

News Release

Oxea builds second propanol unit at Bay City, Texas

Monheim am Rhein, Germany, March 16, 2017 – Oxea, a leading manufacturer of Oxo chemicals, has started the construction of a new world-scale propanol unit at its production site at Bay City, Texas, USA. The new unit “Propanol 2” is scheduled to come on stream in 2018. Once commissioned, it will add a capacity of 100,000 mt/year of propanol and 40,000 mt/year of propionaldehyde. Propanol is used to manufacture products mainly ending up in printing inks, coatings, adhesives, and pharmaceutical applications. Propionaldehyde finds uses in pharmaceutical applications and the production of food preservatives, plasticizers, plastics, and rubber chemicals.

“This project reflects our long-term selective growth strategy. It helps us reinforce our strong position as the largest producer of propanol worldwide. Propanol 2 will provide Oxea with opportunities for further expansion into profitable growth areas,” commented Purnendu Rai, Executive Vice President Global Sales and Oxo-Intermediates.

As Oxea is finalizing the detailed engineering phase, construction of the new plant has commenced. Site preparation, including demolition of existing foundations from previously retired equipment, and the construction of temporary project facilities has been completed. Current activities are focused on starting the execution of civil construction and completing the bid processes for the remaining construction work, primarily mechanical, and instrumentation and electrical.

“This capacity increase is another excellent example of our strong commitment to supporting our customers with sufficient and reliable supplies,” stated Oxea’s CEO, Salim Al Huthaili. “To continue as a profitable and sustainable company, we are significantly investing in our production platforms and continuously seeking opportunities to differentiate ourselves. We aim for further expansion of our portfolio and growth in volumes over the coming period,” he added.

Oxea has awarded the construction management contract for the Propanol 2 project to Jacobs Engineering Group, Inc., one of the world’s largest and most diverse providers of full-spectrum technical, professional and construction services for the industry. Jacobs’ services include delivering pre-construction planning and construction management services. “We are delighted to work with Oxea on this strategically important project,” said Jacobs Senior Vice President Downstream Mark Bello. “Our experience and lessons learned while executing similar U.S. Gulf Coast construction projects will contribute to the success of this important expansion.”

Photo of Bay City plant: <http://www.oxea-chemicals.com/presse/BayCityPlant.jpg>

About Oxea

Oxea is a global manufacturer of oxo intermediates and oxo derivatives, such as alcohols, polyols, carboxylic acids, specialty esters, and amines. These products are used for the production of high-quality coatings, lubricants, cosmetics and pharmaceutical products, flavorings and fragrances, printing inks and plastics. Oxea employs more than 1,400 people worldwide. Oxea is part of the Oman Oil Company S.A.O.C. (OOC), a commercial company wholly owned by the Government of Oman. Established in 1996, it pursues investment opportunities in the wider energy sector both inside and outside Oman. OOC plays an important role in the Sultanate’s efforts to diversify the economy and to promote domestic and foreign investments. For more information about Oxea, visit www.oxea-chemicals.com.

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