

January 2020

# PROCESSED WOOD

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## HOT ISSUE

The impacts of U.S. - China trade war and the COVID-19 pandemic on Indonesian processed wood industry

5

## MARKET REVIEW

Export Performance of Indonesian Processed Wood Products

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## LIST EXPORTERS OF PROCESSED WOODS

# EDITOR DESK

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Dear Valued Readers,

2020 will be a tough year for business people, including international trade businesses. The trade war between U.S. and China, the COVID-19 pandemic, have had a negative impact on all traders in the world.

Processed wood in this edition are all wood-based products derived from a mixture of tropical wood fibers in the form of wood chips, sawdust, pieces of wood mixed with resin, then glued and given high pressure and heat to produce wood which has the characteristics of solid wood but resistant to pests and mold.

The shape is ranging from plywood, chipboard, fiberboard, oriented strand board (OSB), particle board, medium density fiberboard, High Density Fiberboard (HDF), and etc. This processed wood offers advantages such as cheaper price than solid wood, lighter weight and the most important is environmentally friendly, a factor that is very considered when exported to the E.U. market.

Indonesia's export value for processed wood products in 2019 reaches USD 4.97 billion with an average growth of 0.53% per year (from 2015-2019). It is predicted that this value will decline in 2020. So, the Indonesian government through the Ministry or relevant institutions are creating policies to reduce the impact of Covid-19 pandemic on the Indonesian timber industry.

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## HOT ISSUE

### The impacts of U.S. - China trade war and the COVID-19 pandemic on Indonesian processed wood industry

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*From the data processed, it was found that Chinese imports in 2019 was USD 9.1 billion, which decreased by USD 716.66 million from USD 9.82 billion in 2018. While Chinese imports from Indonesia also decreased from USD 697.5 million in 2018 to USD 533.9 million in 2019 or decreased by USD 163.6 million*

At the end of 2019, total export of Indonesian processed wood products was USD 4.97 billion, where this value increased by USD 345.3 million compared to export value in 2018, which was USD 4.62 billion. This gives rise to optimism that processed wood can be one of Indonesia's mainstays to reduce the trade deficit. Chairperson of the Indonesian Forest Concession Association (APHI), Indroyono Soesilo after attending the 60th meeting of the Advisory Committee on Sustainable Forestry Industries (ACSF), then conducting business meetings with the timber

industry in Seoul and Vietnam said "there was an agreement to explore the relocation of the upstream forestry industry, especially plywood, from China to Indonesia in anticipation of a trade war between China and U.S."

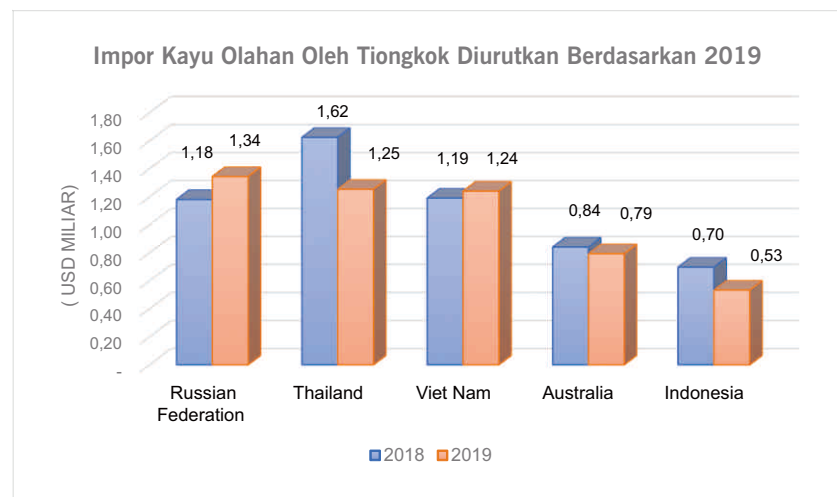
There is a potential export of wood chips to supply power plants in South Korea. Based on statistical data, South Korea imported from Indonesia in 2019 worth USD 417.3 million, with a market share 15.3% of the overall South Korea imports, worth USD 2.72 billion but still below Vietnam and China.

In Vietnam, there are export potential of moulding from Acacia Industrial Forest Timber and sawn wood from rubber, where Indonesia exports to Vietnam only about

USD 17.2 million with a market share of 1.64% of Vietnam's total import value of USD 1.04 billion.

However, in 2020, trade war turned out to have negative impacts on Indonesian processed wood exports where weakening demand from China was not offset by a shift in US imports from Indonesia. From the data processed, it was found that Chinese imports in 2019 was USD 9.1 billion, which decreased by USD 716.66 million from USD 9.82 billion in 2018. While Chinese imports from Indonesia also decreased from USD 697.5 million in 2018 to USD 533.9 million in 2019 or decreased by USD 163.6 million.

Processed wood imported to U.S. in 2019 fell to USD 26.9 billion compared with





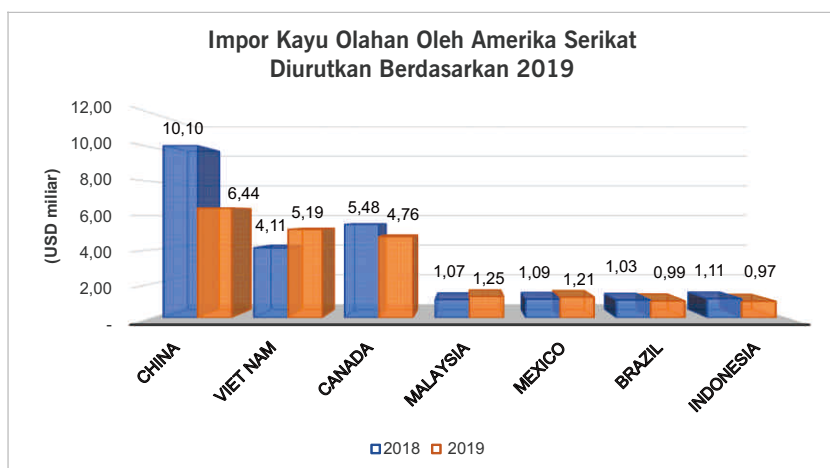
previous year of USD 29.7 billion. U.S. imports of processed wood from Indonesia also decreased from USD 1.11 billion in 2018 to USD 967.1 million in 2019 or drop by USD 146.5 million.

Indonesia has not been able to maximize opportunity from trade war between U.S. and China. At the same time,

Indonesian processed wood were severely affected by COVID-19 which resulted in a decrease in demand for processed wood from Indonesia.

Indonesian wood processing entrepreneurs were also affected by restrictions policy on the import of raw materials from China. Furthermore, business

In fact, the government, Ministry of Trade, has provided several stimulus to help increase exports including processed wood products in the middle of this pandemic. Government issued incentives on tax relaxation for income tax for individual worker (PPH 21), import tax for specific sectors (PPH 22), income tax for corporate (PPH 25) which is given 30% reduction scheme for 19 specific sectors and accelerated Value Added Tax (VAT) restitution. While the non-fiscal stimulus taken by the government are simplification and reduction on the Prohibitions and Restrictions for export activities which purpose is to improve export competitiveness (including the Timber Legality and Verification System regulation, health certificates, and certificate of origin; simplification and reduction on the Prohibitions and Restrictions for import activities especially raw materials; the acceleration of the export and import process for reputable traders (companies that have a high level of compliance) and also the government will reduce logistics costs and optimize its distribution. Moreover, government encourages to use integration of the Indonesia National Single Window (INSW) with Inaportnet through National Logistics Ecosystem (NLE) to reduce logistics costs at the Port.



