

JX Nippon Oil to complete study on Vietnam refinery mid-2016

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Japan's JX Nippon Oil & Energy plans to complete a preliminary study for a planned joint venture 200,000 bbl/day refinery project in Khanh Hoa province, Vietnam, around the middle of next year, a senior company executive said.

JX Nippon Oil & Energy in December last year signed a memorandum of understanding (MoU) with state-owned Vietnam National Petroleum Group (Petrolimex) for the construction of the refinery, said Michio Ikeda, the director and executive vice president of JX Nippon & Energy Corporation.

He was talking to ICIS on the sidelines of the 18th Asia Oil & Gas Conference (AOGC) in Kuala Lumpur, Malaysia.

The refinery will be housed within the planned Nam Van Phong Petrochemical Refinery Complex, he said.

"Hopefully the initial feasibility study will be done in one years' time and then we can make a decision to go into the detailed feasibility study," he said, adding that the project will still need to go through the front-end engineering design phase before the company makes a final decision on the refinery.

"If everything goes smoothly in the earliest case the new refinery will be on stream around 2024," Ikeda added.

Elsewhere in the region, JX Nippon Oil & Energy also in December last year signed a MoU with state-owned Indonesian refiner oil and gas firm Pertamina to upgrade the Balikpapan refinery in East Kalimantan, according to Ikeda.

"We entered into the MoU in December last year and we are supposed to review the feasibility done by Pertamina. We are in that stage of the process