



RGE Statement on Sukanto Tanoto Interview

In a 2011 interview that has recently been circulating on social media, Mr. Sukanto Tanoto spoke about his background and business philosophy. An article in the Indonesian Forum drew attention to a part of that interview and regrettably took it out of context.

In the interview, the metaphor in Mandarin used by Mr. Tanoto is an expression of humble business diplomacy, in which he conveyed his appreciation and respect of Chinese culture and values, with which he personally identifies.

Mr. Tanoto started his business in 1967, and for almost 50 years, his business investments have been focused in Indonesia (www.rgei.com), creating more than 40,000 employment opportunities in the country. He pioneered the plywood industry in 1973, creating domestic value-added wood products in place of raw log exports. He later supported the Indonesian government's smallholder transmigration PIR-Trans programme, partnering with 29,000 palm oil smallholders in Riau in 1987, and rolling out many initiatives to help alleviate poverty (www.asianagri.com). Mr. Tanoto then built the world's largest integrated pulp and paper industry in Pangkalan Kerinci village in 1994, bringing economic growth to a remote area while introducing responsible and sustainable land management practices in the country (www.aprilasia.com). Pangkalan Kerinci continues to flourish economically in light of his decades-long commitment to supporting infrastructure development in the area, including the building of 2,600 km of roads.

The Tanoto Foundation was started in 1981 as Mr. Tanoto's philanthropic arm, in his home province of North Sumatra. It seeks to reduce poverty through education, empowerment, and enhancement of quality of life.. As one of the largest scholarship providers in Indonesia, the Tanoto Foundation has contributed 150 billion rupiah to the cause of poverty alleviation in Indonesia in the last three years. (www.tanotofoundation.org).

Mr. Tanoto's commitment to invest in Indonesia continues well into the future. At present, he is completing a 4 trillion rupiah investment for the construction of a third paper mill to bolster Indonesia's value-added paper products. He is also taking part to support the Indonesian energy security agenda, by constructing a one-million tons biodiesel facility and 20 biogas power plants in Riau province.