



Malaysian Estate Owners' Association

Bulletin

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For Members Only



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Message *from the* Editor ...

Welcome to this issue of the MEOA Bulletin for the year 2020... with its new look!

MEOA members have recently been active in taking part in various activities - although we didn't do a field visit recently, we did have some seminars and workshops in 2019. And a lot of meetings... both internal and external engagements!

And we are pleased to cover these events through the help of participants who write on them.

We would like to thank Leslie Ong for sharing his experience on getting MSPO certification for his estates. As Dec 2019 was the dateline given by the Minister for estates to get their estates MSPO certified, this was a very timely experience sharing!

Also, in this issue, Darell Lim gives us a good understanding on how drones have proved useful in helping plantation operations. His write-up UAV/drones and the maps and spatial information that can be derived and analysed may be eye opening for some readers. Mahbob Abdullah also gives insight on how planters can better manage their estates.

There are other articles as well ... on our annual golf “social” competition and about MEOA’s new collaboration with Montfort in Kota Kinabalu, Sabah to train conductors for plantation work. Also, we give you an insight into your new President who has worked tirelessly for the association the last couple years.

Finally, I would like to thank YS Siow and Darrell Lim for all their efforts in compiling this issue - with hardly any input from myself!

We wish all members “A Happy and Prosperous New Year”.

And as always, happy reading ...

Amit Guha (*Editor*) + *team*

As always, we in the editorial committee welcome your comments as well as relevant contributions of industry articles for future releases of this newsletter. Articles, jokes, industry news or information of relevance to members of the Association (announcement of industry events etc.) –just send them in! We need your support to make the MEOA Bulletin useful to us all!

Also, if you wish to inquire about placing an advertisement to reach plantation owners and investors numbering above 250, please contact us by email at: secretariat@meoa.org.my

Q&A with Our President - Jeffrey Ong

aka... *Disruptor in the East, Cowboy of the South.*

by Y.S. Siow



In early 2018, when I heard that Mr Joseph Tek was determined to pass on the MEOA Presidential baton to somebody else, I imagined that it would be arduous to find his successor. Not that MEOA is short of leadership or talent but because the candidate must be ready and able to sacrifice his personal and work life for this year-long commitment to MEOA.

I also imagined that he needs to be diligent and industrious, as there were “of course plenty of tasks left for the next President and his team to work on”, describes Joseph in his farewell message (MEOA Bulletin 2017).

However, like most members, little did I imagine him to be nominated, elected in 2018 & re-elected in 2019 since he outperformed the expectations of most.

Hailing from Johor Bahru, and very kind to do a Q&A with me, here is the ‘Disruptor in the East’ and ‘Cowboy of the South’, Mr Jeffrey Ong...

How and why did you assume the MEOA President Post?

That is a good question, I do not have a firm answer for this other than saying I drifted into it.

The actual events are still a blur to me even if it’s only two and half years ago. Joseph Tek (JT) was coming to the end of his third year as MEOA President and was adamant that he had to step down due to his commitments as CEO of IJM Plantations. I was at that time a member of the Working Committee, as such, there had always been many interactions between JT and myself over the years.

One day, he made an appointment with me over lunch or dinner and asked me whether I wanted to be President of MEOA! 🤔? Basically, I thought he was having me on but he kept on trying to convince me. I brushed it aside as I thought even if JT wanted me, the WC would object especially due to my brash behaviour and straightforwardness. Literally I was not designed for what you would call – being a “Diplomatic Gentleman” like JT. For example, if your argument “doesn’t hold water”, I will call a “spade a spade” and sternly inform you as such (on my good day). Whereas, JT has finesse and would say “we agree to disagree” (whatever that means). For me, JT is the ideal President for MEOA. So, as I said I brushed JT’s proposal aside. Till today, I still have not said “YES” or “NO” to his proposal.

I only realised they (JT & other senior members) were serious during the penultimate WC meeting before the 2018 Annual General Meeting (“AGM”) at IJM Bangsar South. When the topic of JT’s succession was brought up again, names were thrown around and, finally, JT stood up and said “why not Jeffrey Ong?” I was shocked and there was silence. I looked around the room, MR Chandran (MRC) looked as shocked as me, and the rest were looking at me waiting for an answer. I finally realised JT had been selling the idea, and getting the WC to accept the nomination. After 5 minutes of shock, MRC gave the thumbs up too. Next thing I knew I was nominated at the Final Council meeting and endorsed at the AGM, note I did not say I would be President. Now coming to the end of the second year, I still have not said YES.

Why did I assume the MEOA President post? Well, honestly, as I said, not due to a desire but just drifted into it.

Was being MEOA President how you imagined it to be?

As I indicated, I drifted into the post not knowing what to expect, no preconceived ideas.

The first year I was completely lost. The position challenged my knowledge about the industry. However, I was fortunate to have the help of the seasoned members like JT, Mark Chang (MC), Gan Tee Jin (GTJ), Ong Kim Pin (OKP), MR Chandran (MRC), Peter Benjamin (PB), Jacqueline Foo (JF), and especially Khoo Khoo Ming (KKM). KKM still guides me till this day. I really appreciate their advice and help throughout the past 2 years. Not only did they advise me, they also attended some of the numerous meetings with me, which helped out a lot. As the months went by, I started to learn about the policies, the workings of the industries, and their technical aspects. There are a lot of things to be learnt and one does not have the luxury to pick and choose which one wants to learn, one has to know something about everything. After that there are the various Ministry policies such as the Labour Ministry (i.e. Multi-Tier Levy, Minimum wage), Sabah and Sarawak State immigration and labour policies to name a few. When MC told me holding this position is a good place to learn, I now believe him. After 2 years in this position, I would suggest that the Gen Ys who are earmarked to run their own family business to get involved in MEOA, volunteer to sit on various Committees, hold one of the Executive post, and maybe even the President post to learn. He or she will come out much wiser.

