

Are we 'fiddling whilst Rome burns'?

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Yield improvement – the
keystone of sustainability?

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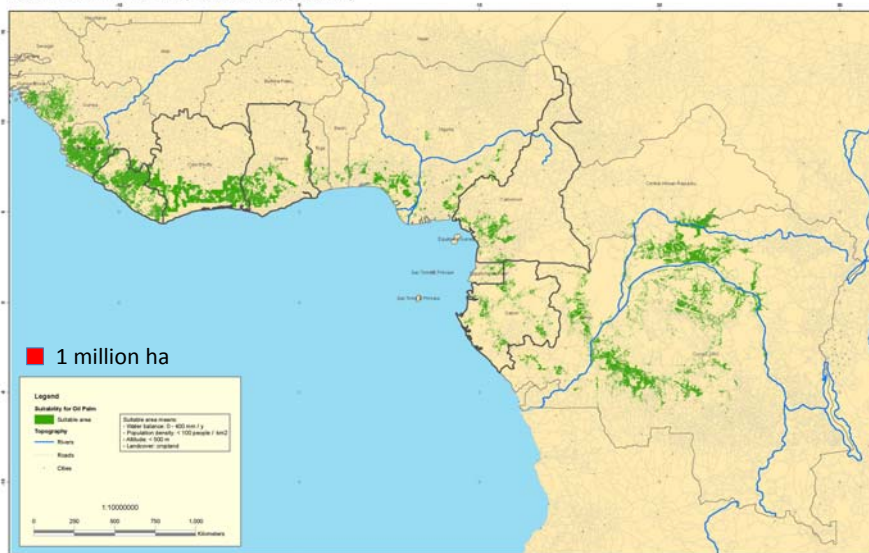
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Major challenges to feed the world with sustainable palm oil

- A requirement for a further 12 million ha of oil palm by 2050 even if yields average 5.2 t/ha by 2050 and soyabean maintains it's market share*.
- Limited availability of land in SE Asia but what about
 - Africa?
 - C and S America

*Corley, 2009

Suitability map for Oil Palm
Based on Tamsat annual water balance, vegetation, elevation and population density



