FGV Introduces Model Plantation Concept for the Transformation of Its Estates and Mills' Operations



Maokil Palm Oil Mill Manager – Abdul Rauf Salleh (four from left) with his team members showing the Quality of Environment (QE / 5S) certification by the Malaysian Productivity Corporation, less than a year after the mill pioneered the MPC.

Kuala Lumpur, 03 July 2020 – FGV Holdings Berhad (FGV) continues its transformation agenda through the introduction of the Model Plantation Concept (MPC) project, particularly, for its estates and mills nationwide.

The MPC project is a new systematic initiative to strengthen, standardise, and sustain best practices in plantation and manufacturing practices.

Its implementation sets new overall standards of SOPs for operation and agriculture practices, processing and manufacturing, increased compliance of the Occupational Safety,

Health & Environment policies, optimising human resources, improvement of employee housing, and the use of technology and ICT.

Started in 2019, the pilot project was carried out at Tembangau 6 estate in Pahang and Besout oil palm mill in Perak followed by Maokil 07 estate and Maokil oil palm mill in Johor, which would the model for other estates and mills in the next phase of implementation.

The MPC project has shown success, demonstrated by several certifications received by the two estates and two mills including the Roundtable Sustainable Palm Oil (RSPO) Certification, Malaysia Sustainable Palm Oil (MSPO) Certification and the QE/5S Quality Environmental Practice (QE/5S) Malaysia Productivity Corporation.

FGV Group Chief Executive Officer Dato' Haris Fadzilah Hassan said, "One of FGV's operation's challenge is the diversity of its 197 estates and 68 mills in terms of size, operating cost, facilities and manpower capabilities. Through the implementation of the MPC project, optimum standardisation can be achieved, resulting in increased productivity and cost reduction ".

"For example, the Maokil oil palm mill, which has been operating for 29 years, has successfully shown an increase in productivity, processing an oil extraction rate of 20.74 percent in 2019 compared with 19.86 percent in 2018," said Haris Fadzilah.

"Looking at Maokil's success, we are confident that the MPC project will be the catalyst for the transformation of the company's business plan. FGV will implement the MPC project in phases. The next phase will be in the following areas; Palong 8 rubber plant in Negeri Sembilan, Delima Oils Products refinery in Johor, Embara Budi oil palm mill, and Sahabat 11 estate in Sabah, "said Haris Fadzilah.

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