



DRIVING GROWTH IN THE FAR EAST

SIBUR and Gazprom signed an agreement to supply ethane to the Amur GCC.

The main agreement was signed on 25 May at the St Petersburg International Economic Forum by Dmitry Konov, Chairman of SIBUR's Management Board, and Valery Golubev, Deputy Chairman of Gazprom's Management Committee.

AMUR GCC PROJECT PARAMETERS

- total of 1.5 mt of ethylene per year
- around 1.5 mt of polyethylene per year

Previously, the companies signed a preliminary agreement setting out the basic terms and conditions for ethane fraction supplies from Gazprom's Amur Gas Processing Plant (GPP) to SIBUR's Amur Gas Chemical Complex (GCC) during a total of 20 years. The new agreement contains more details. In particular, the document specifies the supplies volume (ca. 2 mtpa), the pricing formula and the parties' responsibility for ensuring stable supplies and accepting the feedstock.

The deal has secured long-term ethane fraction sales for Gazprom, while SIBUR is now able to continue developing its Amur GCC project. This partnership will foster the creation of the largest gas processing and gas-chemical cluster in the Amur Region that will boost the economic and social development of the entire Far Eastern Federal District.



Valery Golubev, Alexei Miller (in the background) and Dmitry Konov.

The Amur GCC project is entering the FEED stage. The decision on the project implementation is subject to completion of the FEED and clearance of SIBUR's relevant corporate procedures, which will not be taking place until 2H 2019.

Photo: gazprom.ru