

2006/09/27 12:00:00 AM Business Day

Isegen sets up shop in the Caribbean

Edward West

KwaZulu-Natal Correspondent

DURBAN-based Isegen, a leading supplier of chemicals, would establish a \$75m maleic anhydride (MA) and food acids plant in Trinidad, MD Robert Fowlds said yesterday.

The project is a joint venture with Trinidad's National Energy Corporation and National Gas Company.

The major feedstock is n-Butane. Trinidad, which has 1,3- million people, produces methanol, liquefied natural gas, ammonia, urea and other products from its downstream gas industry.

Fowlds said the new plant would drive Isegen's inter- national expansion and enable it to supply countries in North, Central and South America, markets which were too difficult to enter previously because of high freight rates.

The new plant will initially use 80-million tons of n-Butane a year to produce 26000 tons of MA annually. The joint venture company will be called Isenix.

Trinidad and Tobago High Commissioner Donna Carter said the plant represented the first tangible evidence of enhanced ties between the two countries following a decision by the Trinidad and Tobago government to establish a diplomatic mission in Pretoria three years ago.

She said the country had many other investment opportunities, such as further downstream products for the ammonia, methanol and natural gas industries such as formaldehyde, dimethyl ether, DMT, methylamines, or ethylene or propylene derivatives.

Construction of the new plant is expected to start in the fourth quarter of 2008. It will initially produce MA.

Isegen also produces a unique frutaric acid which will enable it to compete in the global citric acid market.

The company also produces phthalic anhydride (PA) and plasticizer esters from MA and PA used in the paint, resins and PVC industries.