PRESS RELEASE



PETROKIMIA GRESIK COOPERATE WITH PTPN XI TO EXPAND THE BENEFITS OF AGRO SOLUTION FOR SUGARCANE FARMERS

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Day / Date : Wednesday, June 2, 2021

Place : Surabaya

Event : Signing of Agro Solution Cooperation with PT Perkebunan Nusantara

(PTPN) XI

Petrokimia Gresik is an Agroindustry Solutions company and member of the <u>Pupuk Indonesia</u> holding, has expanded the cooperation with PT Perkebunan Nusantara (PTPN) XI in the Agro Solution program. The signing of the cooperation was held in Surabaya, East Java, Wednesday (2/6) at the PTPN XI Head Office.

President Director of Petrokimia Gresik, Dwi Satriyo Annurogo, explained that through this collaboration, Petrokimia Gresik seeks to increase the productivity of sugarcane in East Java, considering that East Java is currently the main support for national sugar cane for a raw material for sugar.

"Currently, domestic sugarcane productivity is still not sufficient for national sugar demand due to raw material constraints. This collaboration is one of the efforts to solve the problem," said Dwi Satriyo.

A number of obstacles faced by farmers, continued Dwi Satriyo, made it difficult for sugar cane to compete with the main staple food commodities such as rice and corn. Even though during the Covid-19 pandemic, sugarcane cultivation must continue in order to provide raw materials for the sugar industry which is a basic and strategic need for the community.

Dwi Satriyo added that the classic problems of sugarcane cultivation include low productivity, limited assistance to farmers, limited subsidized fertilizers, expensive non-subsidized fertilizer prices, difficulty in accessing financial institutions, and the selling price of crops that tend to fall, and farmers are not protected from the risk of crop failure.

"Agro Solution can be the answer to increase agricultural productivity in order to maintain food security while at the same time improve the welfare of farmers," he said.

Petrokimia Gresik in this collaboration will guarantee the supply of non-subsidized fertilizers to fostered farmers. For the sugarcane planting season this time, the fertilizers that sugarcane farmers expect include NPK Phonska Plus and non-subsidized ZA.

In addition, Petrokimia Gresik also provides control and analysis of soil tests carried out by Soil Test Car officers, so that farmers can obtain fertilizer recommendations according to soil conditions and plant needs. Petrokimia Gresik also provides agronomic assistance to sugarcane farmers assisted by PTPN XI.

Meanwhile, the Director of PTPN XI, R. Tulus Panduwijaja, welcomed this collaboration. He believes that Agro Solution creates a sustainable and integrated agricultural ecosystem by involving various stakeholders relevant in the agricultural business sector. In addition, it also supports government programs to maintain national food security.



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"PTPN XI encourages efforts to improve the welfare of sugarcane farmer partners through increasing farm productivity with superior agricultural cultivation practices or best practices. Because one of the causes of the declining interest of farmers to plant sugarcane is the economic value of sugarcane commodities. For this reason, PTPN XI synergizes with Petrokimia Gresik to increase productivity with several facilities through the Agro Solution program," he said.

Currently PTPN XI has started milling activities in 2021, including the Poerwodadie Sugar Factory (SF), Redjosarie SF, Pagottan SF, Kedawoeng SF, Wonolangan SF, Djatiroto SF, Semboro SF, Wringinanom SF, and Pradjekan SF. While the target for sugar produced this year is 304 thousand tons, the realization of production in 2020 is 290 thousand tons.

"Through this collaboration, I hope that our productivity can exceed the target. In addition, sugarcane yields also increase so that farmers can feel the benefits of Agro Solution." concluded Tulus Panduwijaja.

For information, apart from PTPN XI, previously Petrokimia Gresik also cooperated with PTPN X in the Agro Solution program. Thus, sugarcane farmers who feel the benefits of Agro Solution, the program initiated by Pupuk Indonesia is getting wider.

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