

**PETROKIMIA GRESIK COLLABORATES WITH UNILEVER ASIA AND PT GARAM
TO ENSURE THE BUSINESS ECOSYSTEM OF SODA ASH**

Number : 50/SP/PG/IX/2021
Day / Date : Friday, 2nd of September 2021

[Petrokimia Gresik](#), an Agroindustry Solution company and a member of SOE [Pupuk Indonesia](#), collaborates with PT Garam (Persero) and the multinational company Unilever Asia Pte. Ltd. to succeed the establishment of Soda Ash or Sodium Carbonate (Na_2CO_3) Factory.

The signing of Memorandum of Understanding (MoU) was carried out virtually in two places by Operation and Production Director of Petrokimia Gresik, Digna Jatningsih and President Director of PT Garam (Persero) Achmad Ardianto, in Gresik, Indonesia, and Inorganics Procurement Director of Unilever Asia Pte. Ltd., Pratistha Garg, in Pasir Panjang, Singapore, on Thursday (2/9).

Separately, President Director of Petrokimia Gresik, Dwi Satriyo Annurogo explained that this MoU is in order to ensure the business ecosystem of Soda Ash Factory establishment plan, where Petrokimia Gresik will purchase industrial salt as the raw material of Soda Ash and collaborates with Unilever Asia as the off-taker that will absorb the Soda Ash products.

“The cooperation with PT Garam is a form of SOE synergy to increase the national economy which following the government’s direction,” said Dwi Satriyo.

This was also stated by President Director of PT Garam (Persero), Achmad Ardianto who said that this agreement is a huge step for PT Garam to realize a long-term plan to contribute in providing good quality industrial salt.

“On top of that, raising the trust for Unilever to get good quality product which is supplied by good quality domestic raw materials,” said Achmad.

Furthermore, Dwi Satriyo revealed that the capacity of the Soda Ash Factory is 300 thousand tonnes per year. According to the plan, the factory will start operating at the end of 2024, and it will be the first one in Indonesia. Therefore, the presence of this Factory is essential and has become a transformative breakthrough in supporting the advancement of national chemical industry.

As it is known, Soda Ash is a raw material for various products that we find in our daily life, such as soaps, detergents, papers, textiles, ceramics, glassworks as well as its derivatives and other products. Hence the demand of Soda Ash in Indonesia is high, however the supply is 100% met by imports.

“This is become a huge opportunity, Soda Ash of Petrokimia Gresik will meet the need of domestic market and it does not close the possibility to serve the needs of global market,” said Dwi Satriyo

The establishment of Petrokimia Gresik Soda Ash Factory has become company’s commitment in strengthening national chemical industry through related diversified industry strategy. That is by optimizing the utilization of by-products into new product that has added value to support other industries. This factory is utilizing downstream product from Ammonia-Urea factory in the form of CO_2 which is processed into Soda Ash.

“Therefore, Soda Ash produced by Petrokimia Gresik is more environmentally friendly, because it use CO_2 as raw material that comes from the chemical reaction process in Urea

fertilizer production, not from combustion of fossils fuels. This is aligned with the Greenhouse Gas Emission (GGE) principle,” said Dwi Satriyo.

While, the by-product of Soda Ash which is in the form of Ammonium Chloride (NH₄CL) can be utilized as raw material of NPK, so that it can reduce the need of imported ZA for NPK raw materials.

“This downstream program is expected to make Petrokimia Gresik more capable to carry out the main task to support national food security, as well as strengthen the chemical industry as the national economy drivers,” said Dwi Satriyo.

For Unilever Asia, the establishment of the factory is an important additional to the industrial structure in Indonesia because it will utilize local sourcing for Soda Ash.

The MoU signing today also support the Indonesian Government’s road map for achieving the 35% import substitution target on 2022, reducing import dependence on capital goods and raw materials.

PT Petrokimia Gresik

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