Vietnam can maximize exports of processed wood both to U.S. and China (increased to USD 57.1 million to China and increased to USD 1.08 billion to U.S.).

The Covid-19 pandemic outbreaks made almost all countries closing their national borders, limiting non-essential logistical activities and lockdowns policy including in industrial areas which resulted in stopping international trade activities. All major export destination countries for

**“** *Indonesian wood processing entrepreneurs were also affected by restrictions policy on the import of raw materials from China*

owners are waiting for the implementation of veneer export tariffs reduction from 15% to 5%, which is expected to be an incentive for businesses so it increases competitiveness to their products abroad.

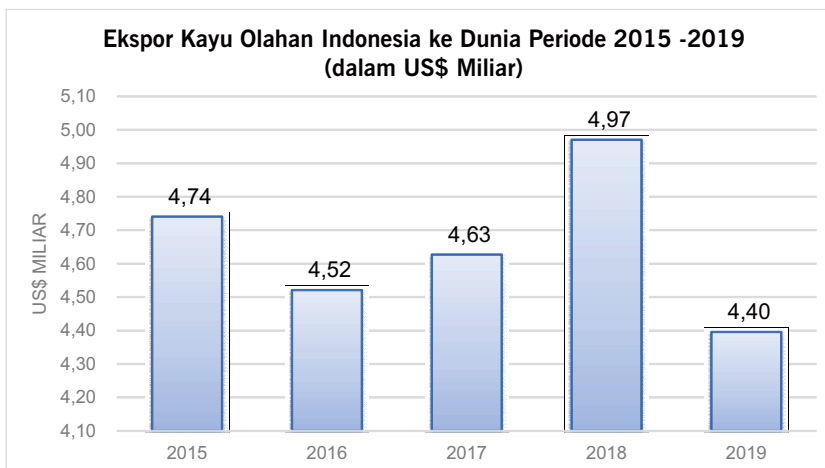
# MARKET REVIEW

## Export Performance of Indonesian Processed Wood Products

In 2019, the export value of Indonesian processed wood products contributed 2.84% of Indonesia's total non-oil

products from 2015 to 2019 is negative 0.56% per year, while in 2015 the export value reached US \$ 4.74

Outer Ply Of Tropical Wood, HS 441231, worth USD 1,22 billion (27,92%); (2) Furniture; Wooden, Other Than For Office, Kitchen Or Bedroom Use, HS 940360, worth USD 792.1 million (18,02%); (3) Wood; Tropical (including Unassembled Strips And Friezes For Parquet Flooring), Continuously Shaped Along Any Edges, Ends Or Faces, Whether Or Not Planed, Sanded Or End-jointed, HS 440922, worth USD 564.8 million (12,85%); (4) Wood; Not Of Bamboo, Articles N.e.c. In Heading No. 4414 To 4420 (excluding Clothes Hangers), HS 442199, worth USD 341,8 million (7,78%); and (5) Blockboard, Laminboard And Battenboard (not Bamboo, And Other Than Plywood Consisting Only Of Sheets Of Wood Each Ply 6mm Or Thinner), HS 441294, worth USD 323,9



Source: Statistics Indonesia (processed by Dit. P2IE, Jan 2020)

and gas exports to the world worth US \$ 4.39 billion. It fell by 11.56% when compared to the export value of processed wood products in 2018, which reached US \$ 4.97 billion.

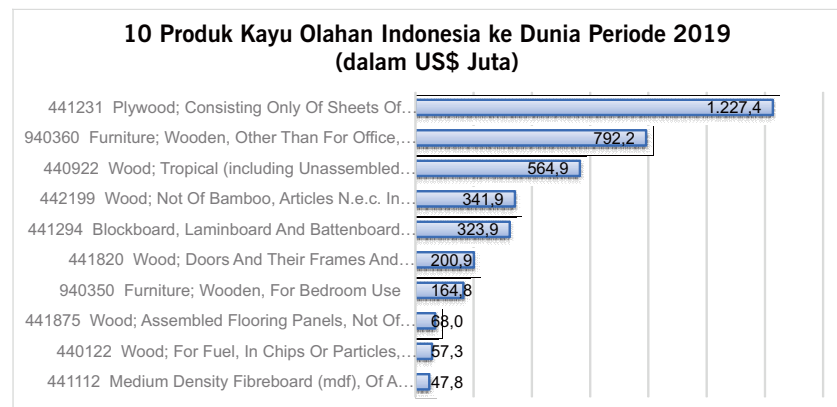
While export trend of Indonesian processed wood

billion and rose up in 2019 to US \$ 4.39 billion.

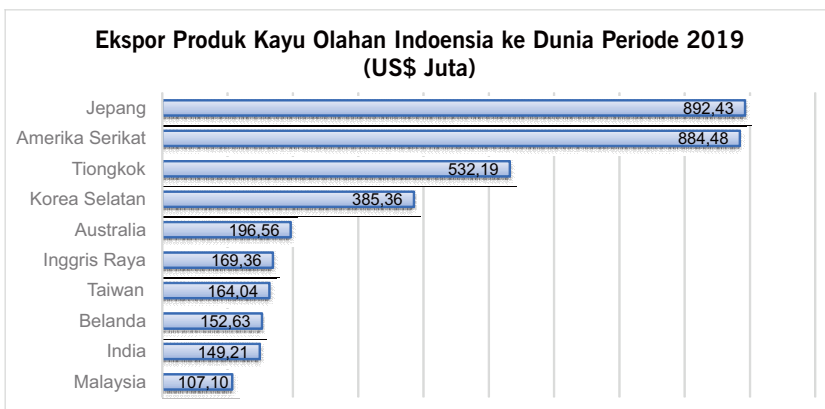
The main export of processed wood based on 6 digit HS classification are (1) Plywood; Consisting Only Of Sheets Of Wood (not Bamboo), Each Ply 6mm Or Thinner, With At Least One

“

*One main goal is to penetrate to the U.S. market, in response to seize the opportunity of the effects of the trade war with China*



Source: Statistics Indonesia (processed by Dit. P2IE, Feb2020)



Source: Statistics Indonesia (processed by Dit. P2IE, Mar 2020)

million (7,37%).

Indonesian government through its policy is encouraging exporters of processed woods to penetrate and expand the export market. One main goal is to penetrate to the U.S. market, in response to seize the opportunity of the effects of the trade war with China.

The five major trading partners for Indonesian processed woods in 2019 were (1) Japan, worth USD 892.4 million (20.3%); (2) the United States, worth of USD 884.5 Million (20.12%); (3) China, worth USD 532.2 Million (12.11%); (4) South Korea, worth USD 385.3 Million (8.77%); and (5) Australia, worth USD 196.5 Million (4.47%).