At this juncture, I would like to stress that being the President of MEOA is really up to the person holding the post. If he or she is committed and wants to make sure that his or her members and the

industry is being represented in the best manner, then being the MEOA President is a full-time job. Sometimes, you have to attend about 1-3 meetings in a single week, arranged by various departments ranging from MPOB, MPI to other ministries. That is the easy part; the time consuming part is getting the background and understanding of the subject before the meetings. Fortunately, many of the papers are in English with few in Malay, which I struggle through. If it gets too complicated, I just call fellow members to ask them about the topic. The beauty of MEOA is we have many members who are knowledgeable and willing to help. If it is Mills /Refineries or technical matters there is our analytical genius Vice President 2 GTJ, Agronomic matters - OKP (to name one of many), Statistics - MRC, General issues - KKM, JT, etc.

There is also running of the Association which I must admit I have literally left it to Hon. Secretary Lim Ban Aik (LBA) and Hon. Treasurer Siow Wei Sheng and other MEOA Gen Ys, such as Siow Yuen Seng, Leslie Ong and Darrell Lim. I must say I am blessed as the Gen Ys work very well together to run the Association which frees me up for the meetings. Not forgetting other Committee chairmen like Kenneth Jacob and Amit Guha for the social events.

As JT said many times, I have been very lucky to have so many people helping out and I really do appreciate everyone coming together as one to help out not only for me personally but for the betterment of the industry.

What are the high and low points you experienced over the past 2 years?

I personally would not categorise my experience as “highs and lows” in the past 2 years since I drifted into the post without expectations.

I would put it as having a new found appreciation. Throughout the whole two years one cannot help but admire and appreciate the help, commitment and sacrifices made by various Councillors of MEOA, whether it's their time, their knowledge, experience, money or connections, one can be assured it was for the betterment of the Association and the Industry.

Unlike well-funded associations which can afford services of dedicated CEOs and professional Secretariats, MEOA operates on a volunteer basis. Even though the Council had approved an allowance for attending official meetings, it was only paid out once; the rest was borne by the members themselves which may include transport and hotel expenses. This shows the total commitment of the members.

Some notable moments for me: -

- I have to appreciate how the senior members came together and gave me a crash course, when I first became President, on the Industry, the various Ministries, their policies, the technologies and imparted their knowledge so I did not look 'lost'. Here I must thank JT and KKM who advise me till

this day.

- How JT brought MEOA to the attention of the Minister of Primary Industry. It was so effective that MEOA is included in 90% of all meetings. I am not sure whether it's good or bad.
- One has to appreciate GTJ's solid analytical mind and research. He proved it on many occasions especially on the 3MCPD issue. Unless you can prove him wrong, he is unwavering.
- Our WC members' performances on various Committees. Such as the Technical Working Group on Employing Workers (TWGEW) on the Multi-Tier Levy, Twelfth Malaysian Plan (RMK12), Malaysian Budget and Mechanisation, to name a few. MEOA members would actively participate and come up with solid ideas during these meetings.
- MEOA, has now developed a reputation in the industry for "calling a spade a spade", even though this may not be acceptable to certain authorities.
- One has to appreciate the initiative taken by the Gen Ys getting together to run MEOA without being instructed. Our secretariat is practically run by them, especially the ever dedicated LBA.
- On our Members, Dr Nick Low and Lim Kim Long stepping up to help MEOA get an office and Secretariat by offering a room in their building at a very reasonable rate. Jack Khor renovating his building to accommodate the increased number of participants for the Mechanisation LAB at his own expense. Then the Montfort Conductorship Course donation where members chipped in along with suppliers and raised nearly RM250,000 in 2019.

The List can go on and on, this is a unique Association. Councillors are willing to give, sacrifice, they are generous and benevolent. Therefore, there is no point in talking about the "highs and lows" of the past 2 years when you have so many positive contributions and sacrifices to appreciate.

How do you see MEOA carrying itself forward in the future?

The New President will set his program for the next 2 years, as the change of constitution takes place this year where the term of the President is 2 years.

The New President will have his own style and program on how to run the Association during his term. He or she would have the support of the WC, and will have to cultivate the support of the Gen Ys and use them effectively. There are unfinished projects spilling into the next term, like the Mechanisation LAB and the Montfort Conductorship Course. Other than that, the ball is in his or her court, it is up to the new President to take the Association to the next level. However, one thing is guaranteed, MEOA will never fall due to the commitment of its members and the uniqueness of the Working Committee.

In conclusion, I have tried to name as many people who actually helped me run MEOA over the last 2 years and if I have left anyone out please forgive me, it was not done intentionally. I would like to say to every Member and Councillors of MEOA a VERY BIG THANK YOU for all your support over the last 2 years. It has been a pleasure serving all of you.

--- The End ---

Birth of a New Partnership in Skills Training for Plantations

The MEOA-Montfort Plantation Training Programme



“GIVE A MAN a fish and you feed him for a day.
Teach him how to fish and you feed him for his life time”

by Joseph Tek



Press coverage of the MYTC-MEOA Oil Palm Plantation Partnership in July 2019

MEOA pioneered and partnered with the Montfort Youth Training Centre (MYTC) in Sabah to start a new skill plantation training course targeted for less privileged and marginalised youth with the implementation of its pilot 2 years Oil Palm Plantation Conductorship course which started in July 2019.

With the roll out of this new course at MYTC's campus in Kinarut, Kota Kinabalu, MEOA and its members provided the initial leadership, knowledge sharing, along with a start-up funding with RM215,000 in Year 2019. This will form the association's social responsibility contribution towards human resource development in the country. MEOA members in Sabah ie IJM Plantations Berhad and Eurostar Tractors will also be rendering local technical and training support.



Visit by MEOA President and team to MYTC in June 2018 to initiate discussion on a partnership - that was eventually realized in July 2019.

