

**ENERGY**

# GGC plans joint-venture complex

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Global Green Chemicals Plc (GGC) plans to set up multi-billion-baht biochemical complex joint venture in Nakhon Sawan with KTIS Group Plc, a local SET-listed sugar producer.

GGC is a wholly owned subsidiary of Thailand's largest petrochemical producer, PTT Global Chemical Plc (PTTGC).

PTTGC's managing director Jirawat Nooritanon said the two parties are expected to conduct a feasibility study soon and a final decision is expected by the year-end.

The biochemical complex is expected to be located on a 1,000-rai plot, surrounded by around 100,000 rai of sugar cane plantations, which would supply the raw material for the biochemical complex, he said.

The complex will include other production facilities such as a sugar cane milling house, an ethanol plant and a lactic acid plant, he added.

The complex would go into operation in 2019 and after that more value-added products would be produced, he said.

PTTGC is also in talks with Natureworks LLC, a US-based company, about the possibility of setting up another joint venture to produce polylactic acid (PLA) in Asia.

PLA is a biodegradable and bioactive thermoplastic aliphatic polyester derived

from renewable resources, such as corn starch and tapioca root.

In addition, the biochemical complex is expected to produce ethanol from microorganisms researched and developed by PTTGC.

The project is part of Thailand's bioeconomy project, which was officially launched yesterday in Bangkok in a bid to add value to existing agricultural products, including sugar and cassava by adding them into other value-added products such as alternative energy, cosmetics, food supplements and pharmaceuticals.

The project would help pull capital expenditure from both government agencies and private companies who have projects to develop biochemical investment on the pipeline. The Board of Investment would grant extra privileges to those who invest in these projects, said Mr Jirawat.

He said the company has already filed GGC to be listed on the Stock Exchange of Thailand (SET) in October last year and Patra Securities and Finansa were assigned financial advisors. The company's shares are expected to be traded by the second quarter of this year.

According to the listing plan, the company is expected to float 246 million shares, or around 25% the total.

Cash raised from the initial public offering would be used as capital expenditure for the biochemical complex in Nakhon Sawan as well as cash for the operation of the biopalm complex in Rayong, he said.

GGC plans to expand its methyl ester capacity in Rayong to 500,000 tonnes a year, up from 300,000 tonnes. The project could also include a project to double production of fatty alcohol to 240,000 tonnes a year from 120,000 tonnes at present.

Chief executive Pattanapong Punmeechaow said PTTGC will push GGC as its spearhead bioeconomy company in the future after it is listed on the SET.