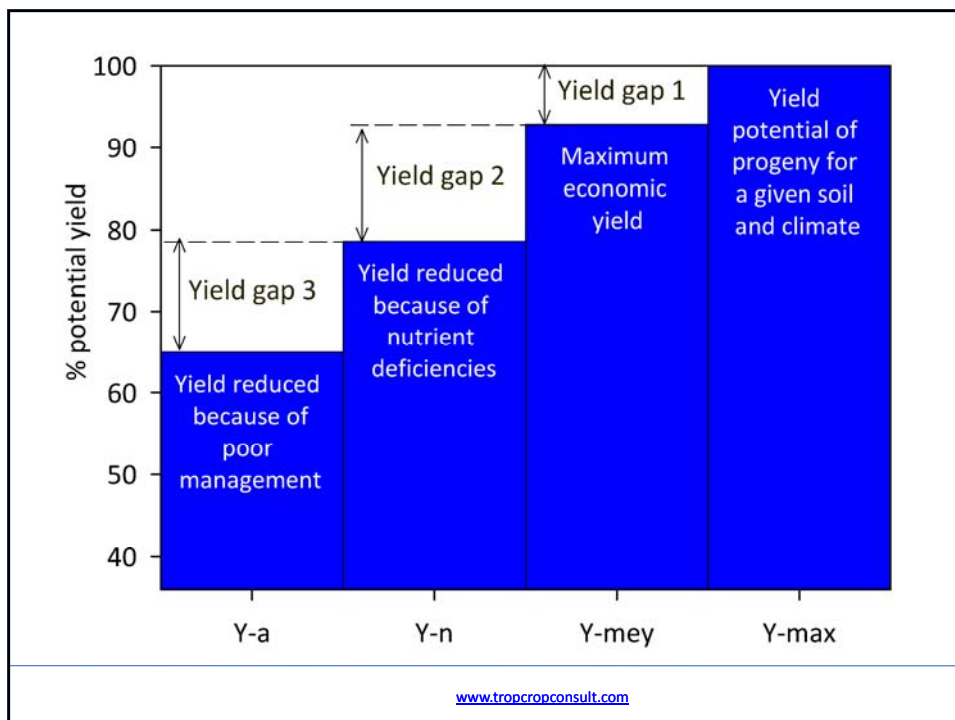
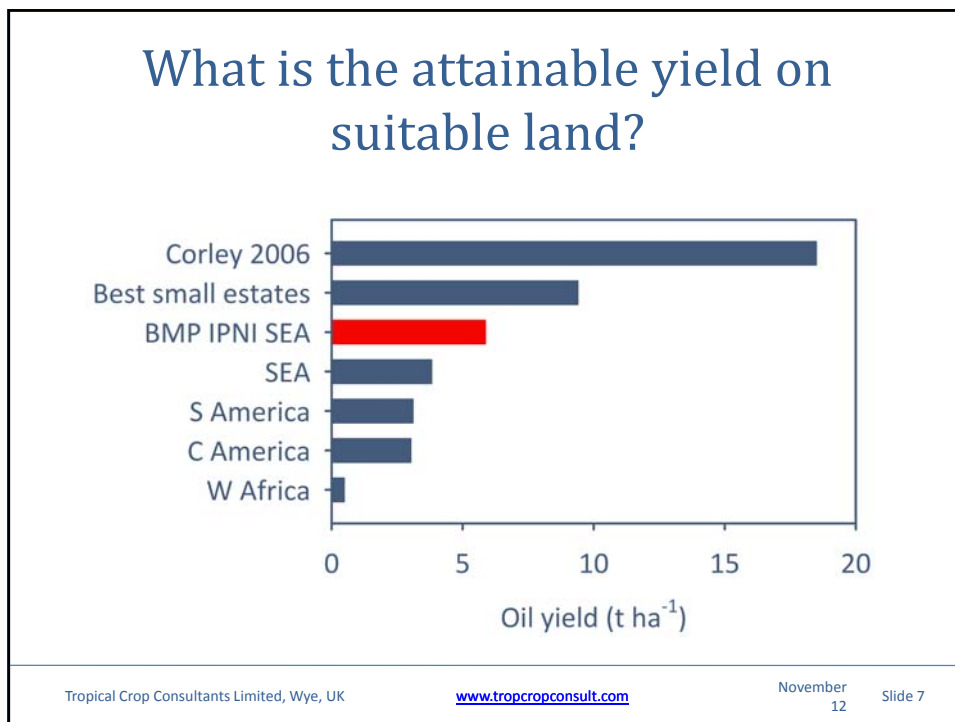
Strategies to increase crop production – relevance to oil palm

#	Strategy	Comments	Scope for oil palm
1	Area increase	Shortage of suitable land	Limited?
2	Yield increase	Huge scope for improvement	High
3	Number of crops per year	Not applicable	None
4	Displace lower yielding crops	Indirect effect	High
5	Reduce post harvest losses	Requirement to improve oil yield	High
6	Reduce use as feed for animals	Provides animal feeds as by-product	High

Evans, 1998

Yield and RSPO criteria

- Yield is mentioned once in the *RSPO Principles and Criteria* under Principle 4 (4.2 - Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield).
- Yield – should be a primary goal for sustainable palm oil production and RSPO certification?
- Palm oil yields in RSPO certified plantations in Indonesia and Malaysia are about 1 t ha⁻¹ greater than national averages.



Benefits of yield improvement

- Profitability increased!
- Land spared for wilderness or other crops when coupled with proper land use planning
- Reduced carbon payback time
- Increased yield of CH₄ for electricity co-generation

Sustainable use of fertilizers

- Increasing yields doesn't necessarily require more fertilizer — emphasis should be on *efficient* fertilizer use!
- Emissions associated with increased fertilizer use on existing land smaller than emissions from clearing new land.
- Importance of measuring agronomic efficiency (i.e., how much extra oil per kg of additional fertilizer) — a possible criteria for RSPO?

Crop protection and use of agrochemicals

- Herbicides are essential for maintaining proper ground cover and achieving high yields
- Importance of measuring agrochemical use (kg active ingredient per kg oil produced).
- A possible criteria for RSPO?

