

APRIL celebrates 15 Years as a Major Indonesian Exporter 60 countries and counting: APRIL looks to the future of sustainable paper- and pulp-making

Pangkalan Kerinci, Riau – 18 August 2010 - Leading pulp and paper producer Asia Pacific Resources International Limited (APRIL) today celebrated its 15th anniversary of operations in Indonesia with a milestone of 21 million tons of pulp produced in its facility in Kerinci, Riau, managed by Riau Andalan Pulp and Paper (RAPP) since 1995. The celebration was graced by the Minister of Trade, Mari Elka Pangestu.

In congratulating APRIL for its 15 years of contribution to the Indonesian economy, Minister of Trade Mari Elka Pangestu said, "The pulp and paper industry can be a pillar of Indonesia's economic growth, as it creates significant employment and gives developmental benefits to the community."

Speaking at the event was President Director of RAPP, Kusnan Rahmin, who said "APRIL's 15-years of operations are based on a sustainable business model that balances social and economic development with a strong commitment to conservation and ecological value. Beyond compliance with government policy, the foundation of our business is pro-environment, pro-growth, pro-job and pro-poor."

Kusnan explained that APRIL's approach to best-practice sustainable land management was the Mosaic Plantation Concept (MPC), a model solution for peat land management, because it addresses forest attrition using spatial planning, reforestation and environmental management considerations, carefully ensuring that plantation development does not compromise the protection of High Conservation Values forests.

APRIL plants almost 400,000 trees per day or 150 million trees per year, which covers an area of 10,000 hectares, surpassing targets set by the Forestry Ministry's '*One Man, One Tree*' Program to deal with the impact of climate change.

Kusnan highlighted that APRIL's efforts are focused on empowering communities in areas where it operates through targeted economic development and social welfare programmes. For example, its integrated farming system benefits about 2000 trainees from 96 villages, helping villages move from shifting cultivation to sustainable agriculture. APRIL's Community Fibre Farms, which build partnerships with villages to develop acacia plantations, involves 25 villages and covers 23,000 hectares. Also significant is the Small & Medium enterprise program which has successfully created and supported numerous local entrepreneurs.

On job creation, Kusnan Rahmin said, "Through RAPP, APRIL has 10,000 direct employees and 50,000 indirect employees with multiplier effect of direct and indirect workers of 250,000 persons in Riau province," he added.



The Importance of the Pulp & Paper Industry to the Indonesian Economy

As a global player, RAPP is one of the country's biggest exporters, with its Indonesianmade products reaching about 60 countries globally, reflecting the competitive ability of Indonesia in the global market.

The growing pulp and paper industry has contributed significantly to foreign exchange. According to Poyry's 2015 Fibre Outlook Report in 2009, Indonesia ranked No.9 amongst global pulp and paper producers, after the biggest producers from the United States, followed by Canada, Brazil, Japan, Sweden, Finland, Russia, and China. The report stated that Indonesia has contributed 3.6% to overall global capacity and has strong potential to become a top-five global player.

The competitive advantages of Indonesia can support the growth of the pulp and paper industry if focus is given to advancing plantation forestry through sustainable forestry practices, as well as commitment to implementing sustainability across the supply chain, including forestry, mill production and product delivery.

To support Indonesia's aspirations in this area, APRIL's will remain committed to creating long-term value in a complex operating environment by practising good governance, supporting community development and ensuring best practices in environmental management.

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About APRIL

Asia Pacific Resources International Limited (APRIL) is a leading producer of fibre, pulp and paper. APRIL is currently the only Indonesian company in the World Business Council of Sustainable Development, and is also a signatory to the UN Global Compact.

For more information, please visit <u>www.aprilasia.com</u>

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