

Reception to celebrate the signing of a project development agreement between the Ministry of Energy and the Mitsubishi Corporation led consortium.



On 8 April 2013, His Excellency Mr. Yoshimasa Tezuka, Ambassador to the Republic of Trinidad and Tobago co-hosted a reception to celebrate the signing of a project development agreement between the Ministry of Energy and a Japanese led consortium for the construction of a petrochemical plant converting methanol to diesel substitute dimethyl ether (DME).

Negotiations were led by Mitsubishi Corporation for the project, the first phase of which will involve a total investment of US\$1 billion and will be situated in the Union Estate Industrial Park near La Brea in south Trinidad. Mitsubishi Corporation leads a consortium that includes Mitsubishi Gas Chemicals, local partner Neal & Massy Holdings Ltd and Integrated Chemical Company Ltd (ICCL), a Texas, United States-based Company. Both Mitsubishi Corporation and Mitsubishi Gas Chemical will have a 33 per cent stake in the methanol-to-DME project, with the Government of Trinidad and Tobago having 20 per cent, Neal & Massy 10 per cent and 4 per cent for ICCL.



As the production cost of DME is less than the cost of diesel derived from refining crude oil, part of the attraction of the project is that it would allow the Government of Trinidad and Tobago to reduce the fuel subsidy, if vehicles that use diesel convert to DME. This means that Trinidad and Tobago's fuel will now feature two clean fuels, DME and compressed natural gas (CNG). Apart from its use in transportation, DME can also be used in power generation and as a substitute for cooking gas (LPG), which would give Trinidad and Tobago's state sector the ability to export DME to the region as a substitute for electricity generation plants using fuel oil or diesel and to sell the DME cooking gas.



Invited guests included Senator the Honourable Kevin Ramnarine, Minister of Energy and Energy Affairs; Senator the Honourable Ganga Singh, Minister of the Environment and Water Resources; Senator the Honourable Larry Howai, Minister of Finance and the Economy; Foreign Affairs Permanent Secretary Margaret Parrillon; Mr. Fitzgerald Jeffery, Member of Parliament for La Brea; Mitsubishi led consortium; Neal and Massy Holdings Ltd; Integrated Chemical Company Ltd; the Diplomatic Corps, Members of the Public and the Media.