Meanwhile, the biggest upward or growth trend over the past 5 years from 2015 to 2019, it was found that Indonesia's trading partner countries for processed wood products include (1) Philippines, with a growth

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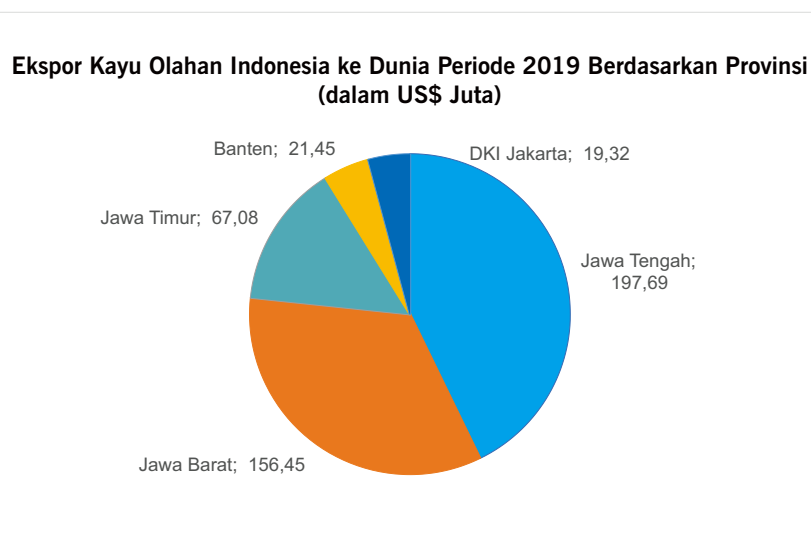
*PT Integra Indocabinet Tbk is a plywood exporter. The company located in Sidoarjo, East Java. It ships 100 containers per month and has production capacity of 42,000 cubic meters per year*

value of 51.96%; (2) India, with a growth value of 14.92%; (3) South Korea, with a growth value of

11.1%; (4) Mexico, with a growth value of 8.97%; and (5) New Zealand, with a growth value of 6.52%.

The province in Indonesia which performed the highest export value in 2019 was Central Java worth USD 197.7 million. The export of processed wood products in Central Java represented 39.2% of the total national exports of Indonesian processed wood products to the World. On the second place, West Java worth USD 156.4 million, this value represents 31.02% of total national exports to the world.

PT Integra Indocabinet Tbk is a plywood exporter. The company located in Sidoarjo, East Java. It ships 100 containers per month and has production capacity of 42,000 cubic meters per year. The company have main markets in U.S. and also to Taiwan, South Korea, India and Japan.



Source: Statistics Indonesia (processed by Dit. P2IE, Feb2020)

## BRIEF INFORMATION OF INDONESIA S EXPORTERS

### PT Intracawood Manufacturing



#### HISTORY

Established in 1991, PT Intracawood Manufacturing is a joint venture that brings together a government-owned forestry company (PT Inhutani 1) and two private companies (PT Altrak 78 and PT Berca Indonesia). In a relatively brief time, Intracawood has become one of Asia's premier manufacturers of high quality plywood.

Intracawood is part of the Central Cipta Murdaya Group / CCM, a diversified Indonesia business organization that has won an outstanding international reputation in such sectors as manufacturing, mechanical and electrical engineering, contracting, infrastructure development, trading Agribusiness and forest management. The CCM Group's business partners include such well regarded

multinational firms such a Carrier, Balfour Beatty, Asea Brown Boverly, Hewlett Packard, Cummins, Ford and Mitsubishi.

PT Intracawood Manufacturing is an integrated company backed by its own forest concession. The companys activities include logging, saw milling, plywood and wood working manufacturing. It has become especially well known for its



furniture's quality plywood panels in thickness as thin as 2.4 mm. The great majority of this output is exported to demanding customers in Japan, Europe and North America.

Headquartered in Jakarta, Intracawood has its production facilities in North Kalimantan. The company's forestry concession of 200,000 HA Certified by FSC? International ?. Our Forest Concession Located in Bulungan, Kabupaten Tanah Tidung (KTT) & Malinau Regency, North Kalimantan, Indonesia

All of Intracawood's manufacturing activities are

carried out at the company's production complex on a 55 hectare site in Juata Laut near Tarakan in the resource rich Indonesia province of North Kalimantan. There, the company makes its plywood products using highly specialized equipment designed and made in Japan.

Quality Control throughout the production process is assured by a rigorous inspection system already in place.

A sophisticated laboratory at the production site serves to maintain the highest requirement for integrity and consistency. All items produced by Intracawood

meet requirements set by Indonesian Plywood Standard (IPS), the Japan Agricultural Standard (JAS) and International Hardwood Plywood Association (IHPA).

Since beginning operations in 1991, Intracawood has benefit of technical cooperation agreement with Dantani Cooperation, one of Japan's leading wood-products companies and itself a prime customer for Intracawood's plywood products. The active involvement of experts from Dantani is further assurance of quality and product consistency.



## PT SLJ Global Tbk



The Company was incorporated on April 14th, 1980 under the name of PT Sumalindo Lestari Jaya. In accordance with its articles of associations the Company is engaged in forestry, industry and mining.

By virtue of the resolution of Extraordinary General Meeting of Shareholders of the Company dated December 18th, 2012, the Company changed its name to PT SLJ Global Tbk and has obtained approval from the Minister of Law and Human Rights of the Republic of Indonesia as stated in the Decree No. AHU-25591.AH.01.02.Year 2013 dated May 14th, 2013.

Since the beginning of its establishment, Company specializes in the field of forestry and timber industry by managing 1 (one) IUPHHK-HA (formerly: Forest Concession) with total areas of 132,000 hectares and a plywood mill with a production capacity of 66,000 m<sup>3</sup>/year. In line with

the development of business, through various corporate actions, among others, merger, acquisition, additional investment and divestment, the Company currently has a plywood factory with installed capacity of 190,000 m<sup>3</sup>/year and a MDF factory (Medium Density Fiberboard) with an installed capacity of 200,000 m<sup>3</sup>/year.

The Company and its subsidiaries currently manages six (6) natural forest with total areas of 770,455 hectares, including IUPHHK-HA on behalf of PT Essam Timber and PT Sumalindo Lestari Jaya V which are still in the process of extension of licenses from of the Minister of Environment and Forestry. In addition, the other business units Power Plant,



which is managed by its subsidiary, PT Kalimantan Powerindo (PT.KP) with a total capacity of 22.5 MW.

In March 1994 the Company made its first public offering of 25,000,000 common shares, to the public

and listed all the issued shares of the Company at the Jakarta Stock Exchange (now: Indonesia Stock Exchange).

Through several Rights Issues, offer of warrants and conversion of debt into

equity, the number of shares that have been removed from the portfolio of the Company and listed on the Indonesia Stock Exchange (IDX) is currently amounts to 3,986,916,802 shares.

In 2002 PT Astra International Tbk. at that time as the Company majority shareholder (75% shareholding) sold all of its shares to PT Sumber Graha Sejahtera (PT.SGS).

PT.SGS is a company which has long been engaged in timber related industries, which before releasing its entire shareownership in the Company, it was recorded to have 24.63% of all shares issued by the Company.

In November 2016 Mr. Amir Sunarko as the President Director of the Company purchased all shares owned by PT.SGS (24.63%) in the Company through negotiated market mechanism on the Indonesia Stock Exchange.

