Development Projects in Liquefaction, Refining and Petrochemical

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Activité Liquéfaction, Raffinage et Pétrochimie

To enhance the country’s natural resources, the Algerian Government, undertook, through SONATRACH, a huge development program in the downstream Activity.

SONATRACH Downstream Activity is divided into three fields:

- Gas liquefaction and separation;
- Refining;
- And petrochemical.

**Liquefaction**
- 04 plants for LNG
- 02 plants for LPG

**Refining**
- 01 refinery in the center
- 02 refineries in the east
- 01 refinery in the west
- 02 refineries in the south

**Petrochemical**
- 01 plant of methanol
- 01 plant of HDEP
1. Liquefaction & Gas Separation
Liquefaction and Gas Separation

**Current capacity**

- **Liquefaction of Natural Gas - LNG**
  - GL1Z: 17.5 millions m$^3$/y
  - GL2Z: 17.8 millions m$^3$/y
  - GL3Z: 10.6 millions m$^3$/y
  - GL1K: 10 millions m$^3$/y

- **Gas Separation - LPG**
  - GP1Z: 09 millions tons/y
  - GP2Z: 1.4 millions tons/y

**Development Project**

- **GL1Z**
  - 17.5 millions m$^3$/y

- **GL2Z**
  - 17.8 millions m$^3$/y

**In the LNG, the Development project is about two LNG plants rehabilitation, the GL1Z and the GL2Z, for a total capacity of 35.5 millions m$^3$/y**

The current capacity for GNL, coming from the 04 plants is **56 millions m$^3$/y**.
The LPG production is **10.4 millions tons/y**
2. Refining
Current capacity in Refining

Current configuration: 06 refineries

- Algiers: 3.6 MTY
- Arzew: 3.7 MTY
- Hassi Messaoud: 1.07 MTY
- Adrar: 0.6 MTY
- Skikda 1: 16.4 MTY
- Skikda 2: 5 MTY

The current capacity of refining is about **30 Millions tons/y**, through **06 refineries**:

- 01 refinery in the center
- 01 refinery in the west
- 02 refineries in the east
- And 02 refineries in the south of the country
Refining development program

04 new refineries, for a total capacity of 20 MT/y, are being launched.

The additional production capacities, coming from the new refineries, will bear the national refining capacity to 50 MTY and move from a hydroskimming refining system to a Deep Conversion scheme.

To optimize and enhance the existing charges (Fuel & naphtha) at the Skikda refinery, two projects are planned:

- One (01) Fuel Cracking plant with a capacity of 4.5 MTY to maximize the diesel production,
- Two (02) Reforming plants with a total capacity of 3.4 MTT for maximizing gasoline production.
3. Petrochemical
The petrochemical activity owns 2 petrochemical plants, one for methanol production, with a capacity of **112 000 Tons/y** and the other for the HDEP production, with a capacity of **130 000 Tons/y**, added to a third plant under rehabilitation to produce Ethylene, with a capacity of **120 000 Tons/y**, for the HDEP Plant. 

These projects will be done through partnerships with leaders.
Opportunités d’investissement

- For the mentioned projects realization, SONATRACH has initiated discussions with leading companies and invite the American companies wishing to invest in downstream, in Algeria, to express their interest, in order to initiate discussions and examine together the opportunities for a successful partnership.

- Algeria has incentives strengths for investment, through :
  - An investments code advantageous for investors (eg tax exemption for 10 years ...... . ) ;
  - competitive price of production costs ;
  - Availability of utilities and energy sources : natural gas, water ; electricity;
  - Low cost and availability of the local workforce ;
  - Access to land;
  - Export possibility, after satisfaction of national demand.
Thank you for your attention