

**PETROKIMIA GRESIK SIGNED MOU of AGRO SOLUTION
AND JOINT BUSINESS PLANNING RETAIL MANAGEMENT**

Number : 13/SP/PG/II/2021
Day / Date : Friday, March, 5 2021
Place : Gresik
Event : The digning of Agro Solution Memorandum of Understanding (MoU) and
Joint Business Planning (JBP) Customer Centric Model (CCM)

Petrokimia Gresik is an Agroindustry Solution company and member of [Pupuk Indonesia](#) holding company was signing the Memorandum of Agreement (MoU) agricultural assistance for Agro Solution program with representative partners, in Gresik, Friday (5/2).

"The purpose of Agro Solution program is to increase the agricultural productivity, in the framework to improve the welfare of farmers through comprehensive assistance from upstream and downstream," said Operation and Production Director of Petrokimia Gresik, Digna Jatiningih.

So far, she explained, farmers are still facing many obstacles in running business, such as low agricultural productivity, agro-input prices (fertilizers, pesticides, seeds, and others) are unreachable, minimum access to finance institution, the selling price of the results harvests tend to fall when the harvest is high, farmers have not protected them from the risk of failure harvest, limited infrastructure, and other obstacles.

Digna conveyed that Petrokimia Gresik along with business partner will do intensive assistance accompaniment for farmers by giving guarantee of supply of production facilities, facilitating funding access and marketing the harvest by involving other stakeholder (Bank/Capital Provider, Agriculture Insurance, Agro Provider Input and Off Taker of agricultural products).

"Petrokimia Gresik is assigned in providing good quality product., pesticides, cultivation, soil test by soil test car, and control of PPD (Pests and Plant Diseases)," said Digna.

In the program which is initiated by Pupuk Indonesia, Petrokimia Gresik got mandate to Agro Solution Accompaniment in 2021 in the area 16.000 hectare (ha) and marketing non subsidized product as much as 8.000 tons which contain of 4.800 non-subsidized Phonska and 3.200 tons non-subsidized Urea.

The implementation, Petrokimia Gresik is collaborating with 47 partners with area potential planting 25.346 ha or 158% of the target. Meanwhile, until February 28, 2021 area planting that has been realized is 2.629.86 ha (17%). Petrokimia Gresik started this program on an area of 108 hectares in North Pringgabaya Village, Pringgabaya District, East Lombok Regency, West Nusa Tenggara Province with corn plants on January 9, 2021.

"Through this program, we also educate farmers not to depend on subsidized fertilizer. Non-subsidized fertilizers with the right composition can increase productivity as well as the welfare of farmers," said Digna.

There is 6 (six) partner representative who join signing the MoU, they are PT Ijo Sidho Agro (Ngawi), CV Kembar Jaya (Jombang), PT Srikandi Kriya Madani (Bondowoso), CV Sukses

Agro Mandiri (Madiun), PT TaniJoy Agriteknologi Nusantara-Fintech (Jakarta), dan PT Murni Sri Jaya (Sragen).

“Agro solution bring a concept of agriculture business from upstream and downstream, so that this program strengthening Agorindustry Solution, especially in an effort to maintain food sovereignty amidst Covid-19 pandemic,” said Digna.

Meanwhile, on the same occasion Petrokimia Gresik signed a Joint Business Retail Management Planning (JBP) or Customer Centric Model (CCM). Digna explained that CCM is one of Petrokimia Gresik innovation programs to improve sales of non-subsidized fertilizers in the retail market by providing quality fertilizers as well nutrition in accordance with the needs of plants.

“CCM is strategy marketing selling approach which is focus on the needs and customers desire to increase market share product,” said Digna.

This program is focusing on strategic partnership with distributor, kiosk, and farmers and building digital strength in the supply chain for fertilizer products and providing services extra to customers. For the first stage there are 98 distributors joined.

While, the 5 (five) representatives distributor in the signing were Koperasi Karyawan Keluarga Besar Petrokimia Gresik (K3PG), Petrosida Gresik, Perusahaan Perdagangan Indonesia, CV Surya Abadi, dan CV Kamulyaning Abadi.

Digna conveyed that this program is initiated to increase the sales of non-subsidized fertilizer. Remembering Petrokimia Gresik is not allowed to depend on the sales of subsidized fertilizer which the allocation from government is tend to decrease every year in National.

In addition, CCM seeks to improve the distributor management system for excellence, strengthening relationships with distributors, retailers and farmers; provide a product input required by the customer; as well as standardization of business models for distributors and retailers; get input from customers.

The sales target of non-subsidized fertilizer CCM project as much as 179.200 tons, with details 32.00 tons non-subsidized Urea and 147.200 tons non-subsidized NPK. While the sales realization until February 28, 2021 reached 22.672.6 tons or 13%.

“We believe that through this program, we will become market leader and dominant player in agroindustry sector,” said Digna.

Commissioner of PT Srikandi Kriya Madani, Suprapedi has opinion that the Agro Solution program is a translation of an instruction from the President of the Republic of Indonesia related to increasing agricultural productivity. This Agro Solution will serve as a role model to be applied more broadly. Therefore she admitted that she would support the Agro Solution Petrokimia Gresik program.

“I am ready to play an active role in effective and efficient agricultural management increasing agricultural productivity through Agro Solution. This program must be accelerated so that there will be more farmers will feel the benefits, ” she said.



PT Petrokimia Gresik

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PRESS RELEASE

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