



## **CIS PETROCHEMICALS ONLINE**

On 8–9 July 2020, the 8th annual CIS Petrochemicals conference was held in Moscow.

SIBUR acted as a partner of the event, which traditionally brings together petrochemical producers from across Russia, the CIS and other foreign countries. This year, it was attended by 399 delegates.

---

### **IN REGULATION ON SINGLE-USE PLASTICS, RESTRICTIVE MEASURES HAVE BEEN REMOVED OR EASED DUE TO THE DIFFICULT GLOBAL EPIDEMIOLOGICAL SITUATION**

---

Due to the coronavirus pandemic, the CIS Petrochemicals conference was held online. The organisers tried to minimise the inconvenience of using a virtual format by simplifying access to content, deploying a system of online chat rooms for participants, providing videoconferencing tools, and holding a virtual exhibition of technologies and products of petrochemical companies.

The conference programme included overviews of global petrochemical markets, a review of government initiatives to address the issues related to feedstock supplies to support production, the lessons learned from the digital transformation of petrochemical plants and a discussion of the industry outlook.

Sergey Komyshan, Member of the Management Board – Executive Director at SIBUR, opened the conference with a presentation on the Key Trends in the Petrochemical Industry, discussing the post-shock market realities and the production segments most affected by the pandemic. He also noted the shifts in global environmental trends as a result of COVID-19. In particular, in regulation on single-use plastics, restrictive measures have been removed or eased due to the difficult global epidemiological situation.

The format of the event allowed company representatives to discuss the most pressing problems in the petrochemicals sector with colleagues, get a detailed overview of individual market segments, along with a review of current risks and trade flows in the context of decelerating economic growth in the industry, and discuss case studies of major petrochemical projects in Kazakhstan, Azerbaijan, Uzbekistan and Turkmenistan.

---

### **BUSINESS DIVERSIFICATION AND PETROCHEMICAL CAPACITY ADDITIONS HAVE ALLOWED A NUMBER OF INDUSTRY PLAYERS TO EMERGE FROM THE PERIOD OF TURBULENCE RELATIVELY UNSCATHED**

The discussion centred around the impact of the coronavirus pandemic on the petrochemical industry. As Dmitry Akishin, Director, Gas & Chemicals, VYGON Consulting, noted: “Projects in the petrochemical industry were dealt a double blow of lower demand for key products and no noticeable drop in the cost of feedstocks, which benefitted other global players in less regulated markets.” Moving up industry value chains to produce higher-value-added products could be the solution to the problem of dependence on global commodity prices. Conference participants noted that business diversification and petrochemical capacity additions have allowed a number of industry players to emerge from the period of turbulence relatively unscathed. However, these projects are capital intensive and risky, particularly in uncertain markets.

Other topics discussed included the dynamics of the global petrochemical markets, the rebalancing of the Russian petrochemical feedstocks market and deeper production chains. Special emphasis was placed by many speakers on environmental performance and sustainability in the petrochemical industry.

Maxim Remchukov, Head of Sustainable Development at SIBUR, discussed in detail the changing attitudes to single-use plastics and the shifts in focus towards safety. He also told conference participants about the specifics of various recycling technologies and the role of recycling in the company’s sustainability strategy.

Despite the online format, participant feedback showed that the conference proved to be useful and productive. All the more so that amidst the ongoing turbulence in key markets industry players need to understand the causes and consequences of current affairs more than ever.