



News Release

MPOCC and Wilmar to help over 260 mill suppliers attain MSPO certification

Malaysia/Singapore, 5 March 2018 — Wilmar International Limited (Wilmar) and the Malaysian Palm Oil Certification Council (MPOCC) are joining hands to assist all of Wilmar's suppliers in Malaysia to obtain the Malaysian Sustainable Palm Oil (MSPO) certification by the end of 2019. Over 260 mill suppliers covering more than 55% of the entirety of mills in Malaysia are expected to benefit from this partnership.

With underlying mutual sustainability interests, three areas of collaboration have been identified to generate the biggest impact within the two-year timeframe. They are conceptualized to engage, share knowledge and lend support to the suppliers in preparing them for MSPO certification.

1. Supplier Reporting Tool

Developed by Wilmar, this tool enables suppliers to measure their performance against the MSPO requirements and with Wilmar's No Deforestation, No Peat, No Exploitation (NDPE) Policy. Wilmar and MPOCC, on the other hand, will be able to identify gaps and deploy resources such as audit assistance more effectively. The tool is expected to be rolled out towards the end of March 2018 to suppliers of Wilmar's PGEO refinery in Johor Bahru. It will be extended to all of Wilmar's suppliers in Malaysia by the end of 2018.

2. Group certification for small and medium suppliers in Sabah

Wilmar has identified several small and medium growers in the Sapi region who are facing challenges in meeting the MSPO requirements. These suppliers will be linked to specific mills and will have access to training and assistance for group certification under the MSPO Certification Scheme.

3. Sustainable best practices training for suppliers in Sarawak

A roadshow is planned in collaboration with MPOCC to assist on capacity building for suppliers in Sarawak to adopt sustainable practices including good agriculture practices which forms part of MSPO requirements.

Mr Jeremy Goon, Chief Sustainability Officer at Wilmar said, "We have always believed that working together with the different actors across the supply chain is crucial in transforming the palm oil industry. With MPOCC, our collective effort will hopefully pave the way forward for a sustainable palm oil industry in Malaysia that includes smallholders benefiting from higher productivity, yields and income. We also see this as a step towards higher compliance and fulfilling Wilmar's commercial policies as well as meeting demands from consumers globally for certified sustainable palm oil."

Datuk M. Nagarajan, Chairman of MPOCC, said, "MPOCC welcomes the initiative by Wilmar towards promoting and sourcing from MSPO certified entities in the supply chain. In addition, the initiative by Wilmar will also encourage other major plantation companies to extend their cooperation by bringing on board their suppliers towards meeting mandatory MSPO certification by end 2019. We believe this will further enhance the positive image of certified sustainable palm oil from Malaysia to the global markets."

ABOUT WILMAR'S SUSTAINABILITY

As a leading agribusiness group, Wilmar recognises we have a fundamental role to play in developing quality products required by the world while ensuring a responsible and sustainable manner of production. We adopt a holistic approach to sustainability that is fully integrated with our business model. Guided by the philosophy that our business must enhance stakeholder value while minimising our environmental footprint, our business practices are aligned with universally acceptable social and environmental standards. Wilmar's No Deforestation, No Peat and No Exploitation policy underpins our aspiration to make a positive impact and drive transformation across the palm oil industry.

For more information, go to www.wilmar-international.com/sustainability.

ABOUT MPOCC

To support the development and implementation of the MSPO Certification Scheme, the Malaysian Palm Oil Certification Council (MPOCC) was established in 2014. MPOCC is an independent non-profit organisation incorporated as a company under the Malaysian Companies Act, 1965.

The Malaysian Palm Oil Certification Council (MPOCC) is responsible for the development and operation of the MSPO Certification Scheme, which began operation in October 2015. MPOCC is governed by a Board of Trustees with representation from industry, government, academia, research and development institutions, non-governmental organisations, smallholder's organisations and civil society.

MSPO Certification Scheme

The Malaysian Sustainable Palm Oil (MSPO) Certification Scheme is the national scheme in Malaysia for oil palm plantations, independent and organised smallholdings, and palm oil processing facilities to be certified against the requirements of the MSPO Standards. The MSPO Certification Scheme allows for oil palm management certification and supply chain certification and provides for:

- development of certification standards
- accreditation requirements and notification of certification bodies
- application by potential clients for certification audits
- supply chain traceability requirements
- guidelines for auditing
- peer reviewing of audit reports
- issuance of logo usage licenses
- procedures for handling of complaints.

The MSPO Certification Scheme that has been implemented since January 2015 on a voluntary basis will now be implemented on a mandatory basis by December 2019. Plantation companies that are already certified under other schemes such as RSPO and ISCC will have to obtain MSPO certification by 31 December 2018. Other companies without any certification will have to obtain MSPO certification by 30 June 2019. Smallholders, both independent and organised, need to obtain MSPO certification by 31 December 2019.

To spur the uptake of MSPO certification, the Malaysian government has made available financial assistance to smallholders, growers and processing facilities. This is a pledge by the government to facilitate the implementation of MSPO certification and help reduce the cost of obtaining MSPO certification. MSPO certification is implemented nationwide and forms the basis for the branding of Malaysian palm oil in the future as being sustainable, healthy and safe.

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