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# PUPUK INDONESIA and PETRONAS CHEMICALS strengthen strategic synergy for food security and industrial downstreaming

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PT Pupuk Indonesia (Persero) and PETRONAS Chemicals Group Berhad (PCG) strengthened their strategic partnership by signing a follow-up memorandum of understanding (MoU) that opens up opportunities for broader collaboration in supporting national and regional food security, as well as encouraging the downstreaming of the fertilizer and petrochemical industry in Indonesia.

This collaboration includes exploring potential synergies in urea and ammonia supply, transferring technical and operational knowledge, and strengthening corporate governance in the areas of Health, Safety, and Environment (HSE). This collaboration is expected to be a catalyst for strengthening the national fertilizer and petrochemical industry, making it more sustainable and efficient, and capable of meeting regional food needs.

At the same time, it ensures compliance with applicable laws and regulations.This collaboration also demonstrates Pupuk Indonesia's commitment to supporting regional food security by strengthening the fertilizer supply chain in Southeast Asia."

This collaboration expands the scope for synergy, encompassing not only product supply but also capacity development, technology transfer, and exploration of downstream projects. This is a strategic step to strengthen the downstreaming of the national industry and improve the operational reliability of fertilizer factories," said Pupuk Indonesia President Director Rahmad Pribadi at the signing ceremony for the continuation of the collaboration in Jakarta.

In addition, the two companies also agreed to a Joint Feasibility Study Agreement for the development of methanol plant technology to strengthen the downstream petrochemical industry in Indonesia. Methanol itself is a high-value commodity with a large market and is a strategic part of Pupuk Indonesia's sustainable expansion and diversification of its non-fertilizer business.

Domestic methanol development is expected to reduce dependence on imports and promote national energy independence.Furthermore, this collaboration is a strategic step to strengthen Pupuk Indonesia's competitiveness as a major player in the fertilizer and petrochemical industry in Southeast Asia.

By establishing this collaboration, Pupuk Indonesia has the potential to expand its partnership network to address increasingly complex industry challenges.Â Â This collaboration also includes technology transfer, exchange of technical knowledge, and collaboration in the field of Health, Safety, and Environment (HSE) which will strengthen the operational reliability of both companies."

This strategic partnership is concrete evidence of our commitment to continuing to build an efficient, competitive, and sustainable national fertilizer industry. We believe this collaboration will strengthen Indonesia's position in facing global challenges while simultaneously achieving stronger regional food security," Rahmad concluded.