## Certification



### Industri Kayu Lapis Plymill Industry

NO.	SERTIFIKAT   Certificate	MASA BERLAKU Issue – Expiry	BADAN SERTIFIKASI Certification Body
1.	Council of European (CE) Certificate of Conformity of The Factory Production Control Certificate No. 1234-CFR-0653	25.09.2014 – 24.09.2017	BM Trada
2.	California Air Resources Board (CARB) Certificate No. TPC 6/CARB-ATCM/M002-HWPW002	09.09.2017 – 08.09.2018	Mutu Certification International
3.	Timber Legality Assurance System (TLAS) Certificate No. B90K-VLK-0015-R1	06.05.2017 – 05.05.2020	VLK BRIK – QS
4.	Diamond Mark Scheme Registration Certificate Marine Plywood Manufactured According To BS 1088:2003 Certificate No. DM P52006	21.06.2016 – 31.12.2017	TFT Certification
5.	Diamond Mark Scheme Registration Certificate Sumotek Professional Plywood for Flooring Overlayment and Other Non-Structural Purposes Certificate No. DM P52007	15.11.2016 – 31.12.2017	TFT Certification
6.	Chain of Custody (CoC) Certificate No. TT-COC-003748	09.05.2016 – 08.05.2021	BM Trada
7.	United States Environmental Protection Agency (US EPA) Certificate No. TPC 6/CFA-TSCA/M002-HWPW002	18.09.2017 – 17.09.2018	Mutu Certification International
8.	Notice of Authorization JAS Certificate No. MALQ/P01-17/025	15.01.2018	PT Mutu Agung Lestari
9.	Corporate Performance Ranking Assessment Program in the Environmental Management - Blue Ranking PT SLJ Global Tbk (Proper)	2016 – 2017	Gubernur Kalimantan Timur

## Pengelolaan Hutan Alam

### Natural Forest Management

NO.	SERTIFIKAT   Certificate	MASA BERLAKU Issue – Expiry	BADAN SERTIFIKASI Certification Body
1.	Sustainable Production Forest Management IUPHHK PT Sumalindo Lestari Jaya V – Area of 61.645 Ha Certificate No. 012.SPHPL.019-IDN	18.04.2016 – 17.07.2021	Trustindo Prima Karya
2.	Sustainable Production Forest Management IUPHHK-HA PT Sumalindo Lestari Jaya II - Area of 267.600 Ha Certificate No. 003.PHPL.019-IDN.07.03	06.07.2013 – 05.07.2018	Trustindo Prima Karya
3.	Sustainable Production Forest Management IUPHHK-HA PT Sumalindo Lestari Jaya IV - Area of 63.550 Ha Certificate No. 001.PHPL.019-IDN.06.13	14.06.2013 – 13.06.2018	Trustindo Prima Karya
4.	Forest Management for controlled wood of forest IUPHHK-HA PT Sumalindo Lestari Jaya IV - Area of 63.550 Ha Certificate No. SGS-CW/FM-010965	03.04.2017 – 02.04.2022	SGS



## Kutai Timber Indonesia



PT. Kutai Timber Indonesia was established by joint venture between Sumitomo Forestry Co.,Ltd. Japan and Fa. Kaltimex Jaya at 1970, whose primary business is marketing and manufacturing of plywood and wood product base in

Indonesia. We have cultivated technology, trust, and experience for the past 40 years.

We are the member of SUMITOMO FORESTRY Group. The Group appreciates the benefits of nature and

utilizes the advantages of timber as a renewable natural resource, with "The Power of Forests Empowers the Future" and also aspires to continue bringing happiness into daily life and contributing to a prosperous society.

### COMPANY PROFILE

- |                       |   |   |
|-----------------------|---|---|
| 1. Established        | : | September 1970  |
| 2. Capital            | : | US\$ 27.000.000   |
| 3. Shareholders       | : | - Sumitomo Forestry Co., Ltd 99.9 %<br>- Others 0.1 %                             |
| 4. Production Items   | : | - Plywood<br>- Secondary Processed Plywood<br>- Particle Board<br>- Wood Products |
| 5. Office and Factory |   |   |
| Head Office           | : | Probolinggo, East Java  |
| Factory               | : | Probolinggo, East Java  |
| Branch Office         | : | - Surabaya, East Java<br>- Samarinda, East Borneo                                 |
| Reforesting Place :   | : | - Krucil, Jember,<br>- and over 20 places   |



- 6. Board Member
  - President Director : Satoshi Kawanami
  - Director : Akitsugu Miura, Eiji Kumagai
  - Commissioner : Kazutaka Horita
- 7. Employee
  - Permanent Employee : 1,694 (on May 2020)
  - Temporary Employee : 2,216 (on May 2020)
  - Foreign Staff : 8 Japanesse Staff
- 8. Country of Sales :
  - Japan 25%
  - Europe 27%
  - Indonesia 34%
  - Other Asia, North America, Australia etc 14%

**Factory Outline**

- 1. Factory Operation : September, 1974
- 2. Land
  - Total Area : 356.500 m2
  - Plywood & Wood Working : 246.500 m2
  - Particle Board : 110.000 m2
- 3. Procut Capacity
  - Plywood Line : 12.500 m3/month
  - Wood Working Line : 7.500 m3/month
  - Particle Board Line : 10.000 m3/month

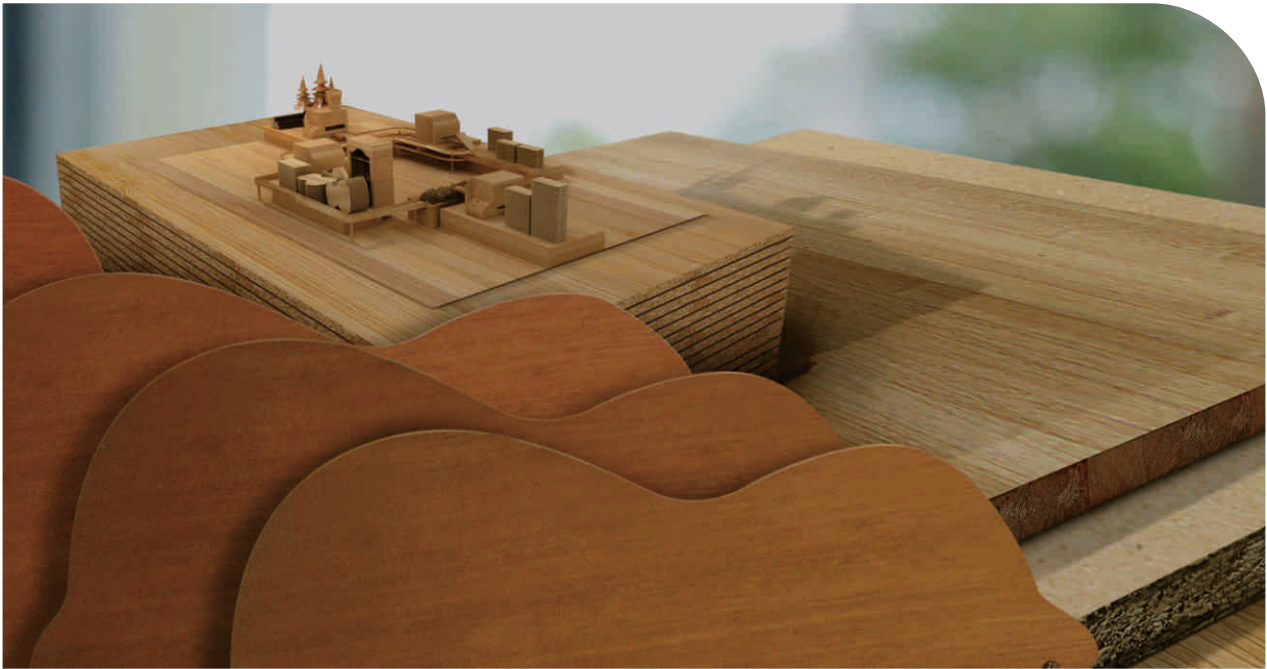
**PRODUCT'S LINE**

**Plywood**

Using forestry outcome as the non gas-oil export product. It makes wood industry to be outstanding alternative of Production management system based on quality management system (ISO 9001). Wooden raw material come from Indonesian tropical forest and plantation area were manufactured to be plywood panel exported ready. Utilizing semi automatic machines help PT. Kutai Timber Indonesia produce in constant.

