

**PETROKIMIA GRESIK HELPS TO MAINTAIN CANE PRODUCTIVITY
THROUGH THE AGRO SOLUTION PROGRAM**

Number : 21/SP/PG/IV/2021
Day / Date : Wednesday, 7 April 2021
Place : Mojokerto Regency
Event : Socialization and Agro Solution Memorandum of Understanding Signing (MoU) between PT Petrokimia Gresik and Sugar Factory Gempolkrep

Petrokimia Gresik is an Agroindustry Solutions company and members of [Pupuk Indonesia](#) holding was holding socialization and Agro Solution Memorandum of Understanding (MoU) signing program along with the Sugar Factory Gempolkrep in Gunungsari Village, Dawarblandong District, Mojokerto Regency, Wednesday (7/4).

President Director of Petrokimia Gresik, Dwi Satriyo Annurogo explained that the productivity of sugarcane in East Java is the highest in Indonesia. For this reason, in the Agro Solution program initiated by Pupuk Indonesia, Petrokimia Gresik provides a large portion for sugarcane farmers in East Java.

Based on data from the Central Statistics Agency, the total national sugarcane production in 2020 reached 2.130.700 tons. The highest production came from East Java, which reached 979.000 tons. This productivity is generated from sugarcane plantations covering an area of 420.700 acres. Meanwhile, in East Java alone, sugarcane planting area reaches 182.400 acres.

"But so far there are still many obstacles faced by sugarcane farmers so that their productivity tends to decrease," said Dwi Satriyo.

In fact, sugarcane is one of the basic needs which has an important and strategic role. During the Covid-19 pandemic, plantation commodity production activities must continue to be able to provide basic needs of the community.

As for the obstacles experienced by sugarcane farmers, Dwi Satriyo added, including low productivity, limited assistance to farmers, limited availability of subsidized fertilizers, expensive non-subsidized fertilizer prices, difficulty access to financial institutions, and the selling price of crops which tends to fall at harvest time, and not yet protected farmers from the risk of crop failure.

"Agro Solution can be the answer to increase the productivity of sugarcane plantations in order to maintain food sovereignty," he said.

To mark the start of the Agro Solution collaboration on sugarcane, an MoU was signed between Petrokimia Gresik and Sugar Factory Gempolkrep.

In this program, Petrokimia Gresik collaborates with all stakeholders of sugar industry to provide intensive assistance to farmers, guarantee supply, quality and price of production facilities (fertilizers and pesticides) and facilitate the marketing of the harvest.

"The ultimate goal of Agro Solution is to increase crop productivity and farmers' income," he said.

In this collaboration, Petrokimia Gresik has a role to provide guarantees for the provision of non-subsidized fertilizers to Sugar Factory Gempolkrep's assisted farmers. As is well known,

the allocation of subsidized fertilizers continues to decrease, so that farmers' access to subsidized fertilizers according to their needs is increasingly limited.

"With the Agro Solution program, it is hoped that farmers will be able to recognize and use the non-subsidized fertilizer produced by Petrokimia Gresik so that the productivity and quality of sugarcane cultivated by farmers is increases," said Dwi Satriyo.

In addition, Petrokimia Gresik also provides monitoring and soil test analysis conducted by Soil Testing Car officers, so that farmers can get fertilization recommendations according to soil conditions and plant needs.

Petrokimia Gresik also provides pesticides for pest control through its subsidiary, Petrosida Gresik.

"We hope that the fertilizers produced by Petrokimia Gresik can become a mainstay to encourage increased productivity so that it can help increase the income of sugarcane farmers in East Java Province as the center for national sugar production," said Dwi Satriyo.

Meanwhile, in the same place, the President Director of PT Perkebunan Nusantara (PTPN) X appreciated this Agro Solution program. According to him, increasing the productivity of this program can help smooth the supply of sugarcane raw materials for sugar factory production within the PTPN X scope, so that the national sugar supply can be fulfilled.

"Especially during the pandemic in 2020, sugarcane productivity will decrease, which might disrupts the national sugar stock," he said.

Meanwhile, the sugarcane farmers assisted by Sugar Factory Gempolkrep welcomed this program, because Petrokimia Gresik together with stakeholders provided assistance from upstream to downstream, including facilitating loans for cultivation capital and insurance to protect the risk of crop failure.

"Even though the cost of cultivation increases due to using non-subsidized fertilizers, at harvest time the yield increases is above the cost increase, so the income of sugarcane farmers still increases. This is the main point," he said.

For information, the Agro Solution program with Sugar Factory Gempolkrep is not the first to be implemented by Petrokimia Gresik. Previously, Petrokimia Gresik also ran Agro Solution together with corn farmers in East Lombok, rice farmers in Bojonegoro, and several farmers in other regions in West Java, Central Java and East Java provinces.

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