

Two local manufacturers to hold sugar buffer stock — Nanta

PUTRAJAYA, Jan 15 — Two local sugar manufacturers, Central Sugars Refinery Sdn Bhd (CSR) and MSM Malaysia Holdings Bhd (MSM) are being used to hold buffer stocks of refined white sugar, said Domestic Trade and Consumer Affairs (KPDNHEP) Minister Datuk Seri Alexander Nanta Linggi.

In a statement yesterday, he said the move was taken since the beginning of the year to avoid future sugar supply issues in the market.

“The decision was made after the country experienced sugar supply issues due to various factors such as closure of factories, Covid-19 infection among factory workers, damage to boiler machines and so forth,” he said.

In accordance with Regulation 12A, Supply Control Regulations 1974, CSR and MSM have been directed to prepare a buffer stock of 53,000 metric tonnes (MT) of refined white sugar at all times.

“This only applies when there is a shortage of supply in an area in accordance with the Supply Controller Instructions,” said Nanta.

According to him, the buffer stock control mechanism requires CSM and MSM to ensure that the quantity of refined white sugar is kept as floating stocks at a set rate for 11 to 15 days.

He said continuous monitoring would be done based on the reports submitted by the manufacturers to ensure that the stockpile quantity are always at the set rate.

“Failure to comply with the instructions may result in action being taken under the Control of Supplies Act 1961,” he said.

To date, Nanta said the weekly sugar production reports received from four sugar mills showed similar sugar production trends.

“However, as a proactive measure, KPDNHEP has formulated a strategy to ensure the production and supply of sugar in the domestic market is not affected,” he said.

Based on data from the **Department of Statistics**, he said domestic sugar consumption was estimated at 0.65 kilogrammes (kg) per month per capita and the annual amount required was estimated at 255,450 MT per year to meet the needs of 32.75 million Malaysians.

“For the production of the two sugar manufacturing companies, 1,500,000 MT per year is sufficient for household and industrial use in the country,” he said.

To ensure that the supply of sugar in the domestic market is always sufficient, Nanta said engagement sessions were held with CSR and MSM to prevent further shortages of sugar supply in the market in the future.

“The implementation of this stockpile is expected to help prevent future disruption of sugar supply, thus preventing irresponsible parties from taking advantage by raising prices and keeping sugar stocks during a sugar crisis,” he said.

— Bernama

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