



NEWS FROM OUR INTERNATIONAL ENTERPRISES IN KALIMANTAN

This report updates the activities of the "international enterprises" that were initiated by SESI in Kalimantan. These enterprises are now managed and operated independently of SESI by their founding investors and technical experts headed by Ruslan Morris who sent us this report:

KARYA MANCA WARNA -- SMOG!



We are preparing a proposal for a study to ameliorate the very topical problem of haze caused by burning related to land clearing. It is difficult to breathe in parts of Singapore, Malaysia, and Indonesia and this has caused an international issue. Mursalin New, who is well versed in bio mass, bio char, wood pellets, and the like is drafting the proposal. Our intention is to get funding from the public and private sectors in Singapore, Malaysia, and Indonesia. Pak Kuswanda has joined as an advisor, and he, Ruslan Morris, and Lukman Usman have made a preliminary presentation to the Assistant Minister for Environmental Destruction at the Environment Ministry in Jakarta.

KARYA MANCA USAHA -- TIMBER

In our first sawmill project there have been delays due to teething problems and non-performance of our partner. So we are taking over the logging as well as the marketing, and it should be back on track and in production by the beginning of next week.

We signed a second contract for legal timber production yesterday. It involves financing some heavy equipment and working capital support. We will do the marketing.

Both of these projects will run for 3-4 years and have estimated rates of return over 100% per year. We are committed to paying 20% of the profits to Subud (International and Indonesia).

PERKEBUNAN SINAR MULIA, PERKEBUNAN SINAR PRATAMA -- palm oil



We have not yet acquired a palm oil plantation area, in early August 2013 we were offered 40,000 hectares in Central Kalimantan. We have started the due diligence process and have conducted a preliminary field survey. It appears that 26,000 hectares is suitable. We have commissioned an interdepartmental government team of 13 to do a more detailed survey, and we expect that they will come back to the Bupati (District Officer) with a recommendation to issue a preliminary palm oil license to our companies. We expect that exclusion of areas along the rivers, fauna and flora preservation areas, etc will reduce the area to about 20,000 ha. We will then commission a detailed field study by a bank and investor approved consultant. If it is feasible, we will acquire the land. The total cost of land acquisition will be \$6-8 million

over 12 months or so. This requires a down payment of \$1/2 million to secure the land, and we have a pledge for that amount.

There are 2 possible avenues for raising the additional \$5-\$8 million: from wealthy Subud members, or from Wall Street private equity. Two very large USA based private equity companies are interested, as the estimated internal rate of return (IRR) is over 20%. If it is feasible we will pay the \$1/2 million down payment and control the 20,000 hectares or so.

Payment of the additional \$6-8 million would bring the project to a bankable level, wherein it will be possible to raise an additional \$115 million over 6 years to fully fund the project with bank loans and additional equity coming from going public, Subud members, private equity, or selling shares to a major palm oil company.

IMPRESSIONS OF THE JULY 2013 WORLD COUNCIL MEETING IN POIO, SPAIN

Rashad writes: This was the first WSC meeting that I attended as a member of the Council (in my new role as SESI Coordinator). On looking at the agenda for the meeting I must confess that I felt somewhat overwhelmed! Yet I came away with a realization that our Association was making progress, and in an atmosphere of harmony and respect.

On the last day, as if to underline these positive directions, SESI was able to circulate the above report from Ruslan in Indonesia. We felt that while we were still at a formative stage we were at least beginning to fulfill the mandate given to us by Bapak, and fulfill our duty to our Association. As far as SESI was concerned this was to encourage and support our Subud membership whose expertise was in business, to collaborate together and establish enterprises aimed at supporting the financing of our Association. At the same time, at Poio, we were able to get together with the other "wings" and a preliminary discussion took place about how we might collaborate in engaging our membership with relevant expertise "in addition to getting together for latihan and while continuing to be engaged in their ordinary work", not just to start enterprises, but also to start projects such as schools, hospitals, clinics and homes for the elderly whether for profit or non-profit. We also reported on the activities of national SES Representatives, that are presently active, to support enterprise developments. In addition Stuart Cooke as our SESI Advisor reported on progress being made with the Intranet project that, in part, would integrate all our Subud web sites into one intranet and this would include a new SESI web site, and a new "Subud Centers" web site. So our time in Poio really was felt to be a very significant one and a great blessing.

GETTING READY FOR THE WORLD CONGRESS IN MEXICO 2014

Planning is already underway for the World Congress in Mexico next year. SESI will ask Congress to approve a proposal to establish SESI as a separate entity or Affiliate to WSA in order to give more scope for future developments.

1. If you wish to put up a display of your enterprise at Congress you can book a space and display board(s) when you register. You will then be contacted by SESI to see what further support you might need.

2. SESI and our national SES partners plan to arrange a series of discussion groups and workshops at Congress including:

- Approaches to future SESI and SES developments including the establishment of a World Bank/ Financial Institution.
- Progress reports and Investment opportunities within our International projects.
- How to start national and group enterprises including links to Subud Houses.
- Technical Assistance/ Training workshops for entrepreneurs.

We also hope to create an Enterprise Coffee House on the Plaza outside of the Conference Center.

If you have suggestions for further enterprise workshops or wish to put on an enterprise workshop contact SESI -- pollardrr@aol.com

IRWAN HOLMES' JEWELRY ENTERPRISE SEEKS EXHIBITION OPPORTUNITIES



Irwan Holmes heard about Subud in New York, was opened in London in 1962, and has resided full time in Jakarta since 1969. Although he still continues his moderately successful antique gallery, for the past 10 years his full time (and passionate) efforts have gone into the jewelry designing and Gem (Indonesian only) enterprise. Owners of his jewelry include Michelle Obama, Mick Jagger, Dionne Warwick, ambassadors and (minor) royalty. Aside from his jewelry designing, during the last year he has established the first Museum of Indonesian Gemstones.

Irwan is always looking for exhibition opportunities in high-end galleries abroad.

web sites: www.jewelsbyirwan.com -- www.indonesianantiques.com. E-mail: jewelsbyirwan@gmail.com

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