The importance of record keeping

- Records of yield, leaf and soil analysis, fertilizer and agrochemical use should be compiled in a database
- An essential tool for site specific management.
- Provides the means to assess:
 - Site utilization efficiency
 - Input use efficiency
- Cargill uses a customized database programme to maintain records of all agronomic parameters

Analysis of yield trends over time

DA Form 2.01.9: Yield production by age/year

Year	Estate	Field	Planting material	Soil class	Tree density	Tree age	PY/Year	PY/Age	Block list	Reps	
		Planting year	1997	1998	1999	2000	2001	2002	2003	2009	
		Tree Age	Yield (t/ha)								
3			-	-	2.8	7.2	6.2	7.3	17.6	-	317
4			-	5.1	11.8	11.0	11.5	9.8	8.0	-	398
5			6.2	16.6	15.4	16.6	13.7	14.7	10.8	-	414
6			18.5	19.8	22.0	16.5	19.3	15.6	11.9	-	417
7			22.0	26.2	18.7	23.1	18.1	18.4	13.4	-	415
8			28.0	20.4	26.8	18.3	21.5	22.1	22.2	-	415
9			21.4	29.7	19.7	23.2	23.5	22.4	-	-	414
10			30.5	21.3	25.5	24.6	23.9	-	-	-	379
11			21.3	28.1	26.8	24.6	-	-	-	-	317
12			28.3	28.4	25.8	-	-	-	-	-	212
13			28.8	26.0	-	-	-	-	-	-	100
14			27.3	-	-	-	-	-	-	-	16

FILTER: NOT Year: 2012 AND NOT Tree age: 0, 1, 2 Filter ON

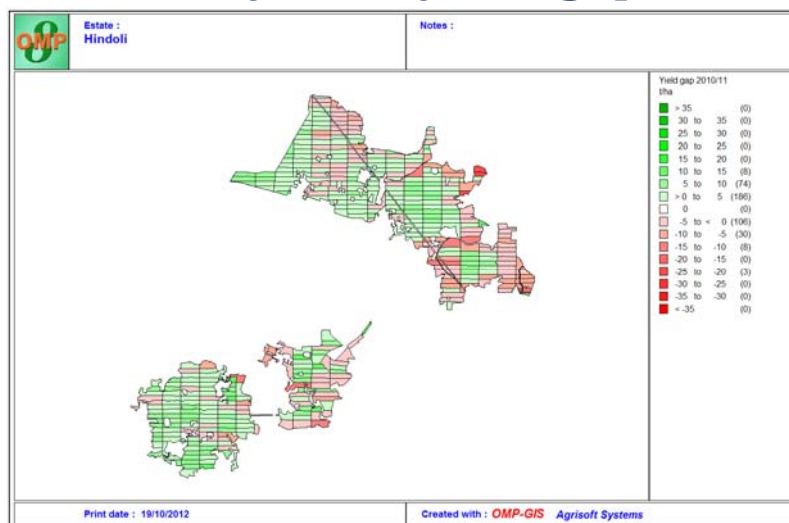
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Analysis of yield gaps



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Individual block records

Growth Marker		BMP06	BMP:	BMP06	Estate	SP	Field	E28	Block	AB2230																				
Soil:		Ultisol			Topography		Flat		YOP: 1997																					
Previous crop		Scrub/beluka		Land clearing		Full Mech		Density		138																				
P. material:		Costarica		Area		25.4 ha																								
Yield data			Fertilizer inputs (kg/palm)						Leaf analysis (% dry matter)																					
Yr	YA	Pot	Act	Ga	BW	BN	A	R	A	R	A	R	A	R	A	R	A	R	N	P	K	Mg	B	PCS	PH	SPH				
11/1	14	31	28	-2.8	18	11	1.8	1.8	0.9	0.9	1.0	0.6	-	-	-	-	-	-	2.6	0.16	1.1	1.5	-	0.23	-	16	48	6	140	
10/1	13	31	31	0.4	20	12	1.8	1.8	0.9	0.9	1.2	1.2	0.2	0.1	-	-	-	-	2.6	0.16	1.2	2.3	-	0.25	-	19	-	47	5	140
09/1	12	31	30	-1.0	20	11	0.9	0.9	-	-	1.8	0.9	-	-	-	-	-	-	2.6	0.16	1.2	2.2	3	0.25	-	17	-	48	5	140
08/0	11	31	24	-7.4	18	9	0.6	0.6	-	-	0.9	0.9	-	-	-	-	-	-	2.6	0.16	1.1	1.7	3	0.29	-	16	-	46	5	139

Manager's comments

Use of 'BMP blocks', where all manageable agronomic constraints are removed to provide a benchmark of attainable yield.

