

Sadara on track to 'change the game' in the regional downstream industry

17 January, 2015 - Jubail, Saudi Arabia: Following the successful start-up of the first Solution Polyethylene facility in the Middle East in December, Sadara Chemical Company (Sadara) is well on track to set new paradigms in the region's downstream industry.

The company, which sponsored and participated in the GPCA PlastiCon 2016 under the theme 'Evolving GCC Plastic Conversion: Technology meets Business', showcased how its differentiated suite of performance chemicals and plastics products will add value to its customers and how the adjacent PlasChem Park will support the Kingdom of Saudi Arabia's downstream manufacturing growth and economic diversification.

The Sadara chemical complex, which is now being built in Jubail Industrial City II, is currently more than 97% complete. Following the launch of its first product, Linear Low Density Polyethylene (LLDPE), Sadara is continuing with its commissioning and start up efforts to bring the remaining 25 units on stream safely and efficiently. Fourteen of the 26 world scale manufacturing units in the Sadara Complex will deliver products completely new to the Kingdom.

"Sadara's product slate fills a significant gap in the regional chemical industry, where only 0.3% of the chemicals produced are considered specialty chemicals. Commodity products form the vast majority of the Kingdom's annual chemical and petrochemical production capacity. Using the advanced and state of the art technologies that we have, and the unique knowledge and know how our employees have gained through the intensive on-the-job training programs in both Saudi Aramco and Dow facilities around the world, Sadara will begin filling that gap," said Mohammad Alazzaz, Director, Value Park Department at Sadara during his presentation at the PlastiCon conference.

This will help encourage further development of the downstream manufacturing industry and support the Kingdom's vision for diversifying the economy and job creation," he added.



Sadara's efforts to catalyze the development of the downstream industry go deeper than just producing needed specialty chemicals. In collaboration with the Royal Commission for Jubail and Yanbu, Sadara is also working on attracting investors to the adjacent PlasChem Park, an industrial park devoted to the downstream manufacturing and conversion industries that make direct or indirect use of Sadara's products and raw materials from other suppliers in the Jubail area.

A number of investors have already signed agreements for PlasChem Park, including an Ethylene Oxide (EO) and Propylene Oxide (PO) supply agreement with Energy Chemical Sources Company (ECSC), which is a joint venture between Halliburton and TAQA, to produce oilfield chemicals for the oil & gas industry; two supply agreements with E.A. Juffali & Brothers, the first for methylene diphenyl diisocyanate (MDI) for use in polyurethane system house applications, and the second for the supply of Butyl Tri-Glycol ether (BTG) for use in the production of brake fluids and other specialty chemical products.

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About Sadara:

Sadara is a joint venture developed by the Saudi Arabian Oil Company (Saudi Aramco) and The Dow Chemical Company. With a total investment of about \$20 billion, Sadara is building a world scale chemical complex in Jubail Industrial City II in Saudi Arabia's Eastern Province. Comprised of 26 world scale manufacturing units, the Sadara complex is the world's largest to be built in a single phase and will be the first in the Middle East to use refinery liquids, such as naphtha, as feedstock. By using best-in-class technologies to crack refinery liquid feedstock, Sadara will enable many industries that either currently do not exist in Saudi Arabia or only exist through imports of raw materials. The adjacent PlasChem Park, a unique collaboration between Sadara and the Royal Commission for Jubail and Yanbu, will create more value downstream, generating unprecedented investment, innovation, economic growth and thousands of jobs.

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