

**OPINION:** A CIRCULAR ECONOMY THAT SIGNIFICANTLY REDUCES WASTE CAN ONLY BE ACHIEVED THROUGH BEHAVIOURAL CHANGE

# Refining & Petrochemicals

NEWS, DATA AND ANALYSES FOR THE

OCTOBER 2018 • VOL. 11 • ISSUE 10

## THE WINNERS ARE...

Oil & Gas Middle East and Refining & Petrochemicals Middle East 2018 Awards recognise 10 stellar performers

## VIBRATION RISK

The consequences of a failure related to vibration can be catastrophic

### IT SOLUTIONS

**ADVANCED IT SOLUTIONS BRING EXTRA VALUE AND ADVANTAGES TO OPERATING PROCESSES**

#### FIVE MINUTES WITH:

GINA FYFFE,  
CEO, INTEGRA  
PETROCHEMICALS  
**P58**

# DIGITAL PARTNER OF CHOICE

**WE ARE AT THE INTERSECTION OF BUSINESS AND TECHNOLOGY STRATEGY, ESPECIALLY WITH THE WAVE OF DIGITALISATION, INCLUDING DEVELOPMENTS LIKE ARTIFICIAL INTELLIGENCE, INDUSTRY 4.0, BIG DATA, AUGMENTED REALITY, MACHINE LEARNING, DRONES, ETC., SAYS PER ERIK HOLSTEN, MANAGING DIRECTOR, OIL, GAS & CHEMICALS, ABB**



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# October 2018

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We are at the intersection of business and technology strategy, especially with the wave of digitalisation, including developments like artificial intelligence, Industry 4.0, big data, etc., says Per Erik Holsten of ABB

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Celebrating excellence in performance, the 2018 Oil & Gas Middle East and Refining & Petrochemicals Middle East Awards recognised five organisations and two individuals for outstanding achievements





*Refining & Petrochemicals Middle East delves below the corporate strategy to understand what really makes the industry's leaders tick*

## GINA FYFFE, CEO, INTEGRA PETROCHEMICALS



**What would be the impact of the 51% acquisition of Integra's petrochemicals trading business by Cedar**

**Holdings (CH) on the future direction of Integra?**

Integra's trading business is continuing as normal. We are the same people and the management is doing the same jobs as before, giving the same commitment to our clients that we have done for almost 30 years. Where there will be a change is in the range of products we handle and the volume, as we begin to work more closely with our new mainland Chinese colleagues.

As most people know, Integra has been in China for around 26 years, the same in South Korea, and we are headquartered in Singapore. So, we know China well and the Chinese companies know us well. However, as one of the companies in the CH group, we are now working more closely with one of the stock-listed business groups of CH, Qixiang Tengda Supply Chain Hong Kong Limited (QT).

QXTD owns and operates significant petrochemical assets in China. These plants are mainly in the C3/C4 area and include a swing BDH/PDH unit, butadiene, other C4s and synthetic rubber. Also on the site are the world's largest methyl ethyl ketone and maleic anhydride plants. The company has invested heavily in environmental protection measures, which help expansion in a regulatory environment that is working to reduce pollution.

Importantly for Integra Petrochemicals, CH is ranked 361 on the Fortune 500 list and has ambitions and financing to expand both domestically and internationally in the coming years. That is obviously enormously exciting for all of our staff, in particular those working on the new projects, and mergers and acquisitions (M&A).



**What would be the financial settlement for the 51% stake?**

I think a lot has already been talked about on the size of the purchase, some of which is true and some of which is not. Let us simply say that everybody is happy with the transaction and we are all excited about the future. Nobody left the company during the transition period.

What is important is not just the money, which is of course always nice, but also the excitement of having secured our future as an independent trading company and to have such a dynamic and like-minded partner, who is there to help and support our ambitions and plans, going forward. This was really one of those deals, which when looked at in all directions, there was nothing that we did not like about it, or could not work with!

**What happens to the remaining 49% stake in Integra's petrochemicals trading business?**

The future of the remaining 49% owned by Integra Holdings was decided at the same time as the 51%. Within the next five to six years, at a time to be declared by the

**Cedar Holdings is ranked 361 on the Fortune 500 list and has ambitions and financing to expand both domestically and internationally in the coming years.**

executive directors of the company, the remaining shares will be purchased by the stock-listed company at terms already agreed upon.

**Is there a shift in the business strategy of Integra through this sell out?**

Internally, we see this deal as a new investor coming and joining us. The trading strategy remains the same – to continue in the areas we trade and to provide our clients with the best possible service we can in both logistics and trading, providing access to local, regional and global markets.

Where things will be different is in our wider business platform and how we support the stock-listed company. That will obviously involve supporting them internationally to build wider access to feedstocks and finished product markets. This is particularly important in view of the company's expansion plans in the Chinese market, as well as their international M&A work.

This will not affect our day-to-day business, or most of the Integra staff, but will give additional work and responsibilities to some members of our senior management team, as they position and build their teams going forward. It is no secret that we have been recruiting new staff members in 2018 in preparation for this event.

**How is this sell out going to change your role as the CEO of Integra?**

From what I have seen so far, I will be busier! I will remain in my role as CEO of Integra for the foreseeable future. I have also been appointed to the role of chairperson of the newly formed board, which comprises senior members of both the holding companies. We will have to wait and see what other roles may be open to me in the future as the company grows. What will determine that is where my skills add value and what would be interesting to be involved in. [REFME](#)