Besides that Quality Control Department, production process is processed and monitor from raw material thus plywood and doing laboratory as well. Mastering product grades is primary





element in last selection, before packaging and delivering to both domestic and export buyers.

### **Wood Working Product**

Lack of time is not an obstacle for Wood Working division on the contrary, it makes this division produce special superior products, and open new wide market of Europe and Japan. Those products are : Flamebreak, Wooden Box, Housing Component, Door Component and Fancy.

### **Particle Board**

This is our latest factory built on 2008. Our products are made by old mango tree and waste log from factory. Also we have successfully developed lightweight Particle Board by Falcata. It's good for light furniture and doors, and save your transportation cost.

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## **MARKET**

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### **Export Market**

Almost thirty years PT. Kutai Timber Indonesia produce and export plywood to nearly whole world, such as : Japan, U.K, Europe, U.S.A, Mexico, China, Korea, UEA, and Australia, then wood working products run after. In globalization era, we motivate ourselves to review continuously, based on ISO management system application, they are : Quality Management System (ISO 9001), Environmental Management System (ISO 14001) and we also have already had product certificate such as : Q-mark, CE marking JAS, and the latest is COC with FSC for Plywood, Particle Board & DOORBLANK products using Credit System.

### **Domestic Market**

The buyers of PT. Kutai Timber Indonesia are more interested in buying our products for the need of furniture manufacturing, so they concern about the material quality very much. The main domestic markets are in Java island such as: West Java, Central Java, East Java and Bali.

## Korindo



In its beginning phase, our company mainly focused on hardwood development, but moved on to plywood/veneer in 1979, newsprint papers in 1984, timber plantations in 1993, and finally the palm oil plantation in 1995.

This progression coincides with the Indonesian government's policies concerning hardwood exportation bans and secondary processing industry fostering in 1983. KORINDO has been acknowledged for its proper forest resource development and fostering related processing industries thus contributing to Indonesia's macro/micro economic

developments. KORINDO was also acknowledged for successfully supplying domestic newsprint papers as well as answering properly to the government's call to reform the newspaper industry, which was 100% reliant on imported newsprint papers.

This tendency of the company and its executives, pertaining largely to the corporate social responsibility, has led to constructing a collective wood processing complex in Central Kalimantan in 2013. In 2016, the company has also made a cohesive effort to support an experimental rice plantation in the vicinity of Merauke to further contribute

towards Indonesia's self-sufficiency in food.

Through the endeavors of forest plantation and palm oil plantation, KORINDO has successfully developed an environment-friendly industry where economic value is derived directly from the forest and forest resources. KORINDO has committed to develop its business in disadvantaged regions of Indonesia through road construction, residential development, and major development in the main infrastructure, which is required for regional development.

KORINDO has employed approximately 10,000



workers in Asiki, the major business district in Papua, and built an education center to develop the skills of the locals and create job opportunities. The sum of local taxes paid by KORINDO in the Merauke Regency and Boven Digoel Regency equate to 30% and 50% of their local taxes, respectively. The company has also set up the first medical facility in the Asiki region, and has been providing diagnoses and medicines completely free of charge ever since.

The company is currently establishing a general hospital, which will provide a higher level of health care services to about 20,000 people, in cooperation with Korea International Cooperation Agency.

KORINDO encourages the local communities to make their own livelihoods through CSR activities and strives to create an independent environment by offering assistance such as rubber plantation and poultry farm management training.

KORINDO, a pioneer company in preserving the environment, conducts river cleaning on "National River Day" and tree planting on "National Environment Day," and invites employees and the local communities to participate in it.



**COMPANY PROFILE**

**VISION**

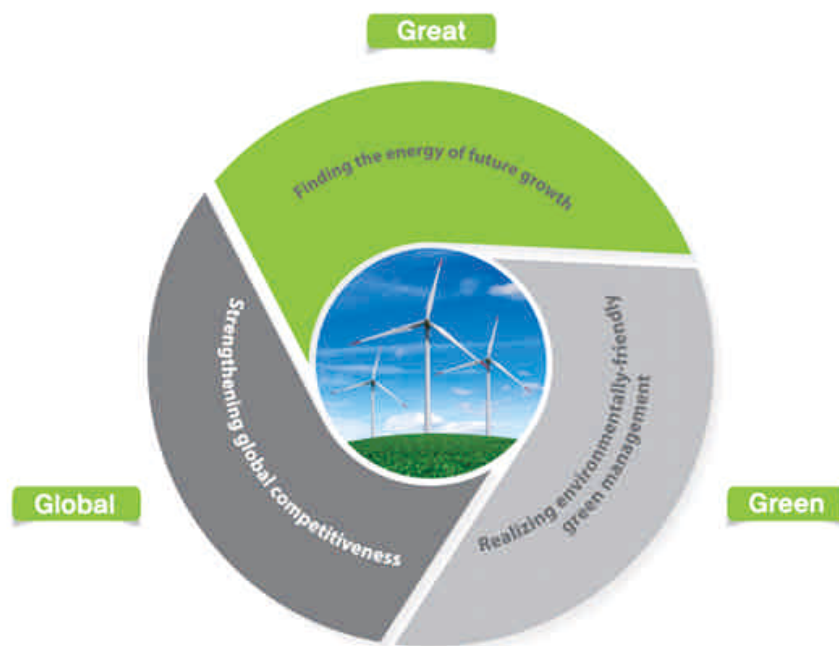
KORINDO pursues sustainable business and goes one step ahead in respecting all values on the earth.

**Core Values**

- People-oriented management
- Open networks
- Local-centric management

**Core Competences**

- Glocalization
- Challenges
- Pioneering spirit
- Infrastructure





**One Step Ahead**

- A company that realizes sustainable management
- A company that is recognized in the world market
- A company well-respected for fulfilling its social responsibilities

**KORINDO Philosophy**

KORINDO enhances the quality of its customers' life and creates a better world through future-oriented, innovative, and customer-centered.

**Future-Oriented**

Inheriting its pioneering history and facing challenges with insights in predicting the wave of changes.

**Innovative**

Acting as a global leader that creates new values with the promising business. Customer-Centered

Spreading happiness to the world by responding customers' needs and improving customers' satisfaction.

**PRODUCT'S LINE**

**Plantation:**

**Timber**

KORINDO builds forest in a professional and responsible manner through the principles of management of natural forest and



plantation forest in a sustainable way from its production, environment, and social aspects, that are reached through:

- Building and managing natural forest stand and plantation forest in order to reach high potential increment, in an integrated, sustainable, and environmental friendly manner
- Guaranteeing the

sustainability of the fulfillment of industrial raw material based on principles of sustainable and certified forest management

- Increasing the company's role and contribution toward the community around the forest
- Strengthening implementation rules to realize law adherence and the applied regulations.





### ***Palm Oil***

Palm oil, one of nature's best gifts. Indonesia is the world's largest palm oil producing nation. In addition to its use as cooking oil and an ingredient in many dairy products, palm oil can be converted into bio-diesel, a form of renewable energy. KORINDO carries out its palm oil production in the provinces of Papua and Maluku, both of which provide optimal conditions for the cultivation of oil palms. The Oil Palm Plantation Division is continuously building on its worth by implementing efficient management practices and procedures.

