

Versalis Dunkirk BD project 'frozen'

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Versalis's project to build new butadiene (BD) production at its site in Dunkirk, France, has been frozen, a company source said on Sunday.

Speaking on the sidelines of the American Fuel & Petrochemical Manufacturers' (AFPM) International Petrochemical Conference (IPC), the company source said the project had been frozen and "may be close to disappearing" as the possibility of importing ethane into Dunkirk as cracker feedstock instead is looked at.

"Ethane could come to Dunkirk," the source said, "gas furnaces are already there." "We only have to build logistics," the source said, adding that the cracker would maintain "some kind of flexibility" with regard to cracker feedstock.

Versalis announced back in July 2012 that it would build a new 70,000 tonne/year BD unit at the site where it already operates a 380,000 tonne/year ethylene cracker, according to ICIS data. The new BD unit would start up at the end of this year, or early 2015, the company said.

Additionally, there had been several BD capacity announcements by European producers in a market already structurally long. "Other companies have announced [new and expanded capacity] so maybe it's close to disappeared."

SOURCE *Icis News*