

## **Petronas to delay start up of RAPID refinery**

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Malaysia's Petronas is delaying the start up of its US\$16 billion RAPID refining and petrochemicals facility to mid 2019, according to company officials. The complex, which is situated within the Pengerang Integrated Complex in the southern state of Johor, was originally scheduled to begin operations at the beginning of 2019. The project has already been twice delayed due to issues with the relocation of residents.

The RAPID project is set to be Malaysia's largest liquid based greenfield downstream development, consisting of a 300 000 bpd refinery and petrochemical complex with a combined chemical output capacity of 7.7 million tpy of various products, including differentiated and specialty chemical.

During the Asia Oil and Gas Conference in Kuala Lumpur, Wan Zulkiflee Wan Ariffin, President and Group Chief Executive Officer of Petronas, said that the fall in oil prices over the past year has forced the company to review and re-bid some of its engineering, procurement and construction (EPC) contracts. "Commodity prices went down. It was a good time for us to go into the market for EPC contracts. We did some rebidding to get better prices," said Wan Zulkiflee. The weak oil prices have also prompted the company to rephase some of its petrochemical projects, such as the RAPID complex. "We've taken the decision that some of the chains in the petchem will be rephased. Basically, some of the chains, like the phenolic chains, will come later," Wan Zulkiflee noted.