**MONTFORT YOUTH TRAINING CENTRE
OIL PALM PLANTATION CONDUCTORSHIP PROGRAMME
6th July 2019 - May 2021**

No	Name	DOB	Age	District	Race
1	Chong Vincent	25-Aug-02	16	Lahad Datu	Chinese-Filipino
2	Christopher Binis	22-Feb-01	18	Tenom	Kadazan-Murut
3	Divy Steve	07-Mar-00	19	Sandakan	Kadazan
4	Elkyin Intim	26-Jul-00	18	Tongod	Sungai
5	Ezra Evans Michael	21-May-01	18	Penampang	Kadazan
6	Ian Berry Tok	07-Oct-01	17	Sarawak	Kenyah
7	Ibron Ibon	10-Apr-02	17	Ranau	Kadazan-Dusun
8	Johnathan Jody Japary @ Jafree	10-Nov-01	17	Keningau	Dusun-Murut
9	Jonathan Robin	13-Jun-99	19	Beluran	Sungai
10	Keevan Vanadan J Sabin	17-Dec-00	18	Penampang	Dusun
11	Kennerth Soong Gong Kian	22-Jan-99	20	Sandakan	Chinese
12	Marcellinus Arok	01-Apr-99	20	Beluran	Sungai
13	Mark Jay Aya Ay	21-Aug-96	22	Lahad Datu	Bisaya
14	Maxcunell George	13-Mar-01	18	Beluran	Kadazan-Dusun
15	Nezz Ave Shazryee Julius	20-May-01	18	Beluran	Sungai
16	Roland Avun Eddy	12-May-01	18	Sarawak	Kejaman
17	Teltus Tinikon	09-Jun-98	20	Beluran	Sungai
18	Watson Maikan	18-Mar-97	22	Kinabatangan	Sungai
19	Whallence Jeo Walter	01-Oct-01	17	Beluran	Kadazan-Dusun

At present, there are 19 pioneering trainees in this 2 years pilot course who are under the coordination of an ex-planter, Mr Rodriguez Lajangkip based at the Kinarut, Sabah campus. The students come from various parts of Sabah and Sarawak, many from the interiors. MYTC and MEOA will be expecting more youths to join this course.

The Plantation Conductorship encompasses training in multitude of plantation skills and topics – both from the classroom as well as in the field. In addition, the trainees will also be exposed to motor mechanics, welding and heavy machinery related skill courses. Also included will be communication English language, mathematics and information technology. Practical internship in MEOA sponsoring estates will also be included. Perhaps most important is the incorporation of character formation and living skills as integral aspects in the programme.

The two (2) years course which covers full training and residential care with boarding provided free for the selected trainees. However, the trainees' parents/guardian/sponsors are encouraged to contribute a minimum monthly sum towards the trainees' food subsidy based on their affordability. Mainly, the programmes in MYTC are very dependent on the sustained contributions from generous benefactors.



“A Day with the CEO” for Batch 1 (2020/21) of the MYTC-MEOA Plantation Conductorship programme... introduction to the industry, history and job opportunities in plantations.

The objective of embarking into the above new skill course is part of MEOA and MYTC’s joint initiative to respond to the market demand for trained and skilled local manpower for the oil palm plantation industry, especially in Sabah. In 2018, Sabah has 1.55 million hectares of oil palm planted area and covers 26.5% of total oil palm planted area in Malaysia. There is a dire requirement for quality and skilled local human resources for this sector which has contributed significantly to the annual GDP. The oil palm commodity sector is poised to be relevant and sustainable - delivering higher productivity while demonstrating its sustainability aspects. In this sector, there are many employment opportunities throughout its supply chain - ranging from working in the upstream sector involving estates and mills to the downstream activities, and also the spin-off service providers.

Course Content

MYTC-MEOA Plantation Conductorship Pilot Programme 2020/2021

- Function & Role of Field Conductor
- Basic Knowledge of Oil Palm
- The Oil Palm Nursery
- Oil Palm Planting & Replanting
- Field Upkeep and Maintenance
- Oil palm manuring
- Pest and Disease
- Harvesting/Collection
- Crop production/Quality Control
- Field Operations Administration
- Estate Vehicles/ Transport/ Machinery/ Mechanisation Application
- OSHA/Sustainability/MSPO
- Oil Palm Mill/Downstream Product Knowledge

Add-on: English Language, Mathematics and Information Technology

Skills: Motor Mechanics, Heavy Machineries and Welding.
With attachment practical internship in plantation companies



The pioneer Batch 1 comprises 19 trainees from Sabah and Sarawak in the MYTC-MEOA Plantation Conductorship programme - in their weekly field-work at a nearby plantation estate in Kinarut.

The course aims to generate skilled workforce who can contribute to the pursuit and improvement of best practices in the oil palm industry. The plantation course is also very relevant as many of the less privileged youth especially from the rural interior areas in Sabah are very likely to be exposed to the grass-root agricultural activities. With their acquired new skill and know-hows, the youths can be gainfully employed in the many plantation companies throughout Malaysia and/or returning to their homes to be future entrepreneurs and good stewards of their lands.

MEOA and MYTC believe that the partnership befits the purpose and requirement against today's reality. The programme content is also wholesome – combining theory, practical and character building. The graduate trainees from the course can fit in for posts such as Plantation Field Conductors, Estate or Field Supervisors or Plantation Cadets. Potential and opportunities to be promoted and progress beyond staff to executive level are possible.

The aspiring youths for the course will be between 18 to 20 years with priority accorded to those who are orphaned, from poor and large families particularly from the rural and interior areas. SPM leavers, as well as youth who did not complete their formal primary and secondary school education but are interested in the course can also apply. Interested youth are to contact MYTC at 088-755811 or 088-755815; or browse MYTC website at (www.montfortsabah.org) for more information and to submit their application forms accordingly.