### ***Rubber***

Actively contributing in establishing Indonesia as the second-largest rubber producer in the world. The crude rubber plantation industry is one of Indonesia's prides for its environmentally friendly nature and the dramatic rise of demand from

India. By selecting clones that have been well-adapted to Indonesia's environment, we will expand our plantation area to 27,000 ha, drawing a large labor force from Buru Island and enlisting the support of the local government. We also plan to build processing facilities.







**Paper & Forest Products**

**Paper manufacturin**

*FSC Recycled 100%, FSC® C020189.*

An eco-friendly paper manufacturer that produces all products with Recycled 100% base materials. KORINDO's Paper Division is one of the largest newprint manufacturers in Southeast Asia. As of 2020, we have one paper mill located in Cileungsi, Jawa with a total of 420,000 MT/year capacity equipped with DIP (deinked pulp) and paper machine, the division obtained the Forest Stewardship Council® (FSC®) and UNEP (UN) certifications. The division is partners with many distinguished media companies. The division also supplies paper to companies that manufacture telephone directories, tabloid magazines, and textbooks.

In complying Indonesian regulations, KORINDO has a commitment to minimize

environmental impact in our mill operation. For such reasons, we are always observing water standard established by local government (max BOD5 75, and COD 160), we do not use chlorine chemical for bleaching, and water usage is under amount allowed by local government.

**Plywood**

Taking pride as one of the best plywood manufacturers in the world. Our Plywood Division, which is KORINDO



Group's first business unit, exports 98% of its production to the world, including Europe, Japan, the Middle East, and India. It produces 570,000m3 of plywood on an annual basis from 20 production lines at three



plants in Balikpapan, Pangkalan Bun, and Asiki. Our plywood brand, KORINDO Plywood, has won recognition for its outstanding quality from construction companies and buyers in Saudi Arabia, UAE, Oman, Qatar, Kuwait, and the domestic market of Indonesia.

All of the products manufactured are derived

from quality wood material produced by the company itself or by a third party.

**Forest Product**

Film-Faced Plywood (FFP), Urethane Coated Plywood (UCP), Container Flooring Plywood (CFP), Floor Bases (FB), Ordinary Plywood (OP).

**Certification**

ISO 9001, ISO 14001, JAS, CE, COC, SVLK.

Maximizing earnings by optimal utilization of harvested trees. The industrial wood processing complex produces wood chips, wood pellets, and sawn timber. These investments, which include eco-friendly biomass, have become new growth engines for KORINDO Group.

**Wood Chip, Wood Pellet, Sawn Timber / Moulding**



**Sawn Timber 12,000m3/yr / Moulding**



**Wood Chips 1,000,000GMT/yr**



**Wood Pellets 100,000ton/yr**





## Kayu Lapis Indonesia



KLI (Kayu Lapis Indonesia) is an integrated wood company that applies the highest standards and constant innovation to surpass market requirements while maximizing yield to promote superior value for money, nature sustainability, and people empowerment. With decades of existence in Indonesian wood industry, KLI continues to place itself at the forefront by fulfilling its threefold commitment toward nature, toward quality, and toward society.

Over the course of more than 40 years and counting, we have been adding layers after layers of finesse and facilities into our repertoire, granting us an integrated know-how and an extensive production capability. Our

humble beginning dated back to 1977 in Mororejo Village, Central Java, here we started the business with a 4-line factory producing general plywood. While our physical post remains until today, major mileposts were made when we ventured into sawmill, weather-resistant

garden products value-added plywood, engineered flooring, and value-added engineered wood products among other innovative products.

With each passing decade we also have gone through a series of expansions and optimizations equipment-wise; having peaked at 18 lines we dialed back into a highly-efficient 10-line machinery with state-of-the-art secondary process and nishing line.

We pride ourselves in our ability to produce all kinds of wood products imaginable to fulfil needs from all across the globe: from plywood, sawmill, flooring, to building materials.

Change is inevitable.  
Amidst global competition





superior value for money as well as nature conservation. Furthermore, we uphold our commitment toward the sustainable empowerment of our people and the community through continuous enrichment and community service.

**Plywood**

Our reputation has gone a long way since our humble beginning, with specially designed and value added products further adding to its appeal for multiple industries. Durability and low emission along with legally and

and the rise of substitute products, evolution needs to happen in the wood industry. We have positioned ourselves at the forefront by putting every batch through meticulous quality control every step of the way; from drying, assembly, texture coating, to coloring. On top of that, our robots R&D team constantly work toward breakthroughs in specialized and value-added products.

by virtually any country across all 6 continents. We also strive to maintain maximum yield and zero waste with the aim of

For our customers' peace of mind, we are willing take the extra mile by pursuing all legality, traceability, and quality certifications required



Fuji Marine Plywood

traceability have earned our premium plywood a reputation of strength, safety, and sustainability that reaches top-of-mind status. Fuji Marine Plywood

Achieve the highest caliber to hold out against the harshest outdoor conditions. Designed to meet the world-renowned British standard for





Fuji Performance Plywood

marine plywood, Fuji Marine Plywood combines selected materials and waterproof adhesive to reach extreme strength and endurance essential in the boat and marine industries.

### Fuji Performance Plywood

Contrary to common practises, the selection of plywood should be one that is fit for its usage and purpose.

Fuji Performance Plywood has the proper specifications which make it a logical substitute to a broad range of exterior applications for which general marine plywood commonly used.

### Fuji General Plywood

You can find Fuji General Plywood used across a wide range of industries in plenty of shapes and size: from intricate interior joineries all the way to mass-produced means of transport. While its

versatility has put them in multitude applications, it is its high performance in look, strength, and flexibility that

has made it the top pick for manufacturer worldwide.

### Fuji Lightweight Plywood

Weight saving does not always mean sacrificing performance. Fuji Lightweight Plywood enables mobility and movement with ease with minimal reduction in strength. In the transportation industry where weight is an important factor, a lighter material certainly allows for more value addition in equipment and furnishing.



Fuji General Plywood



Fuji Decorative Plywood



### Fuji Construction Plywood

Specifically built for industries that require structural strength, Fuji Construction Plywood provides universal support due to its durability. An excellent material for floors, walls, all the way to the roofs, it has both the robustness for firm frameworks and the aesthetics for fine finishes.



Fuji Lightweight Plywood

### Fuji Floor Plywood

Fuji Floor Plywood has the bending and loading strength to withstand the weight of both building and transportation industries,

from households to container loads. The standard-setting flooring material is known throughout the world as the solid foundation which award-nominated products are based on.

### Fuji Decorative Plywood

The key to a good life is appreciating all the little things. For interior design often calls for distinct details or subtle statements in look and touch, Fuji Decorative Plywood enhances polyester plywood with various combinations of textures and finishes sought-after by architects and designers who are looking to improve the quality of life through their creative choices.

More high-end and natural looks can be achieved with fancy wood veneer and high-pressure laminate.



Fuji Construction Plywood

### Fuji Flexi Plywood

While most plywood can be associated with rigid, pragmatic applications, Fuji Flexi Plywood breaks through and challenges the norm with superior flexibility and strength which can withstand various degrees of bending and contouring.



Fuji Floor Plywood

Whether covering curved counters or shining on its own as the formwork of decorative pieces, it is truly a wonder for everyone to see and enjoy.

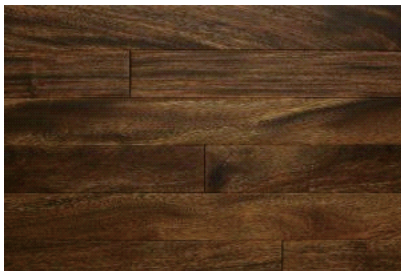
**Wood Flooring**

Our classic choice of solid wood flooring and the stability of engineered flooring has undergone tremendous improvement in design and quality over the years.



