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## Welcoming the October-March Planting Season PETROKIMIA GRESIK PREPARES STOCK 4X MORE FROM THE RULES

Place : Gresik

Day/Date : Thursday, 26 September 2019

PT Petrokimia Gresik, a producer of fertilizer for agroindustry solution and the member holding of PT Pupuk Indonesia, prepared the fertilizer stock as much as 787.280 tons for planting season on October-March (Okmar) 2019-2020 or for times more than stipulation of government minimum (188,018 tons)

The details are 47.776 tons of Urea fertilizer, 138.690 tons of ZA, 197.814 tons of SP-36, 342.834 tons of NPK Phonska and 60.168 tons of Organic Petroganik. The stock was part of 1.26 million tons of subsidized fertilizer prepared by Pupuk Indonesia in Okmar planting season 2019-2020.

Corporate Secretary of Petrokimia Gresik Yusuf Wibisono explained that in distributing subsidized fertilizer, Company guided on Agriculture Minister Regulation (Permentan) No.47/2018 about allocation and the highest retail price of subsidized fertilizer for fiscal year 2019.

In Permentan, the allocation of subsidized fertilizer which should be distributed by Pupuk Indonesia is 8,87 million tons. From that number, Petrokimia Gresik got the allocation as much as 5,24 million tons. Until 25 September 2019, Petrokimia Gresik had distributed 3,66 million tons (70%).

Meanwhile for the distribution, Pupuk Indonesia or Petrokimia Gresik guided on Trade Minister Regulation (Permendag) No. 15/2013 about procurement and distribution of subsidized fertilizer for Agriculture Sector.

One of the provisions in Permendag No.15 / 2013 is that the subsidized fertilizer stock must be available to fulfill the farmer's need until the next two weeks.

"But in anticipation of the possibility of a high demand, Petrokimia Gresik increase the stock of subsidized fertilizer from there until four times more. We ensure the distribution of subsidized fertilizer run well in accordance with the allocation determined by the Government," said him.

Furthermore, in distributing subsidized fertilizer, Petrokimia Gresik guided on "6 *Tepat* (exactly)" Principal. They are *Tepat Tempat* (place), *Tepat Harga* (price), *Tepat Jumlah* (right amount), *Tepat Mutu* (quality), *Tepat Jenis* (type), and *Tepat waktu* (time). The distribution was escorted by 77 Regional Sales Staff or SPDP and 323 assistant of Petrokimia Gresik SPDP all around Indonesia. They were routine to do coordination with Agriculture Office, Field Extension Officers (PPL), farmer groups, and security forces local.

"Besides that, we are supported by good distribution facilities, that is more than 300 warehouses with the capacity is 1,4 million tons, more than 600 distributors, and more than 28.000 official stalls," Yusuf said.

Yusuf further explained that Petrokimia Gresik now is running business transformation program where the responsibility is not only produce subsidized fertilizer but also increase the stock of commercial fertilizer (non-subsidy). Because subsidized fertilizer is only for farmer who is registered in Definitive Plan of Group Needs (RDKK). This step is expected to be a solution for farmers whose fertilizer needs are not allocated in the subsidy scheme.

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"So, for all farmers who want to get the subsidized fertilizer we suggest to joini in tani group and arranging the RDKK," Yusuf added.

Yusuf also suggested farmers to follow the doses or recommendation from balanced fertilization 5:3:2, where for one hectare (ha) of paddy field needed 500kg organic Petroganik fertilizer, 300kg NPK Phonska fertilizer, and 200kg Urea fertilizer. This balanced fertilization is also become solution for fertilizer use that tends to be excessive by farmers. So that the allocation of limited subsidized fertilizer could be more effective and efficient.

"We are highly recommending the balanced fertilization because it has been proven to be able to increase yields of one to two tons per hectare. The organic fertilizer use is aimed to keep the soil fertility and the use of inorganic fertilizer can be more efficient, so that it realize a sustainable agriculture," Yusuf said.

Meanwhile, for specific fertilization recommendation, the farmers could discuss it with the agriculture officer. Petrokimia Gresik also has ground test car (Mobil Uji Tanah), it is a medium to test the fertility level of the ground. Farmers can bring their ground sample and staff will research, analyze, and recommends the right fertilization specifically, specific on location and commodities.

"This car has been operating since 2015 and the mobilization is on determined area. At this time, there are 4 units carand spread on some area, they are Central Java, Yogyakarta, East Java, NTT and NTB. In the future, we will increase the number of soil car test and expand the operational area," Yusuf said.

An additional information from Head of Corporate Communication of Pupuk Indonesia Wijaya Laksana hope that producer of fertilizer, distributor, and all official stalls improve the synergy for farmers interest and for the well of subsidized fertilizer distribution to all Indonesia.

Adding information from Head of Pupuk Indonesia Corporate Communication Wijaya Laksana hope to all fertilizer producer, ndistributor, and official stalls imrove the synergi for farmers importance for the good of subsidized fertilizer to all of Indonesia.

Wijaya reminded that he and his party would take action againts distributor who get caught fraud or corrupt. It is because the subsidized fertilizer is mandate of laws that must be distributed.

"We will not give an excuse to all distributor and the distributor of subsidized fertilizer who don not distribute it honestly. We also remind that every act of misuse of subsidized fertilizer can be charged with a maximum criminal of 5 years in prison," said Wijaya Laksana.

Pupuk Indonesia along with some of related parties like Ministry of Agriculture, Regional Govrnment and law enforment officers keep doing supervision to the distribution of subsidized fertilizer in order to match the rules.

PT Petrokimia Gresik

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