--- The End ---

Our Experience... The Journey Towards MSPO Certification

The MSPO Standards addresses Sustainability Issues & Challenges in relation to Multi-Stakeholders Involved in the Industry

by Leslie Ong



Similar to most Malaysian companies faced with the mandatory MSPO Certification deadline, we wholeheartedly adopted the approach of ‘out of sight, out of mind’ and carried on our merry way. As ‘Malaysia Baru’ rolled around we, shamelessly, kept our fingers crossed that the new Government would reassess the deadline and allow us a reprieve to focus on more pressing issues such as labour shortages, faltering CPO prices, and our business strategy (not to mention planning a nice company retreat).

Alas, this wasn’t the case as the newly minted Minister of Primary Industries engaged various nations and hailed the nation’s home-grown sustainability scheme, the new gold-standard for the palm oil industry. Even in the face of reports by IUCN and WWF proclaiming that the MSPO Certification Scheme fell far short of the incumbent RSPO scheme, YB Teresa Kok held true to her resolve and braved the onslaught from NGOs, the European Union, and even from couch-activists in Malaysia.

We knew it unfair for a single person to protect the industry that provided a livelihood for millions, is the third largest contributor to Malaysian GDP, and, lest not forget, provided a comfortable life for my family and maybe even yours. With a hefty sigh we rolled up our sleeves and Googled **“What is MSPO?”**

At the time of writing, we have completed our MSPO Certification audit and have successfully been issued our MSPO Certification [😂😂😂 *huge sigh of relief*]. It took us roughly a year from start to finish with both an internal team and consultant on-board. The process was not easy, and there were many struggles but we do feel that the operations have come out better for it.

Here's some tips, thoughts, opinions, and ramblings from our experience thus far which, hopefully, may be of use to you:

Invest in an internal team, not just a consultant

Pursuing the MSPO requirements involves dissecting and analysing current operations to look at the various shortfalls against the requirements (i.e. gap analysis), and then determining how to update practices to comply. By forming a dedicated team, and basing an individual at each estate, we were able to fully understand how to *adapt and integrate* the MSPO requirements with our operations rather than viewing it as a standalone process and hindrance.

The internal team will act as a centre of knowledge allowing us to keep operations compliant, especially in light of the annual surveillance audit, and keep up the momentum towards Certification compliance. Additionally, alongside current management, the internal team can oversee any MSPO requirements that need more time to fully comply with (e.g. infrastructure upgrades).

Enlisting just a consultant is a viable course of action, however, we felt that it is somewhat a short-termist view and will overtax our Estate Managers – who would ultimately be managing it on-the-ground. Nevertheless, understanding the value of technical expertise a consultant may bring, we did engage the services of one but with the explicit instruction to train and upskill our newly hired team.

We were also fortunate enough to hire a younger team which have benefitted us by bringing a different perspective to operations and an influx of new energy to the incumbent estate teams. A further benefit is their innate tech-savviness which we plan to utilise to handle any 'special projects' (e.g. drone mapping, GPS tracking) that we employ for precision agriculture and, hopefully, future-proof our operations.

Our tips for your MSPO Journey:

- *Invest in an internal team, not just a consultant*
- *Understand that change is good so take the opportunity to review operations*
- *Be open-minded and look at the method behind the madness*

Understand that change is good ... so take the opportunity to review operations.

The saying "if it ain't broke, don't fix it" ran across our minds countless times as we used a fine-toothed comb to sift through our operations. However, the new perspective brought to light that many practices, having thought to be in place, were either not being followed or implemented in a haphazard manner thus losing all benefit of our initial investment. Despite the initial disappointment (and a few heads rolling) we took the opportunity to gain further insights and began streamlining operations for the better.

An internal team will help maintain momentum, keep the operations in compliance, and be a centre of knowledge for the MSPO Standards

Documentation allows for better management and monitoring of operational activities, as well as easier on-boarding of new team members

The onslaught of MSPO-related documentation was a challenging task to our normal 'Chinaman', albeit modern, approach to business.

Everything from the smallest supportive function up to management plans had to be documented and filed, the irony of the amount of paper required to fulfil a *sustainability* scheme was not lost on us.

Regardless, we took a positive perspective and looked at the documentation as a means to preserve and hand down knowledge as we enter an inter-generational 'change of guard'. Having processes documented would enable proper and easier management and monitoring by the Management Team, not to mention communication and on-boarding of newer team members.

Be open minded and look at the method behind the madness

To put it mildly, complying to the MSPO requirements was a tedious affair, not to mention the on-going monitoring and adherence to the standard. It does involve a lot of education, re-education, monitoring, and disciplining especially in regards to handling hazardous materials and operational safety. However, if you take a step back, you realise that the oil palm industry, especially at the estate, is very different to other industries whereby you're not only housing employees but their families too, essentially, an estate is a community and a home. With this in mind, any typical 'operation hazard' can have greater devastating effects at the estate – which the MSPO Certification is attempting to mitigate through its various requirements.

We now have many sub-committees at each of our estate ranging from Emergency Response Team (ERT), Occupational Health and Safety (OSH) to other smaller positions. At times we do wonder if our operations are large enough to warrant such committees, let alone if there are enough hours in the day to perform these new roles. Upon reflection, there is comfort given in preparedness and, with these sub-communities, we rest easier that matters at the estate, often in semi-isolated locations, will be addressed quickly and safely. It also provides an avenue for communication to HQ allowing the Management Team better insight into operations and, maybe, some underlying issues that would have remained buried otherwise.

In summary ...

Whilst we do not believe that the MSPO Certification Scheme is a silver bullet to the ghouls across the seas nor something to 'Green' the industry, the requirements have allowed us to trim the fat, tighten the reins of the business, and lay a stronger foundation for the future path of the business, whatever that may be.

