

INEOS, Tianjin Bohai to establish JV to build ACN plant in China

RELEASED ON 22/05/13 (DD/MM/YY)

Global major acrylonitrile (ACN) producer INEOS Nitriles and China's Tianjin Bohai Chemical Industry Group Corporation plan to establish a 50:50 joint venture to build a 260,000 tonne/year ACN plant in Tianjin, China, the global ACN producer said on Wednesday.

Both parties have signed a non-binding Heads of Terms on Wednesday to build a 260,000 tonnes/year ACN plant using the latest INEOS process and catalyst technology, INEOS Nitriles said in a statement.

The plant will be completed by the end of 2016, with an expectation of possible future expansion, in line with growing demand across Asia, the statement added.

The investment positions INEOS Nitriles as the only producer to have plants in each of the world's largest ACN markets, and reinforces its position as the biggest producer in the world, it said.

"This is the second Joint Venture project INEOS has announced in China this year," said Jim Ratcliffe, Chairman of INEOS. "In March INEOS Phenol initialled a joint venture agreement with Sinopec YPC for the design, build and operation of a 1.2m tonne (/year) cumene, phenol and acetone complex at Nanjing. Both Joint Ventures bring together our world leading technology with a strong Chinese partner. They will add up to a total investment across all partners of more than \$1bn (€780m)," said Jim Ratcliffe.

However, the final agreement is subject to confirmation of satisfactory project costs and conclusion of discussions with the local authorities.

Tianjin Bohai Chemical Industry Group Corporation is a large scale chemicals company based in Tianjin (China) and the company markets a wide range of products including propylene and Acrylonitrile Butadiene Styrene (ABS).

INEOS Nitriles is a part of INEOS Group Holdings S.A.

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