

**PETROKIMIA GRESIK READY TO SUPPORT THE GOVERNMENT
FACING THE THREAT OF THE WORLD FOOD CRISIS**

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Petrokimia Gresik, an Agro-industrial Solutions company holding member of the Pupuk Indonesia, is ready to provide full support to the Government of the Republic of Indonesia (RI) to face the world food crisis, through several strategies that have been prepared by the company. This was conveyed by the President Director of Petrokimia Gresik, Dwi Satriyo Annurogo in front of the Minister of Agriculture (Mentan) RI, Syahrul Yasin Limpo (SYL), when the two were speakers at the Indonesia Business Forum (IBF) program, on TV One, Wednesday (14/9) night.

Minister of Agriculture SYL said that the threat of the current world food crisis is caused by several things. Starting from Covid-19 which occurred for 2.5 years and made all sectors run nonlinear. Then climate change, and the influence of geopolitics, namely war in the European region.

"Our current balance sheet is quite good, our 12 basic commodities are quite well maintained. But we shouldn't be too PD (confident, ed). All steps must be prepared. This (the threat of a food crisis, ed) we must be aware of because of course it will resonate with us. Don't forget that Indonesia is the fourth largest country, there are 273 million people who need food and cannot be guided," he said.

Minister of Agriculture SYL emphasized that to face these food challenges, collaboration and an active role of stakeholders are needed, including Petrokimia Gresik, which currently also bears the mandate to distribute subsidized fertilizer to farmers in various regions in Indonesia. He said that the President has always said there must be extraordinary steps from all parties to deal with this challenge.

Meanwhile, Petrokimia Gresik, which understands its role in maintaining national food security and improving the welfare of farmers, has several approaches, so that Indonesia can get out of the threat of a food crisis. First, Dwi Satriyo emphasized that Petrokimia Gresik ensures that the production and distribution of fertilizers to farmers run smoothly.

"We are still obtaining fertilizer raw materials from imports. The raw material that had experienced problems was KCl for the production of NPK fertilizer at the beginning of the European war. Under normal conditions, the amount of KCl exported is 41.6 million tons a year. Of this total 47 percent are from Belarus and Russia. Can you imagine if this supply from Belarus and Russia is disrupted?" he said.

For this reason, added Dwi Satriyo was to maintain national food security, and Petrokimia Gresik adds supply for the procurement of KCl from Canada, of course at a reasonable price.

Second, Petrokimia Gresik seeks to increase agricultural productivity through the program Agro Solution. This program seeks to create a comprehensive agricultural ecosystem, both on the farm and off the farm, starting from the provision of funds or business capital in synergy with banking institutions, then insurance guarantees, fertilizer availability, and pest control, to off-takers.

"In this program, Petrokimia Gresik educates the use of non-subsidized fertilizers. With good supervision, it can increase the productivity and income of farmers," said Dwi Satriyo.

Petrokimia Gresik also carries out digital transformation to ensure improved performance so that farmers' needs can be fulfilled properly, as well as the development of agricultural human resources by cooperating with several agricultural sector education providers. This is the third and fourth step of Petrokimia Gresik to support the government to get out of the threat of a global food crisis.

"Petrokimia Gresik creates superior agricultural human resources by opening an internship program for agricultural students, in collaboration with seven Agricultural Polytechnics in Indonesia to encourage regeneration in the agricultural sector," said Dwi Satriyo.

Meanwhile, in line with the Petrokimia Gresik Agro Solution program to increase agricultural productivity, the Chairman of the National Farmer and Fishermen Mainstay Group (KTNA), Yadi Sofyan Noor, who was also one of the speakers, admitted that he encouraged his members to use non-subsidized fertilizers. Moreover, in the Regulation of the Minister of Agriculture (Permentan) Number 10 of 2022, commodities that are entitled to subsidies are limited to only nine, from the previous 70 commodities. In addition, fertilizer subsidies are also only given to Urea and Phonska.

"KTNA supports the fertilizer subsidy policy. Because our food focus is on commodities that are nowhere (regulated in Permentan 10/2022, ed)," he said.

Meanwhile, another speaker at the event, Executive Director of INDEF, Tauhid Ahmad hoped that changes in government policies related to subsidized fertilizers would not result in a decrease in the number of subsidized fertilizers given to farmers, either the volume or the number of targets. Because according to him, this will affect productivity.

"The increase in fertilizer prices globally is higher than the increase in energy. The current agricultural problem is not in the supply of fertilizer but in the price. Meanwhile, government support for subsidies remains stagnant. The last two years, even until next year or 2023, are still at IDR 25 trillion," he said.

He also encouraged the government to increase the existing budget allocation. So that there is a subsidy allocation in the management of organic fertilizers which according to him is very much needed for agricultural sustainability in Indonesia.

"Organic fertilizer is indispensable. As much as a part of the community or farmers can produce organic fertilizer. But many cannot produce, especially small-scale farmers because they have to collect animal waste and so on. I don't think it's efficient. So we have to consider a larger budget space for organics to re-enter," concluded Tauhid.

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