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Estate yield assessment

OMP Hindoli Report 1.04 printed: 19-Oct-12

Monthly crop report by estate May 2012

Estate	Area (ha)			Production (t)							Yield (t/ha)							
	Budget	Mature	%	Total	This month		Year to date		12 MRT	2011/12	2011/12	This month		Year to date		12 MRT	2011/12	2011/12
					Actual	Budget	Actual	Budget	Actual	Budget	Potential	Act.	Bud.	Act.	Bud.	Act.	Bud.	Pot
SP	2,985.8	3,030.0	32	3,085.7	4,458	7,068	69,238	80,772	69,238	80,772	94,342	1.5	2.4	22.9	27.1	22.9	27.1	30.7
ST	2,866.0	2,866.0	30	2,866.0	4,704	7,496	76,368	85,668	76,368	85,668	88,661	1.6	2.6	26.6	29.9	26.6	29.9	30.9
TDSG	3,659.4	3,659.4	38	3,659.4	5,974	8,423	93,377	96,251	93,377	96,251	113,278	1.6	2.3	25.5	26.3	25.5	26.3	31.0
Hindoli summary	9,511.2	9,555.4	99	9,611.1	15,136	22,987	238,983	262,691	238,983	262,691	296,280	1.6	2.4	25.0	27.6	25.0	27.6	30.9


In the financial year 2011-2012 Hindoli achieved 81% of site yield potential

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Loose fruit losses

Parameter	Value	Units
Density	143	palm/ha
Loose fruit loss	4	loose fruits/palm/round
Rounds	36	rounds/year
Loose fruit lost	20,592	LF/ha
Weight of loose fruit	10	g
LF loss	206	kg/ha/year
Area	10,000	ha
LF loss	2,059	t/year
Oil content	40%	oil in LF
Oil loss	824	t/year
CPO	900	\$/t
CPO loss	741,312	\$/year

Huge loss of revenue if some loose fruit are left in the field.
In a 10,000 ha estate, 4 uncollected loose fruit per palm per harvest means a loss of at least US\$ 0.74 million!

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Analysis of pesticide active ingredient use

OMP Hindoli Report 2.04.1 printed 19-Oct-12

Active ingredient by hindoli Year 2011

Active ingredient	October						Year to date					
	Sprayed area		Active ingredients		Pesticide toxicity		Sprayed area		Active ingredients		Pesticide toxicity	
	ha	kg/block or l/ha or l/ha	Rate	AI / LD50 / ha	AI / LD50 / FFB	ha	kg/block or l/ha or l/ha	Rate	AI / LD50 / ha	AI / LD50 / FFB		
Herbicide												
alkyl polyglycol ether	App	-	-	-	-	-	-	-	-	-	-	-
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	-	-	-	-	-	-	-	-	-	-	-
fluoroxpyr-methyl	App	67.7	0.8	0.01	6.21	0.02	1,061.8	17.8	0.02	8.37	0.08	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	67.7	0.8	0.01	6.21	0.02	1,061.8	17.8	0.02	8.37	0.08	
Glufoxiclate-ammonium	App	212.3	9.6	0.05	28.14	0.20	1,442.6	89.3	0.06	35.76	0.46	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	212.3	9.6	0.05	28.14	0.20	1,442.6	89.3	0.06	35.76	0.46	
Glyphosate-isopropylammonium	App	2,170.4	140.1	0.06	7.14	0.56	7,672.6	1,136.3	0.15	16.36	1.12	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	2,170.4	140.1	0.06	7.14	0.56	7,672.6	1,136.3	0.15	16.36	1.12	
isopropil amine gibesat	App	-	-	-	-	-	-	-	-	-	-	-
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	-	-	-	-	-	-	-	-	-	-	-
Metsulfuron-methyl	App	1,148.0	2.1	-	0.36	0.01	7,694.4	21.5	-	0.56	0.04	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	1,148.0	2.1	-	0.36	0.01	7,694.4	21.5	-	0.56	0.04	
Triclopyr-triethylammonium	App	42.1	1.0	0.02	4.56	0.01	906.2	29.3	0.03	6.46	0.05	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	42.1	1.0	0.02	4.56	0.01	906.2	29.3	0.03	6.46	0.05	
Total	App	2,424.8	153.6	0.08	9.11	0.79	7,934.3	1,294.2	0.16	24.75	1.75	
	Rec	-	-	-	-	-	-	-	-	-	-	-
	Diff	2,424.8	153.6	0.08	9.11	0.79	7,934.3	1,294.2	0.16	24.75	1.75	

