Visit of the Minister of Trade to Pangkalan Kerinci, Riau:
15 Years Commemoration of APRIL’s Export Contribution to 60 Countries and 21st Million Ton Production Launching of Pulp

Pangkalan Kerinci - Riau, August 18, 2010 - Minister of Trade Mari Elka Pangestu, today launched the 21st million tons production export of pulp in Asia Pacific Resources International Limited (APRIL) in Pangkalan Kerinci, Pelalawan Regency, Riau Province. This visit was also conducted in the framework of 15-years commemoration of APRIL in Pangkalan Kerinci.

Pulp and paper constitutes a mainstay product for national export. Pulp and paper exports during 5 (five) last year have increased, although had declined in 2009 due to global crisis. In 2005, pulp and paper exports amounted to US$ 3.25 billion, an increase in the year 2006 to US$ 3.97 billion. In 2007 increased again to reach US$ 4.44 billion, and in 2008 reached US$ 5.22 billion. While in 2009 slightly decreased to US$ 4.27
billion. Entering the period of January-May 2010 performance of pulp and paper exports have reached US$ 2.21 billion and increased by 49.26% compared to the same period in 2009 which amounted to US$ 1.62 billion, and contributes 4.51% of total non-oil and gas exports.

The Minister said, Indonesia's pulp and paper industry still have a bright prospect for development. "This industry is labor-intensive in nature and is very important because it successfully absorbs the labor of more than 200,000 people. This is possible because Indonesia has several important aspects such as geography, population around 234 million which constitute a large domestic market and also competitive production cost and relatively lower than countries in Europe, North America and South America. I think, the potential of Indonesia's forests can still be developed in a bigger scale."

The growth of pulp and paper industries have contributed significantly for state foreign exchange. Based on Poyry data 2025 Fiber Outlook, in 2009 Indonesia existed in 9th ranks in the ranks of world's pulp and paper producer after the United States followed by Canada, Brazil, Japan, Sweden, Finland, Russia, and China. This means that Indonesia has contributed approximately 3.6% of
total global capacities and has a strong potential to grow even bigger and included in fifth biggest rank of the world pulp and paper producers.

In order to increase the export of some commodities, the Ministry of Trade runs 10+10 program by setting priorities in 10 main products and 10 potential products. Pulp and paper and palm included in the main product. Priority setting of main and potential products are intended to facilitate the potential policy synergies with other relevant agencies with the programs that have been set by the Ministry of Trade.

"In line with the said program, we hope the work program existing in the Ministry of Trade can also be synergized with the programs implemented by the other Ministry such as Ministry of Industry and Ministry of Agriculture. Achieving of these synergies would be achieved through a joint program or complementary programs for training and advocacy as well as market information to all farmers, exporters and oil industry with a full support from the local government," said Minister of Trade.

Attend in such agenda among others Assistant II for Economy and Development Sector Emrizal Pakis representing the Governor of Riau; Chairman of DPRD Riau Johar
Firdaus; Regent of Pelalawan; Rustam Effendi; Head of Trade and Industry Department of Riau Province; Asmawie Mukri; Head of Riau Forestry Service; Zulkifli Yusuf, and President Director of PT RAPP Kusnan Rahmin and its management.

APRIL at a glance

Asia Pacific Resources International Limited (APRIL) is one of the producers of wood fiber, pulp and paper company in the world, with operation area in Indonesia and China. APRIL is currently the only one company in Indonesia become the members of the World Business Council for sustainable development / WBCSD, and has signed the UN Global Compact.

As a global player, APRIL is one of the largest pulp and paper exporter in Indonesia, by exporting its products to approximately 60 countries worldwide. This shows that Indonesia can compete in global markets and APRIL will consistently perform better in an increasingly competitive global competition.

APRIL has operated for 15 years with the pattern of sustainable business, balancing social and economic development aspects of biodiversity conservation and
ecology value. APRIL management comply with government policy through implementation of business foundation in pro-environment, pro-growth, pro-labor and pro-poverty alleviation.

**Pro-environment:** implemented through Mosaic plantation concept/MPC. Plantation forests are managed by performing spatial planning, reforestation, environmental management, and mapping that prioritize high conservation value (HCV). APRIL planting 500,000 tree seedlings per day, equivalent to 150 million tree seedlings annually.

**Pro-poverty alleviation:** manifested through a commitment to improve social welfare of the society around the operational area through Community Development Program. Programs that have been running among others the implementation of integrated farming systems for 2000 farmers from 96 villages in Riau Province, People Plantation Forest (HTR) program by making a partnership with communities in 25 villages with total area 23,000 hectares, development of entrepreneurship through Small and Middle-scale Business program (UKM), implementation of vocational training, scholarships and other social infrastructure support.
Until now, APRIL had 10,000 direct employees and 50,000 indirect employees by providing open job opportunities to the public in Riau province.

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