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PRESS CLIPPING

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EXCLUSIVE: More details emerge on Bahrain-Kuwait aromatics plant

Project agreement to be signed this month

An aromatics complex jointly developed by Bahrain and Kuwait will have a capacity of 1.2 million tonnes and the main engineering, procurement and construction contract is expected to be tendered soon, according to a senior official at Bahrain Petroleum Company (Bapco).

“The capacity will be 1.2 million tonnes,” Bapco board director Dawood Nassif told MEED on the sidelines of the Middle East Petroleum & Gas Conference in Dubai. He declined to give more details on the plant’s financing, saying it was still too “premature”.

MEED reported that Bapco and joint venture partner Kuwait’s Petrochemicals Industries

Company (PIC) are expected to sign a partnership agreement this month.

Nassif confirmed that the frontend engineering and design had been completed. Last month, Kuwait’s Oil Minister Essam alMarzouq told MEED the project owner was looking to attract an external partner from South Korea or Japan. The estimated \$1.5bn scheme was revived two years after an agreement was signed by both countries to develop an aromatics facility to produce ethylene glycol, ethylene and other products. According to AlMarzouq the project owner is considering a 70:30 equity to external finance model.

The plant will be integrated with the Bapco refinery, from where it will receive feedstock. Kuwait recently signed an agreement with Oman to develop the 230,000 barrel a day (b/d) Duqm refinery in joint venture partnership. The closure of Kuwait’s 200,000 b/d Shuaiba refinery has necessitated the Opec producer to look externally to develop such projects. MEED reported recently that PIC was putting its Shuaiba fertilisers plant on sale, as part of its longterm plan to sell its fertiliser assets, which have struggled to operate due to the short supply of gas.