

**RAHMAD PRIBADI : PETROKIMIA GRESIK
TOWARDS RELATED DIVERSIFIED INDUSTRY**

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Today Petrokimia Gresik is Agroindustry Solutions Company and holding member of Pupuk Indonesia is 48 years. The journey to reach the 48 years is special, because from the beginning of the 2020 until now the world is facing a Covid-19 pandemic that not only has an impact on the health and economic sectors, but also hits the food and agriculture sectors as a factor that sustaining the lives of the people.

This was conveyed by the President Director of Petrokimia Gresik Rahmad Pribadi when he became the Inspector of the 48th Anniversary of the Petrokimia Gresik in Jakarta, Friday (10/7).

In his speeches, Rahmad raised the issue that the United Nations (UN) gave a warning of the possibility of a food crisis and famine due to global outbreaks. So that the countries who are producing and exporting agriculture products will tend to limit export activities to maintain food stocks in their country.

This will impact in a supply shock which ultimately disrupts the national food supply chain. For this reason, Indonesia must strengthen the domestic agriculture production sector as the main pillar of national food security. Without it, Indonesia will not be safe.

"It is become our duty to ensure that food crisis can't be happen in Indonesia," said Rahmad.

However, in running the business of Petrokimia Gresik amid this outbreaks, Rahmad see it is like a double-edged sword, always presents opportunities and challenges.

"The disruption of the global supply chain provides an opportunity for Petrokimia Gresik to increase exports," Rahmad said.

During March to June 2020 there was a surge in exports of Urea, NPK, NPS, ZK products. Even in March 2020, we have set a record by exporting 33,000 tons of urea to Mexico. So that the volume of fertilizer exports in the first half of 2020 (253 thousand tons), almost reached the export volume throughout 2019 (392 thousand tons).

"This also responds to the challenges presented by SOE Minister Ercik Thohir that SOEs must transform into international level companies and be competitive in the global market," he explained.

Meanwhile, the challenge during the Covid-19 outbreak was maintaining agriculture as a stronghold of national food security. This sector must be resilient in helping economic stability and be able to provide healthy food for the community in sufficient quantities to increase body immunity.

Observing this, Petrokimia Gresik responded by launching the latest innovation, namely " Phonska OCA " which is a combination of NPK compound fertilizer with organic fertilizer in liquid form, and enriched with microbes.

Phonska OCA is an organic product that is fully produced with 100% domestic raw materials. So besides being able to increase agriculture production, it is also able to reduce dependence on imported nutrient sources.

"For Petrokimia Gresik, the launch of the Phonska OCA is part of a transformation program to mark a new future for companies and agriculture in the country," explained Rahmad.

Strategy Towards Related Diversified Industry

In facing challenges in the midst of the outbreak, Petrokimia Gresik has a strategy to continue to contribute for national food security through the provision of solutions for agroindustry towards sustainable agriculture.

"The transformation that has been carried out by Petrokimia Gresik since 2019, not only become a burning platform, but has become a catalyst," Rahmad said.

Rahmad said that the company's DNA is DNA change. Since it was first established in 1972, Petrokimia Gresik has done transformative things. Starting from producing a single fertilizer based on Nitrogen and Phosphate, the first NPK compound fertilizer in Indonesia on the basis of chemical reactions, organic fertilizer with a C-Organic content of 12.5%, biological fertilizer, then evolved into a variety of development products such as seeds, pest control, probiotics, agriculture lime, decomposers, a number of processed agriculture products, and a variety of chemical products for various types of other industrial needs.

Therefore, in 2020 Petrokimia Gresik will start to transforming from single industry firm into related diversified industry by continue the downstreaming products, through 3 (three) strategies, namely capacity improvements, factories reconfiguration, and new product development.

The capacity improvements strategy will start with building an AlF_3 plant. The new plant has doubled AlF_3 's production capacity or 25,000 tons per year. This plant processes waste produced by the Sulfuric Acid Plant to be a supporting material for copper smelting, so that it will be able to increase revenue.

Rahmad said that the 48th year also became the milestone of the success of Petrokimia Gresik in producing Methyl Ester Sulfonate (MES), a new product developed in collaboration with the Surfactant Bioenergy Research Center, Bogor Agricultural University (SBRC IPB). MES is a bio-degradable surfactant that can be used in the oil and gas sector to increase the production of old oil fields through EOR (Enhanced Oil Recovery) technology.

"This is an important breakthrough that is highly awaited and expected by oil and gas industry players in Indonesia," said Rahmad.

Next year, Petrokimia Gresik will also build a Soda Ash plant with a capacity of 300 thousand tons. This plant will be the first in Indonesia, and will be an important pillar in supporting the growth of the domestic glass and detergent industry.

"Through the downstream program, it is hoped that Petrokimia Gresik will be able to carry out its main tasks as a support for national food security, and strengthen the national chemical industry," Rahmad said.

He also explained that the transformation carried out by Petrokimia Gresik since the beginning of 2019 has been running on the track. Where the 2019 transformation focused on improving the supply chain succeeded in delivering Petrokimia Gresik to get a net profit of

Rp1.5 trillion or 129 percent of the 2019 target of the Company's Work Plan and Budget (RKAP) set at Rp1.16 trillion.

"This is a new energy to continue the transformation program in 2020-2021 so that Petrokimia Gresik can continue to grow and contribute to the nation, society and stakeholders," concluded Rahmad.

PT Petrokimia Gresik

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