



CASE STUDY

# *Reducing Paper Waste by Using Digital Signature: A Learning from Kompas Gramedia*

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*Paper seems to exist in every corner of our lives. From food packaging, books and magazines, to office documents, paper products are commonly used every day by people and businesses around the world. But what are the impacts that our environment must endure to keep up with our paper use? What could companies do to reduce paper use?*

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## Indonesia: The Paper Producer and Waster

Indonesia's Ministry of Industry stated that the world's paper demand is expected to increase to 490 million tons by 2020.<sup>[1]</sup> Currently, Indonesia is considered as one of the top 10 largest pulp and paper industry producers in the world.<sup>[2]</sup> Around 11 million tons of pulp was produced per year in Indonesia, while its paper production capacity was recorded at 16 million tons in 2018.<sup>[3]</sup>

Although these numbers might look good for the economy, it is worth noting the paper and pulp industry is the 4th largest contributor of greenhouse gas in the world. Paper production is also the third most energy-intensive of all manufacturing industries, as it uses 12% of the total energy in the industrial sector today.<sup>[4]</sup> The problem with paper use is not limited to its production; when papers rot, they emit more greenhouse gas.

The high demand for papers is partially driven by the large-scale use of papers by various institutions and organizations for business matters. The bigger an institution, the more paper is needed. The US Environmental Protection Agency estimates that the average office worker uses 10,000 sheets of copy paper each year. This number is equivalent to 4 million tons of copy paper annually. By this measurement, a small company that employs 20 people could easily be responsible for 1.026 ton of carbon emission every year.<sup>[5]</sup>

In Indonesia alone, an individual consumes 27 kilogram of paper per year on average.<sup>[6]</sup> With 267 millions of population<sup>[7]</sup>, Indonesia's paper use could reach 7,2 million tons of

paper annually. Not all of these papers are used productively. As the country lacks a proper infrastructure and policy for nation-wide recycling, paper waste accounts for 28% of the total waste piling up in their landfills<sup>[8]</sup>.



*Gramedia is Indonesia's largest bookstore chain in Indonesia. Pictured above: Gramedia World in Palembang, South Sumatra*

## **How Kompas Gramedia Utilizes Digital Signature to Become More Sustainable**

Considering the impact of paper production and paper waste to the environment, many companies around the world have begun their steps in reducing their paper use.

Indonesia's most established media company, Kompas Gramedia, is one of them.

Kompas Gramedia is built on a mission to become the largest, most integrated, and widely

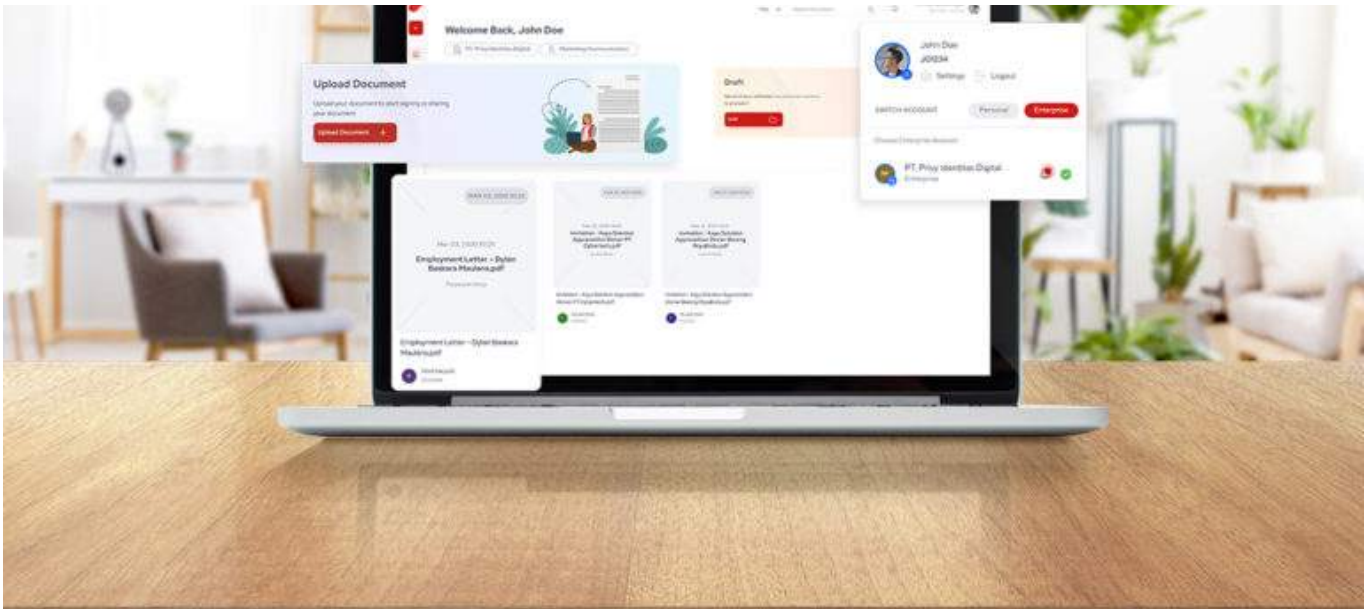
distributed company in Southeast Asia through knowledge-based businesses. As a corporation, Kompas Gramedia envisions a business that will contribute towards the development of an educated, enlightened, and prosperous society.

