



Embassy of the
Federal Republic of Germany
Jakarta

Jl. M.H. Thamrin 1
Jakarta 10310
Tel.: (021) 398 55 000
Fax: (021) 390 1757
E-mail: dtbotjak@indo.net.id
Web : www.jakarta.diplo.de



KfW-Office Jakarta

Jl. Imam Bonjol 80
Jakarta 10310
Tel. (021) 319 27 875
Fax (021) 319 07 885
Email: kfw@cbn.net.id
Web: www.kfw.de

Jakarta, May 2, 2007

Press Release

German Debt Swap Agreement over 12.5 million EUR signed: **German Debt Swap to protect national parks**

Today, May 2, 2007 Mr. Rahmat Waluyanto, Director General of Debt Management, Ir. Arman Mallolongan, Director General for Forest Protection and Nature Conservation and Mr. Wolfgang Kroh, Managing Director of KfW, German Development Bank will sign a new Debt Swap for Nature Agreement. According to this Agreement the Ministry of Forestry will use the counterpart funds of this Debt Swap (approx. 70 billion Rupiah) to protect the rain forest in Sumatra. The three parks of concern (Kerinci Seblat National Park, Gunung Leuser National Park and Bukit Barisan Selatan National Park) are part of the Tropical Rainforest Heritage of Sumatra with an outstanding biodiversity. This project should improve the management of the national parks and empower it to conserve the world heritage.

Once the proper implementation of the agreement has been confirmed Germany will cancel debts in the double amount to the value of this project. This is already the 5th German Debt Swap Agreement and the total amount of German Debt Swaps is approximately 1 trillion Rupiah, not counting a further Debt Swap for Health that is under preparation.

Climate Change is a threat that has come again into the focus of public discussions. The protection of forests is closely related to climate change and Indonesia has a crucial role in this fields. Germany – like other countries - is quite concerned about the potential burden that may result for future generations from today's negligence.

For further information please contact::

KfW Office Jakarta,

Mr. Manfred Kiefer

Director

Tel. 021 - 319 27 875,

e-mail: KfW.Jakarta@KfW.de