



## **New Britain Palm Oil 30:30 Production Charter**

Under our certification for RSPO we have to abide by Principle 3 “ Commitment to long term economic and financial viability”

The longevity and success of NBPOL in West New Britain is a clear testament to NBPOL and its commitment to the ethos underlying this principle from the very earliest days.

At our plantation and mill operations we call it our “30:30” Production Charter.

### **What do we mean by a “30:30” production charter?**

This refers to our production bench-mark of average yields of 30 tonnes of FFB per hectare at an extraction rate of 30 percent of palm products per tonne of FFB (CPO + PK) for palms over the age of 60 months from field planting. In net terms the “30:30” charter sets out our strategy for attaining yields of at least 9 tonnes of palm products per hectare from our mature oil palm plantings.

The concept of 30:30 is also based on the fact that these targets have been achieved in some of our estates and mills over recent years, what we now need to do is to achieve these targets and exceed where possible, so that our average production levels reach “30:30”.

### **Why do we need “30:30” charter?**

Profitability is pivotal in the group’s drive towards sustainable palm oil production. Land resources are limited and the effective and profitable use of our land resources requires us to maximise profits from the finite area in which we operate. Profitability in the palm oil industry is closely linked to high output, efficient use of inputs and low unit costs. Driving palm oil yields higher and reducing production costs is a strategy that will underpin our profitability and sustainability.

### **The Charter: How we can achieve “30:30”**

In very simple terms the palm oil production system can be likened to a hose pipe connected to a tap. The genetic potential of the palms we plant determined the extent by which the tap is opened and has the greatest single influence over our profitability.

Everything we do after planting the palm is a simple exercise of realising the palms genetic potential.

The agronomic inputs determine the gauge of the pipeline and the extent to which we reduce friction and allow the full flow of oil down the pipeline. Low or inappropriate inputs reduce the pipeline diameter and reduce oil flow. Excessive agronomic inputs mean a larger pipeline than is necessary and a waste of resources.

The managerial inputs in the estate, during transportation and at the mill determine the degree of oil leakage from the pipeline. Oil losses can occur through poor field practices, particularly at harvest and during crop transport and obviously can occur at the mill due to poor efficiency in oil extraction.

The following components of the production chain have been identified as critical for the target of 30:30 to be achieved. We have identified five areas in the production of palm oil (genetic potential, immature palm husbandry, mature palm husbandry, transport systems and milling systems) in each area minimum standards have been set that will allow us to achieve the 30:30 target. The five areas are set out below with their minimum standards:

### **1. Genetic potential, minimum standards:**

FFB Yields:

60+ months from planting +32 MT per ha

- Disease free:
  - i. Certified parent palms free of virus & phytoplasma
  - ii. Low crown disease incidence
  - iii. Ganoderma resistance
- Vegetative characteristics:
  - i. High harvest index
  - ii. Medium to low height increment

### **2. Immature palm husbandry**

- Nursery best practice, producing palms for field planting in <12 months after intensive selection
- Planting and upkeep designed to ensure 100% crop recovery in maturity so that on sloping ground either terraces or platforms are mandatory
- Soil and water conservation best practice to minimise soil fertility loss and conserve moisture
- Managed Fertiliser program, targeted to maximise palm uptake for growth and early maturity
- Preparation for 24 month harvesting so that crop is maximised

### **3. Mature palm husbandry**

- Easy access to each palm
- Harvesting standards of cutting only ripe bunches
- Harvest palms at least twice per month, preferably 3 times per month
- Zero crop loss
- Maintenance pruning upheld with frond placement to reduce soil erosion
- Managed Fertiliser program with annual leaf sampling and analysis followed by agronomic field assessments and recommendations
- Soil and water conservation best practice, legume cover crops to be maintained
- Deleterious weeds removed, beneficial plants encouraged, minimise herbicide use to the palm circle and spot spraying of noxious weeds. Rotor-slashing of paths where tractor access is possible

### **4. Efficient Transport systems**

- All harvested crop to be collected and transported to the mill within 12 hours.
- Reduce excessive handling and bruising of FFB, utilise hydraulic tipping vehicles to discharge directly into the mill ramp

### **5. Efficient Milling systems**

- Minimise FFB handling and damage and process all fruit within 8 hrs of arrival
- Oil losses as a % of FFB to be kept below 1.4%:
- Recycling of organic by-products back to the field
- Fruit grading and prompt reporting systems to allow rapid field corrective actions