PRESS RELEASE



WELCOMING OCMAR PLANTING SEASON THE GOVERNOR OF EAST JAVA VISITED FERTILIZER WAREHOUSE OF PETROKIMA GRESIK

Number : 78/SP/PG/IX/ 020

Day / Date : Thursday, 17 September 2020

Location : Gresik

The Governor of East Java (Jatim), Khofifah Indar Parawansa visited Petrokimia Gresik, an Agroindustry Solutions company, a member of the Pupuk Indonesia *holding company*, Thursday (17/9) to inspect the availability of subsidized fertilizers for welcoming the planting season October 2020 - March 2021 (Ocmar).

In addition in inspecting the fertilizer warehouse, on this occasion, tree planting was also carried out in the Petrokimia Gresik area as a symbol of Governor Khofifah's commitment with Petrokimia Gresik to create an environmentally friendly industry.

As it is known, some time ago Governor Khofifah asked some of districts in East Java to accelerate the second planting period to anticipate the food crisis due to the long drought and the Covid-19 pandemic which has not decrease in the second half of 2020.

For that, she asked for support from various parties, including Petrokimia Gresik as a fertilizer producer, in terms of providing subsidized fertilizers. As well as with the local government will carry out strict supervision regarding the distribution of subsidized fertilizers to farmers, in order to make this second planting season successful.

Meanwhile, the President Director of Petrokimia Gresik, Dwi Satriyo Annurogo, revealed that currently the stock of subsidized fertilizer for Petrokimia Gresik is 557,733 tons, exceeding the government's minimum requirement (491,518 tons). The stock consists of 69,977 tons of Urea, 78,653 tons of ZA, 110,248 tons of SP-36, 224,088 tons of Phonska, and 74,767 tons of Petroganik.

From those total stock, for East Java Province is 217,895 tons, with details of Urea 69,977 tons, ZA 30,675 tons, SP-36 31,389 tons, NPK Phonska 46,932 tons and Petroganik 38,922 tons.

"The obligation of Petrokimia Gresik is to provide and distribute subsidized fertilizers according to the regulations or assignments from the government," said Dwi Satriyo.

Dwi Satriyo also added that Petrokimia Gresik is always ready to support national food security, where subsidized fertilizers, as a means of agricultural production which are very important to increase agricultural productivity, especially in the midst of the Covid-19 outbreak which has not decrease.

"Not only fertilizers, Petrokimia Gresik is also ready to help farmers in controlling pests, so that the supervision is complete," he said.

PRESS RELEASE



Dwi Satriyo further explained that the distribution of subsidized fertilizer for Petrokimia Gresik is based on the Regulation of the Minister of Agriculture (MOA) Number 10 of 2020 concerning Amendments to the Regulation of the Minister of Agriculture Number 01 of 2020 concerning Allocation and Highest Retail Price of Subsidized Fertilizer in the Agricultural Sector for the 2020 Fiscal Year.

In this MOA, the Ministry of Agriculture stipulates an allocation of national subsidized fertilizer of 7.9 million tons to Pupuk Indonesia. Of this amount, Petrokimia Gresik was assigned a distribution assignment of 4.7 million tons or 59% of the total national assignment. The rest will be distributed by other fertilizer producers who are members of the Pupuk Indonesia holding.

To ensure distribution to the regions, Petrokimia Gresik has 77 Regional Sales Staff spread across various regions in Indonesia. They regularly coordinate with the Agricultural Service, Field Extension Officers, the Fertilizer and Pesticide Supervision Commission (KP3), farmer groups, and local authorities.

"In its distribution, the company adheres to the 6 right principles, namely Right Price, Right Place, Right Amount, Right Quality, Right Type, and Right Time," he explained.

Regarding the fertilization pattern, Dwi Satriyo appealed to farmers to follow the general recommendations for balanced fertilization of 5: 3: 2, namely 500 kg of Petroganic organic fertilizer, 300 kg of NPK Phonska or Phonska Plus fertilizer, and 200 kg of Urea for every one hectare of rice fields. The combination of organic and non-organic fertilizers, apart from maintaining the sustainability of agriculture, is also proven to be able to increase the productivity of 1-2 tons of harvested dry grain per 1 hectare of rice field.

"This balanced fertilization is also a solution to the use of fertilizers which tends to be excessive by farmers. So that the limited allocation of subsidized fertilizers can be used more effectively and efficiently, "he said.

Apart from fulfilling the obligation to distribute subsidized fertilizers, Petrokimia Gresik is also preparing a stock of non-subsidized fertilizers as a solution for farmers whose fertilizer needs are not allocated under the subsidy scheme.

To provide comprehensive agricultural control, Petrokimia Gresik has pest control products through its subsidiaries (Petrokimia Kayaku and Petrosida Gresik). And last but not least, the soil test car service is to find out the condition of agricultural land in each area, so that it can provide appropriate fertilization recommendations.

"Currently, there are 15 units of soil test cars operating in eight provinces to serve farmers," he said.

Finally, Dwi Satriyo hopes that the various efforts made by Petrokimia Gresik can support the program to accelerate national economic recovery through the welfare of farmers and be able to maintain national food stocks amid the Covid-19 outbreak.



PT Petrokimia Gresik

Yusuf Wibisono Corporate Secretary

PRESS RELEASE

For further information contact: Corporate Secretary: Yusuf Wibisono

Office: (031) 3981811 Ext 2218

Mobile: 0811 378 571

Email: wibisono@petrokimia-gresik.com

yusufwibie@gmail.com