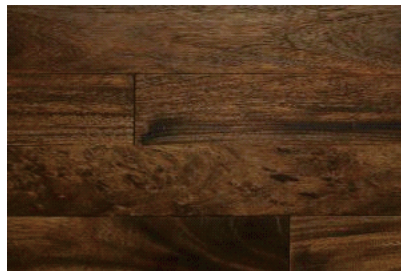
Fuji Flexi Plywood

**Solid Wood Flooring Collection**



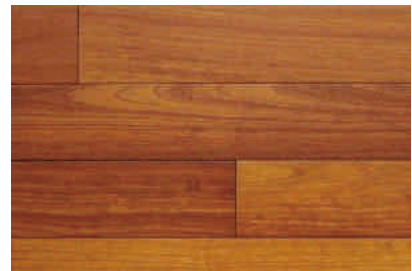
Walnut 85

<b>Walnut 85mm</b>	
Species	Walnut
Style	Wire - Brushed
Joint / Edges	Tongue and groove / beveled edge
Height x Width x Length	3/4" (18mm) x RL up to 70 - 3/4" (1800mm)
Per Box	1.53m <sup>2</sup> (16.47 sq ft)
Per Pallet	50 boxes
Per Container 20'	12 pallets = 918m <sup>2</sup> (9,881.35 sq ft)
Per Container 40'	24 pallets = 1,836m <sup>2</sup> (19,762.70 sq ft)



Walnut 125

<b>Walnut 125mm</b>	
Species	Walnut
Style	Wire - Brushed
Joint / Edges	Tongue and groove / beveled edge
Height x Width x Length	3/4" (18mm) x RL up to 70 - 3/4" (1800mm)
Per Box	2.25m <sup>2</sup> (24.22 sq ft)
Per Pallet	40 boxes
Per Container 20'	12 pallets = 1,080m <sup>2</sup> (11,625.12 sq ft)
Per Container 40'	24 pallets = 2,160m <sup>2</sup> (23,250.24 sq ft)

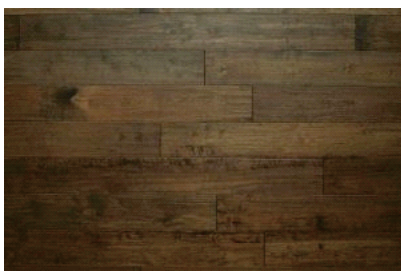


Kempas 90

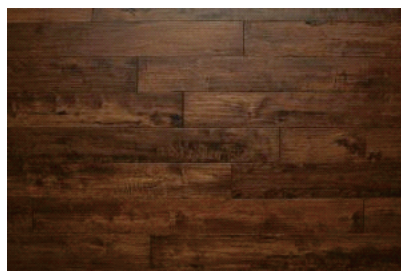
<b>Kempas 90mm</b>	
Species	Kempas
Style	Flat
Joint / Edges	Tongue and groove / beveled edge
Height x Width x Length	3/4" (18mm) x RL up to 70 - 3/4" (1800mm)
Per Box	1.62m <sup>2</sup> (17.44 sq ft)
Per Pallet	50 boxes
Per Container 20'	12 pallets = 972m <sup>2</sup> (10,462.81 sq ft)
Per Container 40'	24 pallets = 1,944m <sup>2</sup> (20,925.22 sq ft)

<b>Kempas 90mm</b>	
Species	Kempas
Style	Flat
Joint / Edges	Tongue and groove / beveled edge
Height x Width x Length	3/4" (18mm) x RL up to 70 - 3/4" (1800mm)
Per Box	1.62m <sup>2</sup> (17.44 sq ft)
Per Pallet	50 boxes
Per Container 20'	12 pallets = 972m <sup>2</sup> (10,462.81 sq ft)
Per Container 40'	24 pallets = 1,944m <sup>2</sup> (20,925.22 sq ft)

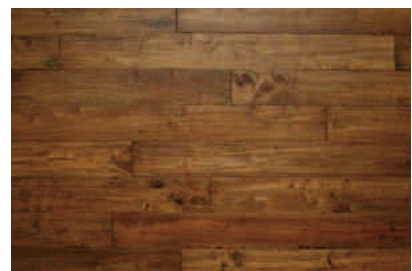
**Barnhouse Collection**



Long Meadow



Highpoint

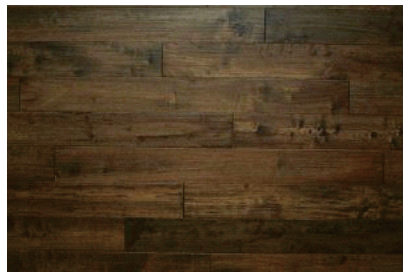


Castle Rock

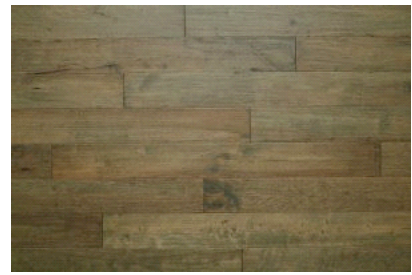




Mountain View

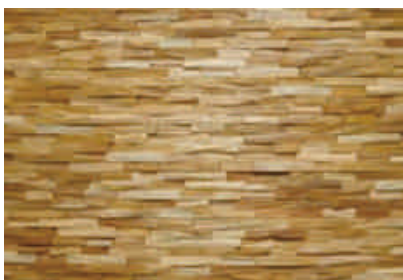


New Heights

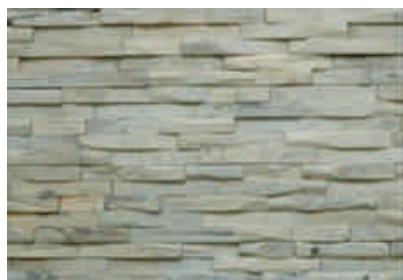


Pebble Farm

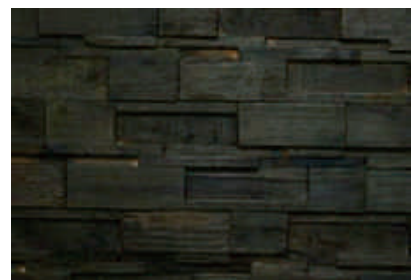
**Decorative Wall Panels**



Royal Teak



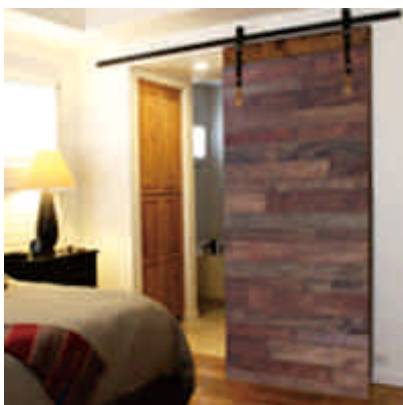
Rockwood Collection



Rustico Collection

**Wood Working**

Framing entranceways and perfecting edges with style are our doors and molding components of various designs, profiles, and finishes. Additionally, our wide range of weather-resistant garden products include our one of a kind superdeck and our signature vintage outdoor floor.



