

**PETROKIMIA GRESIK SUPPORT THE EFFORT TO SECURE RAW MATERIAL
FERTILIZER**

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Petrokimia Gresik welcoming effort of Ministry of Agriculture of Republic of Indonesia, Syahrul Yasin Limpo (SYL) in supporting the security of phosphate as raw material for NPK fertilizer. This considering Petrokimia Gresik as the biggest producer of NPK fertilizer in Indonesia with total production capacity reach 2,7 tons per year.

President Director of Petrokimia Gresik, Dwi Satriyo Annurogo stated that his parties with Pupuk Indonesia holding keep securing the stock of phosphate raw material. Because recently, supply and price of phosphate significantly rise due to moratorium policy of export fertilizer between Russia and China, until the impact of war between Russia and Ukraine.

“For now, we can confirm that supply of raw material is still available, and the production process still went well,” said Dwi Satriyo.

One of efforts which have been done by Petrokimia Gresik in securing the supply of phosphate raw materials is build cooperation with Jordan Phosphate Mines Co (JPMC) since 2010. This cooperation then continued by the construction of joint venture company named PT Petro Jordan Abadi (PJA) which produce phosphoric acid, sulfuric acid, granulated gypsum, and purified gypsum which have been operating commercially since 2015.

In this case, JPMC has a role to supply phosphate rocks to producing acid phosphate in PJA with total capacity 200.000 tons per year, which is used by Petrokimia Gresik as raw materials of NPK.

“The advantage of this cooperation is not only the availability of stock, but also get a raw material that more competitive,” said Dwi Satriyo.

This is inline with the cooperation that have been done by Pupuk Indonesia and JPMC to maintain phosphate stock for national fertilizer producer. The MoU signing was carried out by President Director of Pupuk Indonesia, Bakir Pasaman and Chairman JPMC, Mohammad Thneibat as well as witnessed by Minister of Agriculture, SYL in Vienna, Austria, a few days ago.

Previous, Minister of Agriculture, SYL conveyed that the raw materials of NPK such as phosphate, potassium, are not available and can not be produced in Indonesia. Because these two raw materials are mines which available only in abroad.

“That is why Pupuk Indonesia support for supply stability will have good impact for National Food Security Program,” said Minister of Agriculture, SYL.

This cooperation will also encourage opportunities and collaboration in three strategic areas. First, a short-term program to ensure the supply of phosphate from JPMC to Pupuk Indonesia so that the supply of fertilizer is stable in order to strengthen national food security. Second, the medium-term program by encouraging JPMC to prepare an agreed price scheme in order to maintain the sustainability of fertilizer raw materials supply for

Pupuk Indonesia. The third is a long-term program to establish even greater cooperation, namely the joint venture of the fertilizer industry in Indonesia.

At last, Dwi Satriyo conveyed his appreciation for the support from Minister of Agriculture in securing fertilizer raw materials. According to him, this cooperation will strengthen partnership that have been built between Petrokimia Gresik and JPMC during last 12 years.

“We will keep coordinating with Pupuk Indonesia holding and Minister of Agriculture to ensure the fulfilment of nation fertilizer needs.”said Dwi.

PT Petrokimia Gresik

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