Kompas Gramedia started their journey as a small book shop in 1963. Since then, Kompas Gramedia has expanded their business to 130 brands in the media, education, and hospitality industry that employ over 22,000 people all over Indonesia. Kompas Gramedia is committed to improve their business process to be more efficient and sustainable simultaneously. To achieve this, the company aims to reduce their paper waste by using digital signature to process their HR documents.

Every month, 42 employees from the Kompas Gramedia's Corporate HR division digitally sign as many as 100 electronic documents. With each document comprising 15 pages on average, using digital signature has effectively assisted the division to eliminate approximately 1,260 kilogram of paper waste within a year.

Apart from less waste, digital signature is also found to be helpful in making the company to become more efficient. "Digital signature significantly helps us save time as the process could easily be finished under five minutes," said Febe Kinawa Panggua, HR Expertise Analyst of Corporate HR, Kompas Gramedia.

Additionally, digital signature also helps Kompas Gramedia in strengthening their brand. Kompas Gramedia's Corporate HR division has been introducing their expertise to companies outside the Kompas Gramedia group under the Growth Center brand, a one-stop HR solution provider that develop impactful solutions to accelerate the growth of people and organization. Febe added, "Implementing a technology solution to an otherwise lengthy process also helps us build a strong and favorable branding among our clients". In 2019, **Growth Center** listed Hutchison 3, KSB Indonesia, and StratX as their clients.



*PrivyID's digital document management platform enable companies to reduce their paper waste*

## **About PrivyID**

Kompas Gramedia's smooth adoption of digital signature to its HR process is made possible by cooperating with PrivyID, Indonesia's first digital signature service provider. Since 2016, PrivyID has been trusted by over 300 companies in Indonesia to improve the efficiency and sustainability of their business through a fast, secure, and convenient document management system. In 2019 alone, around 319,000 documents are digitally signed with PrivyID every month.

Users of PrivyID can sign, manage, and share their electronic documents through an integrated digital platform that is accessible from web browsers and smartphones. This way, those who need to sign a document immediately can do so anytime, anywhere. PrivyID's digital signature is considered to be as legally-binding as a traditional ink signature as it is developed in compliance with the applicable laws. PrivyID is also the first company to be licensed as a certified electronic signature provider by Indonesia's Ministry of Communication and IT.

Learn more about PrivyID by visiting [www.privy.id](http://www.privy.id)

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- [8] PT Bumi Lestari Bali. (2019, December 16). Keeping Notes of Our Paper Trail. Retrieved April 21, 2020, from <https://eco-bali.com/managing-paper-waste/>