

Butanol JV

Overview

The joint venture, Saudi Butanol Company (SaBuCo), is established to own, manage and operate the butanol plant of the Integrated Acrylates Complex in Jubail Industrial City with a production capacity of 330k tpa from n-butanol and 11k tpa from iso-butanol.

The n-butanol production capacity will be made available in equal proportions to Saudi Acrylic Acid Company (SAAC), Saudi Kayan Petrochemical Company (Saudi Kayan) and Sadara Chemical Company (Sadara). Each of them will be responsible for procuring and supplying propylene and gas feedstock for production of their share of n-butanol and offtake thereof.

All iso-butyraldehyde production and one-third of hydrogen capacity will be made available to SAAC, while the remaining hydrogen capacity will be made available to Saudi Kayan and each of SAAC and Saudi Kayan will have to arrange corresponding feedstock supply and product offtake accordingly.

Both n-butanol and iso-butyraldehyde are important intermediates for the construction industry, especially for paints and coatings. N-butanol is also used as a solvent and feedstock for the production of butyl acrylate and acetate.

Project Information

| | |
|---------------------|----------------|
| Country | Saudi Arabia |
| City | Jubail |
| Category | Petrochemicals |
| Cost | 517\$ |
| Production capacity | 341k tpa |
| Start date | Q2 2013 |
| End date | Q4 2015 |
| Status | Ongoing |

Notes

-Saudi Basic Industries Corporation (SABIC) owns an indirect equity stake of 11.67% in the project (SaBuCo), by virtue of SABIC's 35% equity stake in Saudi Kayan.

-Sahara Petrochemicals owns an indirect equity stake of 14.38% in the project, by virtue of Sahara's aggregate 43.16% equity stake in SAAC.

-National Industrialization Company- NIC (TASNEE) owns an indirect equity stake of 17.43% in the project, by virtue of TASNEE's aggregate 52.30% equity stake in SAAC. TASNEE will be responsible for building and operating the joint butanol plant.

-Trial operations of butanol plant started in August 2015 and commercial production is set to start in November.

[Sadara participates in building Kayan, Sadara and SAAC to star Saudi Butanol said to have](#)

Project Development



| Related Parties | Role |
|--------------------------------|----------------|
| National Industrialization Co. | Indirect owner |
| Saudi Basic Industries Corp. | Indirect owner |
| Sahara Petrochemical Co. | Indirect owner |
| Daelin Industrial Co. | Contractor |

Sector:

