

News Update on Acrylic Acid in China and Japan

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China

On 26 June, Shanghai HuaYi, announced officially, that it would resume production at its acrylics units, after an explosion closed the plants on 23 June. The company also said that new prices would be issued on 1 July, as usual. In fact, Shanghai Huayi had been running at low rates in June, due to a technical inspection. The restart will revert to the original schedule. The number of people hurt in the accident has not been confirmed. Victims are receiving medical treatment.

Other plants in China are operating at normal rates but the overall supply of acrylic acid/acrylates was tight. The Shanghai Huayi explosion triggered an increase in acrylates prices. Further details will be available after announcements are made for contract prices for July.

On 23 June, 2013, Shanghai Huayi shut down its acrylic acid/acrylates units due to an explosion in the plant's second reactor. Shanghai Huayi's whole capacity was shut down. The company has an acrylic acid capacity of 230ktpa and an acrylates capacity of 270ktpa.

Japan

In Japan, the Nippon Shokubai Himeji acrylic acid and acrylates plants were in the process of restarting. On 27 June, additional acrylic acid and acrylate esters (specialty esters) were given permission to restart by regulatory authorities. The current status of the Himeji Japan Nippon Shokubai site is as follows:

AA 160 ktpa line (approved end of May and came onstream on 10 June) It is understood that 60% of the production will go to SAP production and the remaining to the merchant market. AA 80 ktpa line (approved 27 June and is expected to be onstream within a few weeks, probably at the end of July). SAP (production equivalent to 120 ktpa of the total capacity of 320 ktpa at Himeji started from 11 June).

With this news, 240 ktpa capacity of AA at Himeji is expected to be running by the end of July. This is the equivalent of about 52% of the total AA capacity at Himeji. The restart schedule of the damaged AA and commodity acrylate facilities (BA, EHA, and MA) is as yet unknown (could be fourth quarter 2013).

The planned expansion of AA (80 ktpa) at Himeji has been delayed to the first quarter of 2014 due to the accident, although the completion was scheduled for May 2013, originally.

PS: Regarding SAP, production equivalent to 120 ktpa of the total capacity of 320 Ktpa at Himeji started from 11 June.

SOURCE Tecnon OrbiChem's