



Production of ammonium sulfate

Products

Annual capacity: - 100 thousand tons (50% - domestic market, 50% - export)

Project investment attractiveness :

Investment – 12,000 thousand USD
 Project NPV – 10,895 thousand USD
 IRR – 38.0%
 Payback period – 4.7 years

Project

Within the framework of the Project, it is planned to build a complex for the production of ammonium sulfate with a capacity of 100 thousand tons per year on the basis of the sulfuric acid plant of SSAP LLP in Stepnogorsk. Ammonium sulfate is mainly used in agriculture as a mineral fertilizer.

Company

SSAP LLP is the operator of the sulfuric acid plant in Stepnogorsk, launched in 2015 within the framework of state programs for industrial and innovative development and development of the chemical industry in the Republic of Kazakhstan in 2010-2014. SSAP LLP founders are United Chemical Company LLP (90.11%) and JSC NC Kazatomprom (9.89%).

Market

- According to IFA, in 2019, the total consumption of mineral fertilizers in the world reached 192.9 million tons of active substance. Over the past five years (2016-2020), world exports and imports of ammonium sulfate have shown growth dynamics, the average annual growth rate of exports for the specified period reached 2.7%, import growth - 3.3%.
- During the period 2014-2018, Kazakhstan saw an increase in the production of ammonium sulfate, the average annual growth rate of production reached 11.6%. Average annual ammonia sulphate import growth in 2016-2020 was 51.7%.

What is the project's attractiveness?

- **Availability of own raw material base.** 81,911 tonnes of 93% sulphuric acid is required to produce 100,000 tonnes of ammonia sulphate. The Initiator will guarantee the required raw materials (sulphuric acid) from its plant to produce required output.
- **Developed infrastructure and own source of electricity.** The project will be implemented in an industrial zone with the necessary infrastructure for functioning. A Siemens steam turbine is installed on the territory of the sulfuric acid plant.
- **Experience of the Initiator.** The initiator is the operator of the sulfuric acid plant with a design capacity of 180 thousand tons of products per year. Effective relationships are in place with suppliers of raw materials (Tengizchevroil), equipment (Desmet Ballestra S.p.A.) and technology (Monsanto Enviro-Chem Systems, Inc.).

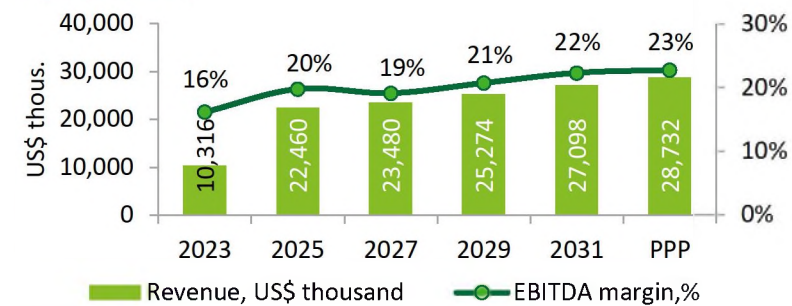
Investment proposal

The Project requires investment of 12,000 thousand USD, of which:

- 70 % (8,400 thousand USD) – debt financing subject to collateral;
- from 30 % (3,600 thousand USD) – Investor participation

The proposed financing structure and state support measures are indicative. The final financing structure and participation in the Project will be determined based on the results of negotiations with the investor.

Project profitability



Location of the project