Barndoor



Lightweight FD 30  
Fire Rated Door Blank



Building Component



## Integra Group

Integra Group is one of Indonesian largest vertically integrated wooden products manufacturer. It was established in 1989 and based in Sidoarjo - East Java. Our primary products are indoor and outdoor furniture for homes, offices and hotels. We also produce wooden doors, wooden window frames as well as other wooden and rattan-based products.

Our production facility in Sidoarjo occupies a total area of 300,000 sqm and employs 5,500 employees, while another facility in Lamongan occupies a total area of 150,000 sqm and employs 1,600 employees, the total employees of the 2 facilities are 7,100 employees.

### Our subsidiary companies:

- Narkata Rimba



- Belayan River Timber
- Integra Indocabinet
- Intertrend Utama
- Intera Indonesia
- Interkraft
- Woodone Integra Indonesia
- Intergriya Dekorindo

To secure the material resources, we acquired 2 forest concessions in East Kalimantan occupying a total area of more than 200,000. Our forest concession

companies are able to produce an annual cut off up to a total of 90,000 m3 timber logs. Integra Group has established itself as one of the few local companies with international and domestic accreditation. Our business process chain extends from the raw materials (lumbers and sawn timber) to retail & distribution of furniture as one integrated green industry.



PRODUCT LINE

Knockdown Indoor Furniture



Reclaim Wood Furniture

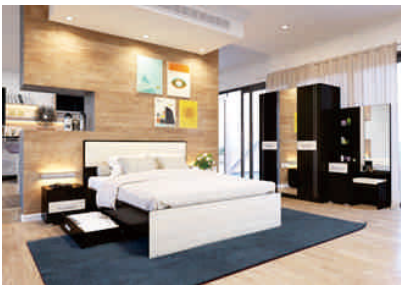




Rattan Indoor Furniture



Panel Furniture



Set Up Furniture



Garden/Outdoor Furniture

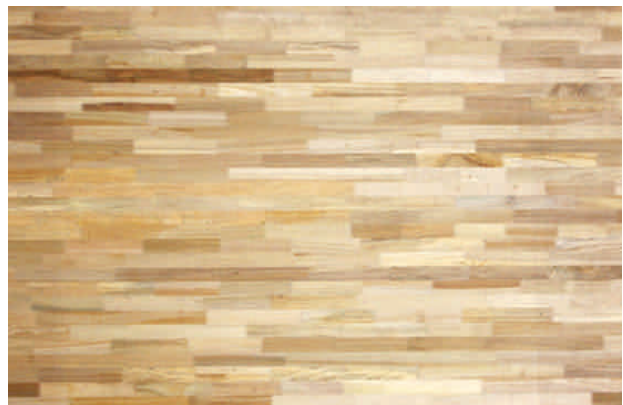




Building Component



Solid & Fingerjoint Laminated Board



## LIST EXPORTERS OF PROCESSED WOODS

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**1. INTEGRA INDOCABINET, PT**

Jl. Raya Betro Blok Industri - Sedati Sidoarjo - Jawa Timur

Tel: (62-31) 8910434, 8910435, 8910436, 8962209  
Fax: (62-31) 8911391, 8962208, 8911108

Email: [marketing.integra@iil.co.id](mailto:marketing.integra@iil.co.id)  
Website: <http://www.integracabinet.co.id/integra>

**2. KAYU LAPIS INDONESIA, PT**

Desa Mororejo, Kaliwungu Kendal - Jawa Tengah 51372

Tel: (62-24) 8662980, 8666278, 70795135, 76632915  
Fax: (62-24) 8662974, 76632912

Email: [marketing@kligroups.com](mailto:marketing@kligroups.com), [eximp\\_klismg@kli-group.com](mailto:eximp_klismg@kli-group.com), [marketing@pt-kli.com](mailto:marketing@pt-kli.com)  
Website: [www.kligroups.com](http://www.kligroups.com)

**3. KORINDO ABADI, PT**

Wisma Korindo Lt. 13, Jl. M.T. Haryono Kav. 62 - Pancoran, Jakarta Selatan - DKI Jakarta 12780

Tel: (62-21) 7975959 Ext 732  
Fax: (62-21) 7977404, 7976401-4

Email: [plywood@korindo.co.id](mailto:plywood@korindo.co.id), [exportmrk01@korindo.co.id](mailto:exportmrk01@korindo.co.id)  
Website: [www.korindo.co.id](http://www.korindo.co.id)

**4. KUTAI TIMBER INDONESIA, PT**

New Summitamas Tower 8th Floor, Jl. Jend. Sudirman Kav. 61-62, Jakarta Selatan - DKI Jakarta 12190

Tel: (62-21) 2521260, 422412  
Fax: (62-21) 2520213, 426773

Email: [export@kti.co.id](mailto:export@kti.co.id), [ktijkt@kti.co.id](mailto:ktijkt@kti.co.id), [nurul@kti.co.id](mailto:nurul@kti.co.id), [tutik@kti.co.id](mailto:tutik@kti.co.id), [dinda@kti.co.id](mailto:dinda@kti.co.id), [pr@kti.co.id](mailto:pr@kti.co.id)  
Website: [www.kti.co.id](http://www.kti.co.id)

**5. SLJ GLOBAL Tbk., PT**

RDTX Tower (Menara Bank Danamon) Lt.19, Jl. Prof. Dr. Satrio Kav. E.IV/ 6 - Mega Kuningan (PO. Box 3396) Jakarta Selatan - DKI Jakarta 12950

Tel: (62-21) 5761188, 5761199  
Fax: (62-21) 5771818

Email: [public.relation@sljglobal.com](mailto:public.relation@sljglobal.com), [david@sljglobal.com](mailto:david@sljglobal.com), [staff.shipping@sljglobal.com](mailto:staff.shipping@sljglobal.com),  
[arief.triastono@sljglobal.com](mailto:arief.triastono@sljglobal.com)  
Website: [www.sljglobal.com](http://www.sljglobal.com)

**6. INTRACAWOOD MANUFACTURING, PT**

Jl. Terusan Lembang D 51-53 Jakarta Pusat - DKI Jakarta 10310

Tel: (62-21) 3905751, 3148505  
Fax: (62-21) 3908469, 3908470

Email: [intraca@cbn.net.id](mailto:intraca@cbn.net.id), [management@intracawood.co.id](mailto:management@intracawood.co.id), [tito@intracawood.co.id](mailto:tito@intracawood.co.id),  
[epsila@intracawood.co.id](mailto:epsila@intracawood.co.id)  
Website: [www.intracawood.co.id](http://www.intracawood.co.id)

**7. TIRTA MAHAKAM RESOURCES Tbk, PT**



The Bellezza Shopping Arcade Building 20th Floor, Jl. Let. Jend. Soepeno No. 34 - Arteri Permata Hijau Jakarta Selatan - DKI Jakarta 12210

Tel: (62-21) 25675717  
Fax: (62-21) 25675714-16

Email: [info@tirtamahakam.com](mailto:info@tirtamahakam.com), [Doddie.pradhono@tirtamahakam.com](mailto:Doddie.pradhono@tirtamahakam.com)  
Website: [www.tirtamahakam.com](http://www.tirtamahakam.com)

**Directorate General of National Export Development  
Ministry of Trade of Republic of Indonesia**

M.I. Ridwan Rais Road, No. 5 Central Jakarta, Indonesia - 10110  
Tel./Fax.: +62 21 385 8171, E-mail: [contact-pen@kemendag.go.id](mailto:contact-pen@kemendag.go.id)

 Ditjen Pengembangan Ekspor Nasional  [djpen.kemendag](https://www.instagram.com/djpen.kemendag)