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Analysis of trends for soil erosion

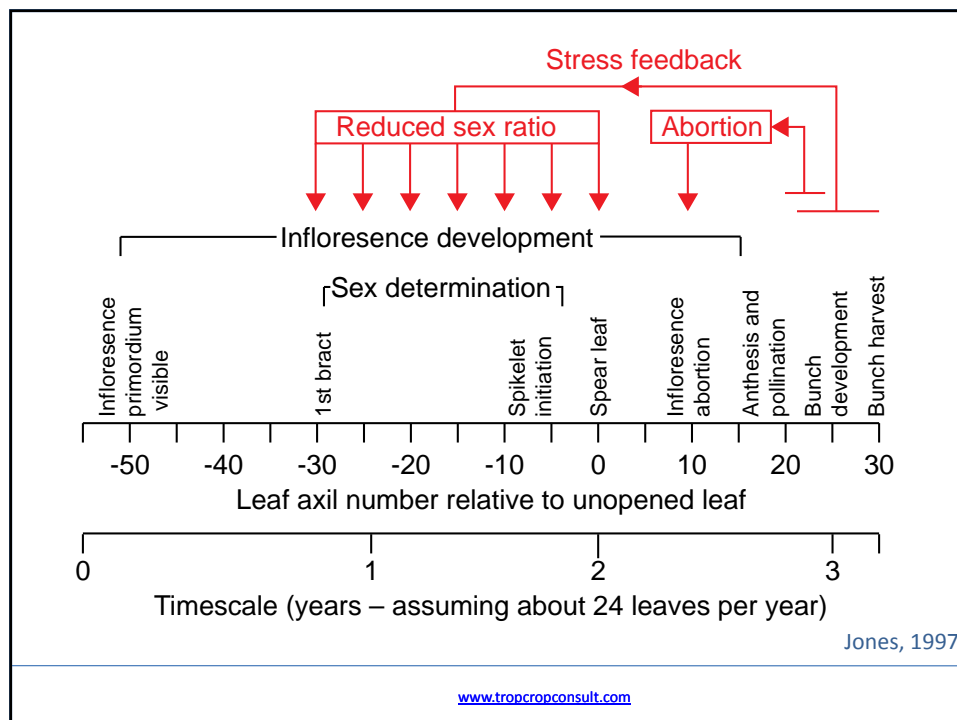


An index for site utilization?

- A measure of site utilization: aggregated actual yield as a percentage of site attainable yield?
- A means to assess yield?

Problems with yield intensification

- Time lag between implementation of improved agronomic practices and their impact on yield
- Yield intensification needs long term commitment and patience from investors.
- Need for well trained and motivated staff at all levels to implement best agriculture practices

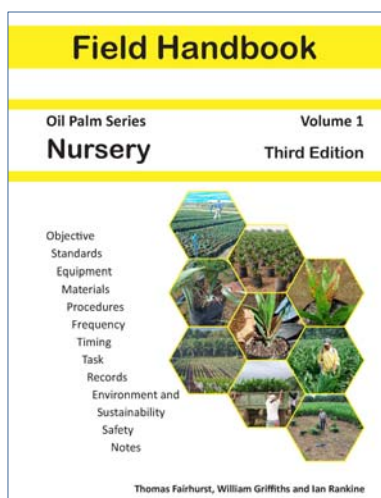


Cargill invests in oil palm industry education in Indonesia



- Major initiative to support education of young plantation executives.
- Collaboration with Institut Pertanian Bogor.
- Practical 'on-farm' training.

Importance of good extension materials



- How to perform each task
- Health and safety precautions
- Environmental and sustainability issues
- Means to assess whether standards have been achieved in the field.

Conclusions

- More explicit recognition of yield as a primary driver of sustainable palm oil production required?
- Include an index for 'Site Utilization Efficiency' in the Principles and Criteria for RSPO certification?
- In line with continuous improvement (ISO 9000)

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