
CPCIA issues guidelines to restructure petrochemical industry

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Interfax-China reported that the China Petroleum and Chemical Industry Association have released two documents to guide the restructuring of the petrochemical industry.

A CPCIA representative surnamed Mr Cai said a document called "Petroleum and Chemical Industry Restructuring Guidelines," concerns the implementation of the government's petrochemical industry stimulus plan.

Mr Li Yongwu head of CPCIA said the guidelines will help determine which petrochemical projects will be encouraged which will be scaled back and which will be eliminated. The document also lists 42 low end petrochemical products that are still being produced in China. The association drafted the guidelines in conjunction with five domestic petroleum and chemical groups.

According to the document, China petrochemical industry is currently trying to deal with an excess of production capacity for low-end products, but not enough for high end products.

Mr Cai said the guidelines also offer recommendations for China 2011 to 2015 industry development plan, and have been submitted to the Ministry of Industry and Information for approval.

The guidelines recommend that China increase its crude oil processing volume to about 550 million tons in 2015, its annual fuel output to about 300 million tons and its ethylene output to between 21 million tonnes and 23 million tonnes.

Under the petrochemical stimulus plan, China aims to boost its annual crude oil processing, fuel output and ethylene output to 405 million tonnes, 247.50 million tonnes and 15.50 million tons by the end of 2011. In 2008, the country refineries processed 342.07 million tonnes of crude oil, produced 208.37 million tonnes of fuel and 10.27 million tonnes of ethylene.

The CPCIA also released a second document called the "Petroleum and Chemical Industry Revitalizing Technology Guidelines to spur technical support for the restructuring and revitalization of the country's petrochemical industry."

(Sourced from Interfax-China)

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