar. The government understands that the industry cannot prolong this issue, and it requires a solution,” he said.

“We believe that the government will address this issue soon enough.”

Syed Feizal also revealed that the industry has been actively engaging with the government on this matter for nearly 30 months, involving over 50 meetings.

Syed Feizal also revealed that the industry has been actively engaging with the government on this matter for nearly 30 months, involving over 50 meetings.

“It has been hard work... God willing, we are getting there,” he added.

Moreover, MSM Malaysia Holdings Bhd, holding a 60% market share, operates in a duopoly with Central Sugars Refinery Sdn Bhd in the local sugar refining business.

The pressing need for a revision in the sugar ceiling prices is underscored by the industry’s sustained efforts to navigate the challenges posed by global economic shifts and increased production costs.

Last month, Mydin managing director Datuk Dr Ameer Ali Mydin also urged the government to either float or raise the ceiling price of retail sugar, proposing an adjustment from RM2.85 to RM3.80 in response to international price hikes. – Dec 6, 2023

HEADLINE	MSM calls for gov’t action on marginal sugar ceiling increase
MEDIA	Focus Malaysia - Online
DATE	06 December 2023,
BY	Eynez Syazmeena
LINK	https://focusmalaysia.my/msm-calls-for-govt-action-on-marginal-sugar-ceiling-increase/