--- The End ---

UAV Mapping & Analytics

My experience in drone mapping

more than 20,000 ha of Oil Palm & Rubber plantations

by Darrell Lim



An **Aerial Photo** taken using a drone

When I first started working for my family plantations back in 2009, the only free tool that allowed me to visualise our estates was Google Earth. Although it was unclear and out-dated, at least I got a sense of roughly how they looked & where our boundaries were. That was all that I could tell from Google Earth. On palm inventory counting, I had a staff to count palm trees in each lot but they would report different figures every single time. On measuring areas, we had used a Garmin handheld GPS device to measure lots/blocks. These data formed the basis of how we carried out & budgeted for our operations. (e.g. piece rate x area worked)

10 years later, I find myself using drones to map & analyse plantation inventories accurately in great detail, for my own estates and clients'. Of course, one needs to know how to plan (on & off site), how to fly drones, what to do with images, and how to produce analytics utilising mapping softwares, and comes out with meaningful & actionable insights.

Using data captured (GIS information) with a drone, a series of **mapping reports** could then be produced, namely:

- | | |
|--|-------------|
| 1. Overview Orthomosaic Map | (Picture 2) |
| 2. Contour + Digital Terrain Model Map | (Picture 3) |
| 3. Road Network Map | (Picture 4) |
| 4. Land Use Map by Block | (Picture 5) |

With clear visualisation, these maps/reports allow me to carry out further analytics such as:

Land Use Analytics, figuring out:-

- A. How big is my vacant area;
- B. What is my planted area;
- C. How big of an area are my roads, barns, buildings, infrastructures, ponds, quarries, rivers, & drainages have taken up (i.e. Non-agriculture or unplantable area);
- D. What are my plantable area, vacant area & planted area;

Road Network Analytics, figuring out:-

- A. What is my road density for each block in formats such as metre/hectare, & hectare/block.

Palm Count Analytics, figuring out:-

- A. What are my palm stands/block, & palm stands/plantable area.

With these analytics & the visualization of orthomosaic map, I could confidently :-

- 1.) Come out with a more accurate budget (block specific) especially on Fertiliser Order;
- 2.) Budget how many more seedlings needed to plant in vacant areas;
- 3.) Budget how much to spend on building new roads, road maintenance & repair
- 4.) Visualise & quantify the number of unhealthy palms, & subsequently carry out a P&D control.

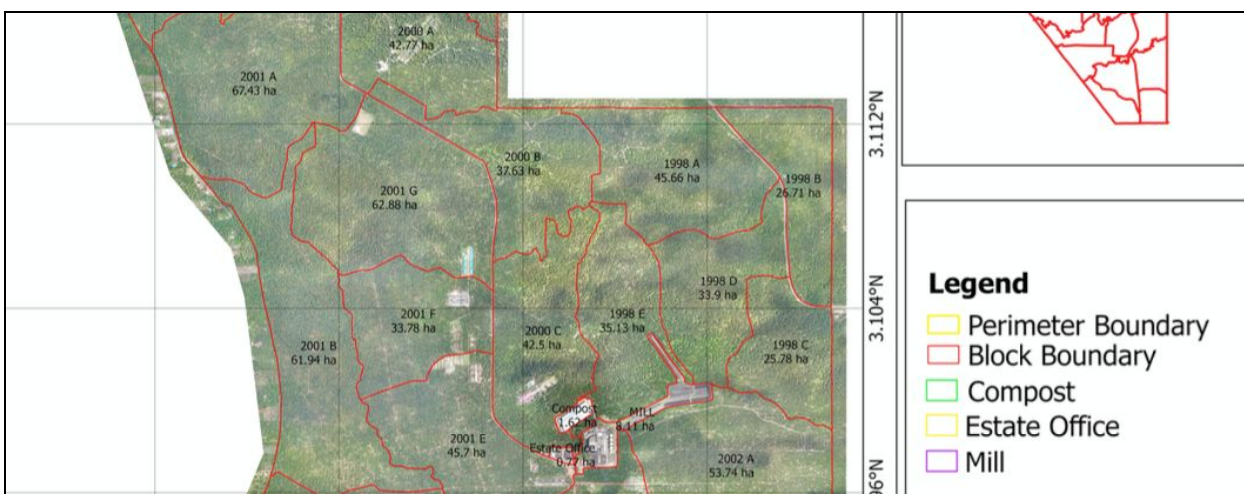
Some of my clients use these data to do land acquisition, re-establishing their boundaries given encroachments were detected, securing estate perimeter as cup lumps were seen accumulated next to a highway (stealing), re-evaluate their biological asset given a much more accurate number of bearer plants could now be verified to be in compliance with MFRS 116 & MFRS 141, and more. A client said:

“We can now budget more accurately with verified palm counts. Most obviously, we immediately identified some planted but abandoned areas of ours, which were not harvested for years.”

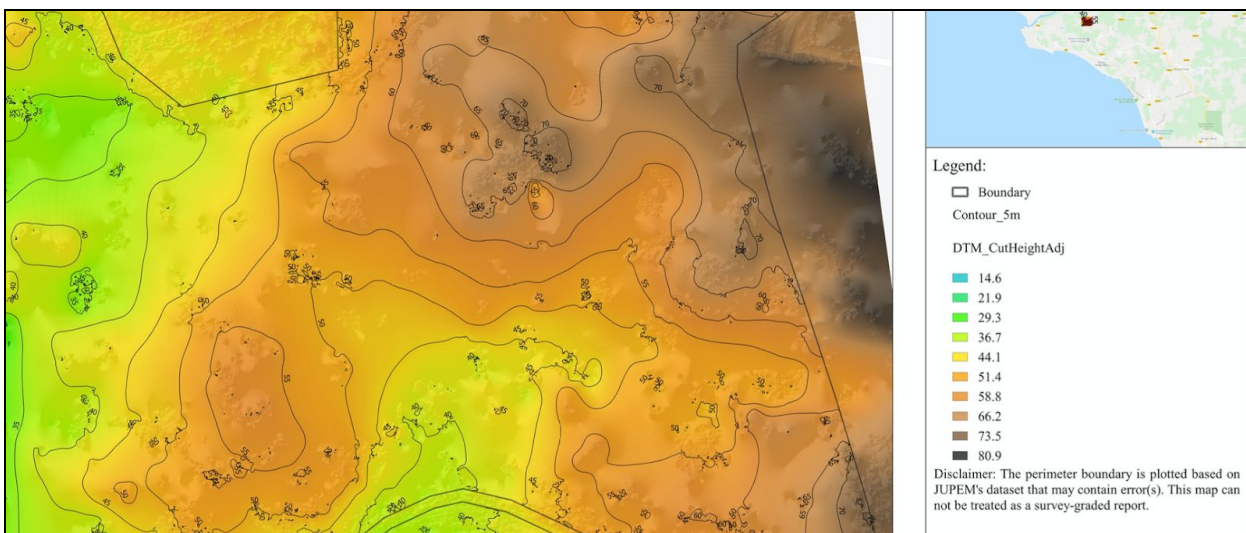
For those of you interested in carrying out drone mapping activities given the benefits mentioned above, there is no better time than now to do this. In fact, there is much more that can be done with drone technology and I welcome any queries that you may have (darrell.lim@maslotto.com/019-557708).



