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Study of propylene and derivatives project to be finalised by October: ECHEM

STUDY WILL BE DELIVERED TO BOUBYAN PETROCHEMICALS CO TO ACTIVATE MOU SIGNED TO EXECUTE THE PROJECT

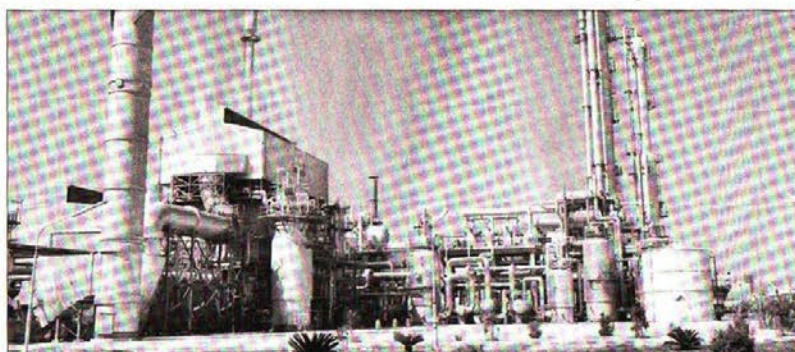
By Mohamed Adel

The Egyptian Petrochemicals Holding Company (ECHEM) will finalise by October the technical and financial studies for a project to produce propylene and its derivatives.

A senior ECHEM official told Daily News Egypt that investments in the project amount to approximately \$2bn, and it will be implemented on land owned by the company in Alexandria.

After the technical and financial studies for the project are completed, they will be given to Boubyan Petrochemicals Co, with whom a Memorandum of Understanding (MoU) has been signed.

Minister of Petroleum Sherif Ismail signed a MoU with Boubyan Petrochemicals Co in February to establish projects for petrochemicals and



ECHEM's plan to produce propylene and its derivatives will be completed by 2020

phosphorus fertilisers. The projects include a complex for propylene production and its derivatives, a refinery complex, a project for formaldehyde

production and its derivatives, and a phosphorus fertiliser complex and its derivatives. The investments on these projects amount to \$6.8bn.

The official pointed out that the plan for propylene production and its derivatives will be completed by 2020.

"The project aims to produce propylene and its derivatives using the available propane quantities, through facilitations by the Egyptian Natural Gas Company (Gasco) in Alexandria, instead of exporting these quantities. The purpose is to produce value-added products through different phases to cover local demand and export surplus," said the official.

He also added that the production capacity for the project is at 250,000 tonnes a year of propylene, which will be converted to many intermediate derivatives as well as final derivatives.

ECHEM President and Chairman Mohammad Saafan announced in a press release that the projects signed with Boubyan Petrochemicals Co. will be a partnership between Egypt and Kuwait, whether in conducting studies or funding the projects.