

## PRESS RELEASE

## Welcoming Eid Al-Fitr 1440H PG PREPARES STOCK AND SUPPORTS MINISTRY OF AGRICULTURE'S EFFORTS IN TIGHTENING CIRCULATION OF FERTILIZER AND PESTICIDES

Location : Gresik

Day / Date : Friday, May 31st, 2019

Welcoming Eid Al-Fitr 1440 H, PT Petrokimia Gresik (PG), a subsidiary of PT Pupuk Indonesia (Persero), prepares subsidized fertilizers stocks of 818 thousand tons or five times bigger than government minimum stock requirement (138 thousand tons).

PG Public Relations Manager Muhammad Ihwan stated that the subsidized fertilizer stock consists of of Urea, reaching to 86 thousand tons, ZA 144 thousand tons, SP-36 161 thousand tons, NPK Phonska 333 thousand tons, and Petroganik 94 thousand tons.

"Entering holidays prior to Eid Al-Fitr 1440H, we make sure the subsidized fertilizer stock in various area is available and safe for the needs of one month ahead", said Ihwan.

Ministry of Agriculture through the Regulation of Ministry of Agriculture (Permentan) No. 47 / 2018 sets the national subsidy allocation for 2019 is 8.87 million tons to PT Pupuk Indonesia (Persero). Of these, PG received a distribution allocation of 5.2 million tons. The rest will be distributed by other fertilizer producers who are also members of PT Pupuk Indonesia (Persero) Holding Company.

"As of May 30, 2019, we have distributed 2.29 million tons or 83% of the allocation of Petrokimia Gresik in January to May 2019", said Ihwan.

Furthermore, he supports the Ministry of Agriculture's efforts in monitoring and tightening the circulation of fertilizers and pesticides. As stated by Director General of Infrastructure and Facilities (PSP) Ministry of Agriculture, Sarwo Edhy, several time ago, there were many violation modes of fertilizers and pesticides, such as distributing fertilizers without complying to permits, quality and effectiveness.

"For that, we ask farmers to be more aware of fertilizers and pesticides circulation that committed to those violations, since in the field we also found dozens of imitative and even fake fertilizers", said Ihwan.

Therefore, he warned against imitative or fake fertilizer producers, especially those who copying PG products, to immediately stop and / or withdraw the products from circulation, as well as destroy all fake fertilizers to avoid lawsuit, both criminal and civil, both the overall product similarity and the similarity in principle.

"If people find the circulation of fake fertilizers or even misappropriation of subsidized fertilizer distribution, report it to the authorities", said Ihwan.

To ensure that there is no fraud, PG through SPDP officers continues to improve coordination with related parties. Starting from Distributors, Agriculture Services, Fertilizer and Pesticides Supervision Commission, Field Agricultural Extension Officers, Army, and law enforcement officers. People can also participate in supervising the subsidized fertilizers distribution.

Besides being aware of law violating fertilizer and pesticide products, Ihwan also invites farmers to be able to follow the balanced fertilization doses or recommendations, so that agricultural products can achieve its optimum productivity and efficiency in fertilizer use.

"Balanced fertilization is very important because of its recommendation is proven able to increase crops to 1-2 tons per hectare with the most efficient fertilizer application, so farmers can save more on fertilizer", said Ihwan.



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He further explained that in the distribution of subsidized fertilizer, the company complies to the Regulation of Ministry of Agriculture, Decree of the Provincial Agriculture Office and Regency/City. The company distributes subsidized fertilizer strictly follows the 6 Corect Principles, that are Correct Place, Correct Price, Correct Amount, Correct Quality, Correct Type, and Correct Time.

"This distribution was escorted by 77 Regional Sales Representative Staffs and 323 assistants. We have 305 buffer distribution facilities with a total capacity of 1.4 million tons, 652 distributors, and 28,228 official kiosks", said Ihwan.

At present, he continued, PG is intensifying its business transformation programme, through a series of products and services from upstream to downstream, PG wants to implement itself as a fertilizer producer for solutions for the agro-industry sector.

"In the future, PG is no longer just selling products, but providing more solutions. One of them is a balanced fertilization solution. This fertilization pattern combines organic and inorganic fertilizers, such as Urea and NPK, to maintain the sustainability of agriculture", he concluded.

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