Picture 1: Zooming in on a photo taken from a drone. unhealthy palms can be visualised.



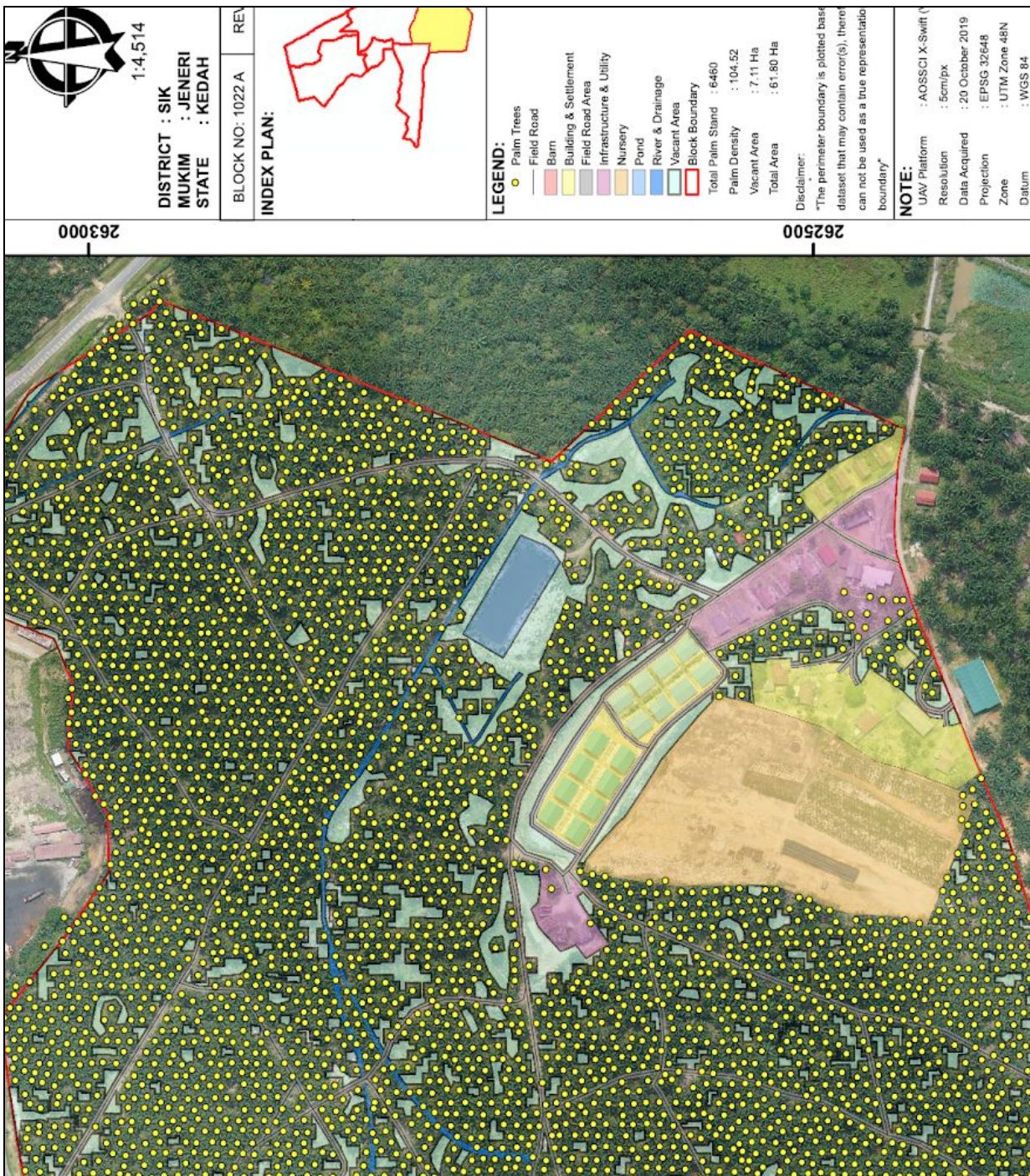
Picture 2: An extract from an **Overview Map** would be printed in 5ft x 7ft and hung on-site for easy reference



Picture 3: An extract from a **Contour Map + Digital Terrain Model (DTM)** report with 5 m elevation.



Picture 4: An extract from a **Road Network Map**. Area taken by road (Ha) / Block Area (Ha) can be measured.



Picture 5: An extract from a **Land Use Map** by Block. Vacant areas and planting points can be accurately visualised & verified. Each yellow dot represents a palm.

--- The End ---

MSPO Dialogue with YB MPI - Teresa Kok

MPI's efforts to promote and increase awareness of the MSPO Certification scheme

by Leslie Ong



On the 24th June 2019, an MSPO Dialogue was held in Johor Bahru as part of MPI's efforts to promote and increase awareness of the Malaysian Sustainable Palm Oil (MSPO) Certification scheme. The Dialogue was hosted by YB Teresa Kok (Minister of Primary Industries), Dr. Ahmad Parveez (Acting Director General of MPOB), and Mr. Chew Jit Seng (CEO of MPOCC).

