



Re : Study On Industry and Marketing Of PULP & PAPER and Its Business Prospect in Indonesia, 2009

In one occasion in 2008, Chairman of Indonesian Pulp and Paper Association, HM Mansur said that Indonesia required a new paper plant every year following the growing paper consumption of a kilogram per capita per annum.

Paper consumption in Indonesia keeps on increasing a kilogram (kg) per capita per annum or around 220 thousand tons. Nowadays, the domestic paper consumption has already been high enough particularly for printing media, writing books, packaging, tissues, and others.

In one hand, lots of parties regret the slow realization of Industrial Forestry (HTI) program, so to fulfill the need of pulp industries, ones are forced to keep on cutting down natural forests. As we know, HTI program is developed to be the balance of basic material needs of woodbased industries, including pulp industries.

The excessive utilization of natural forests have made 2 largest pulp producers namely PT. Indah Kiat Pulp & Paper (PT. IKPP) and PT. Riau Andalan Pulp & Paper (RAPP) controlling 62% of national capacity to be forced to cease their operation in February 2007. Due to being not in operation, the states lost great foreign exchange during the inactive operation of both companies. Besides, the ceasing of operation of both pulp plants is worried to bother the sustainable supply of basic materials for domestic paper industries.

Conglomerately, Pulp and Paper Industries are industries giving great contribution to the national economy. On the other hand, basic material factor in upstream sector up to 2014 is estimated to still face issues.

Interested in controversy in pulp and paper industries, **CISI** Raya has lately conducted deeper research towards those industries covering industrial aspects, market aspects, supplies, key players, competition, issues being faced and others, as well as business prospects in the coming seven years. From output of the study, it is known that several paper types still give interesting spaces for investment, at least they can be prospective business priority.

Report on study output can be obtained by giving contribution of research cost of US\$ 460 per copy for those who are interested. **CISI** presents this book in both Indonesian and English edition which can directly be ordered through Marketing Division Mr. Muslim M. Amin by phone No. (021) 83796504 (hunting), 3145660, 83795745 or Fax. No. (021) 83795744, as well as by E-mail cisi@cisiraya.com, marketing@cisiraya.com.

Having made this offer, we thank you for your cooperation.

Best Regards,
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Managing Director

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