

## ABSTRACT

Recycling paper industry in Indonesia has a good potential market. Based on export import Industrial Ministry's report, November 2022, paper and paper products are in the top five highest export commodities in the non-oil and gas processing industry. The recycling paper industry is one of the paper industries with great market potential. The industry used recycled paper provide more value in the trade, because the current trend is to pay attention to a sustainable environment and support a circular economy. However, in Indonesia, the fulfillment of the needs of recycled paper raw materials is carried out by importation of around 50%. In 2019, importation activities for recycled paper raw materials in 2019 there were discrepancies. The Government found medical waste in raw material importation that prohibited in regulation. The Government make policy to stop the importation process. The impact of the policy is the stability of the recycled paper processing industry.

The objective of the research were to study the main criteria for selecting raw materials, existing strategic positions, and managerial actions of the recycling paper industry in West Java. This research developed a raw material selection process using a combination of AHP and SWOT methods. The data were obtained from FGD and questionnaire distributed to the recycling paper industry in West Java.

Based on SWOT AHP data, the chosen main criteria were impurity and regulation on the factor SWOT are threat, weakness, and strength with Global Priority (GP) values 0.193; 0.153; and 0.129. The positioning strategy on matrix SWOT in quadrant II. That means the positioning strategy is diversification, with supported data the chosen raw material is development raw material.

Based on research the position of the strategy of recycled paper processing industry in West Java in quadrant II. Managerial actions that can be taken are diversification of existing raw materials with other alternative materials. Criteria in the selection of raw materials taking into account impurity and regulatory. The government and stakeholders are working together to increase the rate of recollection of recycled paper raw materials and support non-wood fibers, TKS, as potential raw materials in the future.

Key words : recycled paper, selection of raw materials, AHP, SWOT