The evening began with YB Teresa Kok painting a picture of the palm oil industry to the Johorean audience who overflowed the seminar room. Her presentation focused on highlighting the various challenges faced by the industry and threats posed to the market.

YB brought special attention to the various anti-palm oil propaganda such as Iceland and Greenpeace's 'Rang-Tan' advertisement, Greenpeace's 'Rang-tan' follow-up school video, and various other examples by companies making efforts, albeit misguided, to limit palm oil in their products. Audience members were made aware that such activities, even on the other side of the world, will and has had its effects in our own backyard.

To counter such rallying against palm oil, YB sought, from each and every Johorean present, a commitment to the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme and support for the 'Love MY Palm Oil' campaign. The audience members roared with approval and support in response to the call for unity and solidarity for the palm oil industry.

Following the update on the palm oil industry, YB focused her presentation on updates on MSPO where she noted that most audience members had yet to obtain their MSPO Certification. Somewhat

surprised and disappointed, she proceeded to highlight the updated MSPO incentives to, hopefully, encourage more adopters of the scheme.

The updated MSPO incentives shared were:

Table 1: Revised MSPO Incentives

	Auditing Fees	Preparation Costs	Auditing Fees	Preparation Costs
Estates 40.46 Ha to 1,000 Ha	70%		100%	50% (up to RM10,000)
Estates more than 1,000 Ha	30%	Not Available	30%	
Processing Facilities under MSPO Part 4 and SCCS	30%		30%	Not Available

- Preparation Costs (excludes statutory and legal compliance requirements):

Items claimable:

- o Social Impact Assessment (SIA)
 - o Environmental Aspect and Impact Assessment (EAIA)
 - o Training on Internal Audit and Management Review
 - o Training on Calculation and Reporting of Greenhouse Gas (GHG)
 - o Report on High Biodiversity Value (HBV) Assessment
 - o MSPO Policies and Documentation System
- Organised smallholders will also receive an incentive of RM55 per hectare

Source: <https://www.mpocc.org.my/incentives>

Mr. Chew Jit Seng further explained that the incentives were increased to help the palm oil industry and motivate industry players to obtain their MSPO Certification. Mr. Chew further advised to refer to the MPOCC website for any updates or further details of the incentives.

A Q&A session was held towards the end of the MSPO Dialogue session. Many audience members expressed difficulty in meeting the requirements set by MSPO often citing lack of financial capability, and understanding of the requirements since the standards are written bureaucratically with no or limited specifics on implementation.



It was also highlighted that, for smallholders, the MSPO requirements either are not necessarily applicable to their operations, and/ or creates further strain on their operations.

MEOA President, Mr. Jeffrey Ong, requested for MPOCC to regulate Certification Bodies' ("CB") audit fees (RM/ man-day) as MEOA Members have seen a range costs from RM1,500 per man-day to RM6,000 per man-day. He further explained that since the MSPO Certification scheme is mandatory, and with the impending deadline, it creates a higher demand for CBs' services which CBs may exploit at the detriment of the already taxed industry players. Mr. Chew advised that the man-day rate should fall between RM1,500 to RM2,500 per man-day and any suspiciously high costs can be referred to MPOCC for further investigation.



Another audience member highlighted that he/ his company has a contract with a Japanese company wanting sustainable palm oil products and is willing to pay a premium price. YB Teresa Kok commended the gentleman for securing such a contract. She further explained to the audience that the MSPO Certification has been adopted as a tool for the 'Tokyo 2020 Olympic and Paralympic Games Sustainable Sourcing Code', thereby, any palm oil product sporting the MSPO Certification will be sourced for the Games. YB further emphasised that success stories such as these need to be shared amongst the industry players and greater stakeholder community to promote palm oil.

In summary, the MSPO Dialogue in Johor Bahru, and others across the nation, are providing invaluable feedback for MPI, MPOB, and MPOCC as they can directly hear from Planters' mouths and understand the 'on-the-ground' perspective. Whilst all in attendance recognises the road ahead is rocky, it was reassuring to note that the industry players can rally together to support one another and weather the storm.

--- The End ---

Time to Change



There is a *need* for change... as well as getting a better level of professionalism in the industry.

- by Mahbob Abdullah

For some years now most plantation owners have seen costs going up, but they have not been able to get yields and extraction rates to increase. If they had succeeded, then the costs per tonne could have gone much lower and we would not see the losses that are often reported today.

Now the problems may get worse with strong competition. Already the price of palm oil is the lowest among other oils, and the supply is likely to increase.

The Philippines have attracted large investors into Mindanao, which would have developed just as in Sabah with similar climate and soils. Their major problem was lack of political stability, which, in contrast, we have today that allows work to go on with continuity. In central America and the Amazonas, when investment conditions are right eventually, the areas suitable for oil palm can dwarf all that is already planted in our region, even if we include Indonesia.

So we can expect to see the losses to occur more often as competition grows.

Our adversaries get better at thinking up faults in palm oil. They pick on new issues, and make them stick in consumers' minds. On the shelves, products appear that say *No Palm Oil*. We should have enough eminent scientists working to show palm oil is healthy, and get effective communicators to spread the news in a positive way. In the food and non-food sectors, scientists must find new applications, so we have a chance to get more people to buy, and palm oil prices can rise to the levels of other oils.

But the managers in the field must not be distracted by the war in the marketplace. There are enough problems and opportunities in their own areas, and they must focus fully. We are in a region that is blessed with rain and sun to be able to get higher yield. The palms are far from reaching their best yield, showing an average of 20 tonnes FFB per hectare compared to a practical potential of at least twice that much.

Fortunately some companies are working on research to improve the planting material through genetic and clonal selection. Hopefully in a few years they will be able to supply better crosses or clones and sell them at a reasonable price.

For now, in the field we must go for a higher yield by doing well at what can be done today, such as in the supply of food and water. On the plants' need for water, there is a plantation in Pahang which has raised its yield per hectare through the use of irrigation.



