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| MiC | MATICHON <small>INFORMATION CENTER</small> | Subject Heading : |
| Source : The Nation | | |
| Date : 14 JAN 2017, | Page : 25 | No : 60017264 |

Indonesia to be sugar self-sufficient by 2019

28 It is predicted that Indonesia will keep importing sugar until 2019 because of the ongoing revitalisation of sugar factories owned by state-owned sugar company PT Perkebunan Nusantara, which is expected to be completed within two years, an expert has said.

The revitalisation process of several factories had been completed, but they could only produce 50 per cent of their capacity because the country's sugarcane farms were still in the process of expansion, said Purwono of the Bogor Institute of Agriculture (IPB) as reported by tempo.co.

"We need two years for the improvement and revitalisation of [current] sugar companies and the establishment of new ones," he said, adding that the state-sugar owned company dominated the supply for domestic sugar consumption.

The national sugar supply was sufficient for early 2017 after an additional 600,000 tonnes had been imported last year. However, later this year the deficit could reach 500,000 tonnes, he added.

The large sugar deficit was being caused by the decreasing production of state-owned firms, Purwono went on, adding that the firm owned by PTPN IX halted operations last year because its factory needed repairs.

Purwono estimated that after the state-owned company had been revitalised, national sugar production would reach three million to 3.2 million tonnes by 2019, which would meet domestic consumption of 235,000 tonnes per month.

- The Jakarta Post