

**IN THE MIDDLE OF THE PLAGUE OF COVID-19
PETROKIMIA GRESIK RECORDED POSITIVE PERFORMANCE IN 2020**

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Petrokimia Gresik is an Agroindustry Solution company and the member of the Pupuk Indonesia holding managed to close the end of the year with satisfactory performance achievements or according to the target in the 2020 Company Work Plan and Budget (CWPB).

President Director of Petrokimia Gresik, Dwi Satriyo Annurogo revealed that at the end of 2020 the quantum production of Petrokimia Gresik [fertilizer](#) reached 4.79 million tons or 104% of the 2020 CWBP, namely 4.61 million tons. Meanwhile, [non-fertilizer](#) production reaches 3 million tons or 105 percent of the 2020 CWPB, which is 2.8 million tons.

"Although some factories are more than 25 years old, through various efforts and innovations, Petrokimia Gresik has succeeded in maintaining optimal productivity," said Dwi Satriyo.

The old factory, he continued, is one of the company's current strategic challenges. Apart from other strategic challenges, such as global political and economic conditions, dollar exchange rates, supply and price of natural gas, diversion of fertilizer subsidies, and so on.

For sales performance, Petrokimia Gresik managed to record sales of subsidized fertilizers, non-subsidized fertilizers and non-fertilizers amounting to 7.1 million tons or 108% of the CWPB. As for financial performance, the total income reached Rp27.35 trillion or 103% of the CWPB, and get a profit of Rp1.2 trillion or 100% of the CWPB (unaudited).

"*Alhamdulillah*, even though amid of the Covid-19 outbreak, in general Petrokimia Gresik is still able to provide good performance and still contribute positively to the country," said Dwi Satriyo.

According to him, the company's performance achievements cannot be separated from the growth of the national agricultural sector. As is known, agriculture has become one of the sectors that has succeeded in growing amidst many other sectors which experiencing a slowdown due to the Covid-19 outbreak.

Dwi Satriyo explained that 2021 is a transitional period because the impact of the Covid-19 outbreak will still be felt. Petrokimia Gresik remains committed to supporting the fulfilment of the allocation of national subsidized fertilizers according to the government's assignment, as well as strengthening the company's position in the commercial market, both domestic and export.

"Apart from the government's assignment through subsidized fertilizers, Petrokimia Gresik also strengthens the market penetration of commercial fertilizers," said Dwi Satriyo.

The strength of Petrokimia Gresik in the commercial fertilizer sector is its ability to meet specific consumer needs, both location specific and commodity. Dwi Satriyo also admitted

that he was optimistic that Petrokimia Gresik would be able to expand the market share of commercial fertilizers, especially for NPK fertilizer, where the company has the largest capacity in Indonesia, which is 2.7 million tons per year.

This is evident throughout 2020 there has been a surge in exports for Urea, NPK, and NPS products, even becoming the highest achievement in the last 5 years. In March 2020, Petrokimia Gresik made history by exporting 33,000 tons of Urea to Mexico.

"Of course it is a very proud thing because we can expand outside the Asian market," said Dwi Satriyo.

By the end of 2020, it is estimated that the total export volume will increase by 26% of the total export volume throughout 2019. Sales in the retail sector are no less encouraging, sales of Phonska Plus are estimated to reach 114,559 tons.

Not only fertilizer products, Petrokimia Gresik also has a series of other products such as seeds, soil repairers, decomposers, probiotics, as well as supported by subsidiaries (Petrosida Gresik and Petrokimia Kayaku) which have competence in pest control.

"So that the escort of Petrokimia Gresik is very complete, in accordance with its intention to be a solution for the agroindustrial sector," he said.

Furthermore, in 2021, Dwi Satriyo will convey three strategic points. First, Pupuk Indonesia will produce a subsidized Phonska fertilizer with a new formula 15-10-12 which will replace the subsidized Phonska formula 15-15-15. This is a government policy to increase the efficiency of fertilizers for agriculture. Petrokimia Gresik is committed that changes will not reduce the quality of subsidized fertilizers.

Second, Petrokimia Gresik began to provide a different approach for a balanced fertilization pattern, namely changing the [NPK Phonska](#) fertilizer to [NPK Phonska Plus](#). So that the balanced fertilization pattern of 5:3:2 will be Petroganic (500kg), NPK Phonska Plus (300kg), and Urea (200kg) for each hectare of rice fields.

Third, the government plans to increase the type of subsidized fertilizer in 2021, namely liquid organic fertilizer under the name [Phonska Oca](#). This fertilizer is an innovative product from Petrokimia Gresik which is a combination of NPK compound fertilizer and organic fertilizer in liquid form, with a minimum content of 6% Organic C, macro nutrients Nitrogen (N), Phosphorus (P), Potassium (K), and enriched with micro elements and microbes that are very useful for plants.

Thus, Phonska OCA can be a practical solution for farmers. Where the compound fertilizer content serves to increase plant productivity and organic fertilizers can improve nutrient content in the soil.

"We hope that the fertilizers produced by Petrokimia Gresik can become a mainstay of farmers in a sustainable manner so that they can improve the welfare of farmers and emphasize the Java-Bali area as a centre for national food production," he concluded.

PT Petrokimia Gresik

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