

# The Mechanism of Palm Oil Plantations Development

Korindo follows the procedures set by the government in utilizing the palm oil plantations. The mechanism procedures of clearing land conducted by Korindo are as follows:

1

## FULFILLMENT OF THE DOCUMENTS OF LICENSING & SOCIETY AGREEMENT



Before clearing the land, Korindo follows the applicable government regulations including land conversion from Conversion Production Forest to a Plantation Area, Timber Utilization Permits, and Cultivation Rights.

2

## WOOD UTILIZATION & LAND PREPARATION



The timber utilization is done in accordance with the permission granted by the government. Afterwards, the areas blocking is performed to form blocks/plots which will become unit blocks within palm oil plantations. Once the blocking is completed, it will be followed by the construction of the Production and the Collection route, and stacking activities thereafter. The activities are done by collecting the remnants of felled timber which is not included in the wood production into lanes of pile to clean the activity area.

3

## NURSERIES & CULTIVATION



Nurseries is undertaken to produce qualified seeds so they will produce optimal Fresh Fruit Bunches (FFB) when they are planted. It is carried out in two stages: Pre Nursery and Main Nursery. In the seedling stage, the selection is done strictly according to the SOP to produce qualified seeds.

4

## PALM OIL PLANTING



Planting is done by following the stake. It uses equilateral triangle pattern, with sides 9.2 m long for the plants density of 135-136 trees/ ha. The block numbering and the data of the plant will be written on the peg of each block as the information of the block.

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## MANAGEMENT



The plant management includes fertilizing, weeding, and pest controlling. Technically, palm oil will be ready to be harvested at the age of 36 months after planting.

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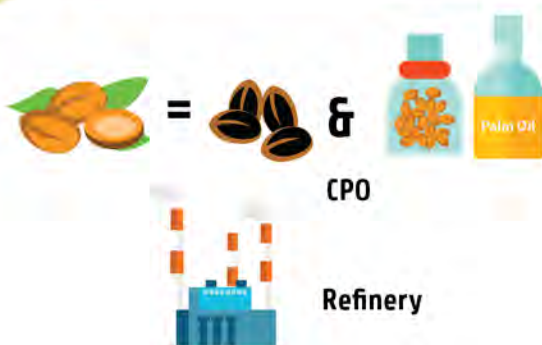
## HARVESTING



The harvest is done at the age of 36 months. Rotation, transportation, and the availability of harvesting equipment should be considered at this stage.

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## PROCESSING



The yields are transported to the processing plant. The processed product of the plant is in form of CPO (Crude Palm Oil) and kernel. Another product is in the form of waste which must be managed properly so as not become an environmental pollutant.