Ladang Bukit Keramat near Kemayan is about 500 hectares and it has twenty-year-old palms on undulating and hilly soil. With the drone, it has done the palm counts with precision. It had surveyed the terrain and streams. The rainfall is lower than 1,500 mm a year. Water that flows from the hills is stocked in dams even in the dry spells, and it is **pumped using solar power** to go back up the hill and flow down following the contours.



In the streams in more level terrains, foreign-designed **water wheels** are used to pump the water and re-distributed along the planting rows.



In the inter-rows, the plantation had helped the water get distributed and absorbed into the soil by using the *Shakerator*, a tool behind a tractor with tines that cut into the soil a foot deep that water would go in readily with little run-off.

As a result, the yield has increased for the plantation over three years from 19 tonnes to 29 tonnes per hectare. The costs per tonne would certainly go down with the increase in production. The plantation has been able to take care of its workers well, that there is no shortage of labour.

With the extra demand on the trees, the food supply has to be planned, with the fertiliser being chosen carefully, and not just on price, using fresh stocks, with good protection in storage, applied at the right time of the year and with maximum supervision. Each palm gets its share of high quality nutrients to cope with the increase in yield.

Plantations owners can also learn from selected smallholders. Some of the best innovations are done by them. Very often it is the way they maintain the palms, with their choice of fertiliser, timing, and close supervision. They attend to soil and water conservation. They see to every tree along the row and try to figure out why some are producing more bunches. Some even have a way of warning the palms that do not do well. They are in the field often and use their powers of observation.

Some plantations continue to innovate with using organic fertilisers as supplementary food, so that palms have a balanced intake of micronutrients. Studies are going on about putting microbes and enzymes to work. But for now these areas new to planters are in the hands of research scientists who will have to say what can be put into practice.

Research work is also needed to study the new technology that can help with productivity. For example we have heard much about artificial intelligence, internet of things, sensors, and robotics. But most owners are still not clear how they can be applied in practice. It still remains vague. Owners may wish to form a team of scientists and planters, who can plan ways to step up on progress. Drones are one way of mechanisation, e. g. on helping with supervision. One can get an overview instantly of how the palms are doing in the fields and on the hill slopes.

But we have not got any closer to finding a way to mechanise harvesting. The need for mechanisation is extremely urgent. Some countries might turn off the tap for workers, for one reason or another such as on health issues harvesting may come to a halt. We have to find the best firms and the smartest engineers who can come up with the machine, even if the brainwork is to be done by foreigners. We have relied on research centres before such as MPOB but there is not much that can be said about results. It is suggested that in times of high prices some companies should band together and set funds aside to have a committee to work solely on mechanisation and have deadlines for this to be achieved.

Similarly deadlines are needed for following up research on pollinating weevils from Africa. We have studied and imported in 1981 those from Cameroon, but there might be better pollinators including in Gabon, Uganda and Congo, that can raise fruit set to give better bunch weights and oil and kernel contents. Although MEOA had been asking for this research to be done by MPOB, it has not started to do a study in these countries. It is for the industry to push harder to see if the pollinators are more effective and could be imported. Sarawak appears to need the help of pollinators most urgently. The additional fruit set, average bunch weight and oil content can bring more income, and reduce costs per tonne. Research work clearly needs a change of pace.

There is a need for change as well in getting better level of professionalism in the industry.

The level of supervision may have declined over the years. We do not have the managers and supervisors trained adequately before they come into their positions. This situation began with the rapid expansion in oil palm. With that phase over, it is good to get more training done, including job rotation so the planters can get a bigger picture of the business. In order to do this, the intake of trainees should be stepped up. The intake will need to be from different races, for a more active interaction. The level of English has to be raised so that the trainees can grasp the ideas in the textbooks, at seminars, and take part fully in conferences. The level of professionalism of overseers and mandors can also improve with more training set for them.

As plantations do well, it is vital to help the smallholders, many of whom have low yields. Professional expertise can help raise their yield and therefore earn higher income. Experienced planters can give them advice. Most of the issues are around fertiliser application, water management, and seeing that the weeds are kept down. In harvesting it is about cutting only the ripe bunches, and the unripe ones must be left for a few more days. The MSPO exercise and certification will help a long way.

In addition, providing advisory service as a corporate social responsibility can only be good, so the industry can prosper together.

--- The End ---

22nd March, 2019

The 35th Annual MEOA Golf Tourney

Datuk Boon Weng Siew Challenge Trophy

by Kenneth Jacob & Y.S. Siow



This year, we returned to the Silver State of Perak for our 35th Annual Golf Tournament. We hosted our members, friends & supporters of MEOA at the Royal Perak Golf Club, kindly arranged by our passionate Mr Tang Sew Hon. Despite teeing off in our hot tropical weather, the grand old trees of this historic club provided much relief to our 84 participants.



Due to popular demand from our golfers, we released our 2nd ever edition of our MEOA Golf T-shirt - a white, classic and versatile design, fit to also grace the grounds of any Cricket game. This was made possible by generous sponsorship of Affin Hwang Asset Management.



Congratulations to our member Mr Lim Kim Long who returned as the winner of Datuk Boon Weng Siew (DBSW) Challenge trophy for the third time. Our 2019 guest champion was Mr Peter Lim, a longtime friend & ardent supporter of our Golf event.



DBWS Challenge Trophy Winner – Lim Kim Long



Guest Champion - Mr Peter Tan

In accordance with MEOA tradition, all our golfers were treated to a sumptuous meal, this time hosted by Tan Sri Lee Oi Hian, at Restaurant Sun Lee How Fook.





As always, we thank all our Sponsors for their generosity & support which made our golf event a memorable occasion.

Acknowledgements



35TH MEOA ANNUAL GOLF TOURNAMENT

DATUK BOON WENG SIEW CHALLENGE TROPHY

ROYAL PERAK GOLF CLUB
22 MARCH 2019

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