

Qatar to up chemicals, LPG and petrochem output, says minister

By Pratap John
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Qatar is set to step up its chemicals, petrochemicals and LPG output in the coming years, said HE the Minister for Energy and Industry, Dr Mohamed bin Saleh al-Sada.

Qatar will raise its output of chemicals and petrochemicals to 23mn tonnes per year (tpy) by 2020, he said in his keynote address at the 8th LPG Trade Summit at the St Regis yesterday.

Some important contributing projects are Al-Karsana and Al-Sejeel, in addition to a Qafco expansion, which is the world's largest single-site producer of both ammonia and urea.

Al-Sada said Qatar's LPG production, which currently stands at 11mn tonnes per year, will go up by 0.5mn tpy next year with the 2014 commissioning of the Barzan Gas Project.

In 40 years since the North Field gas discovery, Qatar's LPG industry has grown rapidly, particularly so, in the last decade, the minister said.

More LPG volumes are expected from the Bul-Hanaine oil field development, which will not just enhance crude oil production, but will also add important quantities of ethane, propane, and butane.

As a dedicated global supplier of energy, Qatar is proud to be a pioneer and a leader in the gas industry. Qatar is the world leader in LNG, producing 77mn tonnes per year. And with two world



Saad Abdullah al-Kuwari

scale GTL plants, Qatar has emerged as the 'Gas to Liquids' capital of the world.

"Recently, we have announced a new offshore field discovery in North Field's Block 4 North, with as much as 2.5tn cubic feet of natural gas. This is Qatar's first new discovery in 42 years, coming after four years of intensive exploration activities," al-Sada said.

He said Qatar's efforts to "consolidate its position as competitive energy supplier continues to be unabated."

Upcoming expansions in the oil and gas sector include the Barzan Gas Project in 2014, which will play a significant role in meeting the needs of giant projects, including the facilities planned for host-



HE Dr Mohamed bin Saleh al-Sada

ing the World Cup in 2022.

This project will also play a major role in supporting all developmental elements of the Qatar Vision 2030, as guided and launched by HH the Emir, Sheikh Tamim bin Hamad al-Thani.

Some of the energy demand is driven by Qatar's large-scale expansion of the petrochemicals sector, which supports the diversification and growth of the Qatari economy.

Such developments, the minister said, will be important for a region such as the Middle East, where the commissioning of several new petrochemical supply projects will substantially increase the amount of LPG that is available to the in-

ternational markets.

Al-Sada said, "Future LPG demand in the residential and commercial sectors is growing rapidly. This is evident particularly in emerging economies such as India and China, underpinned by their strong population growth, improved living standards, and sustained high economic growth.

"Both China and India are expanding their LNG receiving capacities and gas pipeline networks, paving the way for increased imports over the coming years."

Having said that, al-Sada pointed out there were still several key issues confronting the LPG industry, such as the current outlook for LPG demand growth in developing markets, and whether supply growth was enough to support projected growth in regional and global LPG demand.

The three-day 8th LPG Trade Summit provides an opportunity for all participants to discuss the latest developments in the global and regional markets for liquefied petroleum gas (LPG), the challenges facing the industry, as well as its future prospects.

The event also featured a plenary session involving Saad Abdullah al-Kuwari, Tasweeq chief executive officer; Ian Taylor, president and CEO, Vitol Group; and Michael F Conway, president, Shell International Trading & Shipping Company.

The event, supported by Qatar Petroleum (QP) as the platinum sponsor, is hosted by Qatar International Petroleum Marketing Company (Tasweeq).