

Embracing the Malaysian Sustainable Palm Oil standard by [zam karim](#)



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The Government is currently in the process of developing the Malaysian Sustainable Palm Oil (MSPO) standard and as with any major change, it will be a good time for palm oil companies to relook at the way they do business, said Aspen Technology Inc.

A business that stays on top of its game and optimises its processes during this time of change will more likely than not emerge stronger when the dust settles, said Greg Howard, its worldwide vice-president for indirect channels.

"Optimisation is a good business concept because it helps companies stay vigilant against threats and allows them to stop a threat before it becomes a crisis. It also creates a more efficient business thanks to cost savings, which is important in today's world of volatility," he said.

Local producers, buyers, and investors should see MSPO as a serious business opportunity, Howard said. Malaysia is the biggest producer and exporter of palm oil products, which accounts for 39% of the world's palm oil production and 44% of the exports. And a sustainable approach is economically viable, environmentally sound and socially beneficial in the long run.

A study jointly conducted by FMO, the Dutch development bank; World Wildlife Fund and CDC, Britain's

development finance institution, shows that firms that have switched to MSPO have reaped significant return on their investments.

According to Howard, AspenTech is able to assist palm oil producers in the country to reduce costs, increase capacity and achieve operational excellence by integrating and optimising end-to-end manufacturing and supply chain operations via its aspenONE Supply Chain Management solution.

“Our system is able to solve a range of optimisation problems, from the simplest to the most complex, to facilitate decision-making. The end-to-end solution is fast, flexible and easy to use,” he said.

There is also aspenONE Manufacturing Execution System which turns data into profit. This allows palm oil producers to effectively collect, manage and leverage vast amount of data within the organisation to better compete locally and globally with improved operational efficiencies, he said.

“In the end, it is about positioning a company to manage the top and bottom lines as aggressively as possible, while maintaining maximum agility to respond to continuously changing market conditions. We help these companies maintain their agility in the face of continuous change,” he added.