

Message from the President

Like last year, we had again chosen Miami as venue for the **IMPCA Mini Conference America**. We are satisfied that this conference is attracting a steady audience, not only from the US, but also from the rest of the world. Several subjects were covered in the papers presented at the conference in Miami, which you can read more about below. We are very pleased that this conference has proven to be an important vehicle for exchange of relevant information and for review of matters of interest to the industry. Our members and the participants at this year's conference will be able to download the presentations when logging in at our web-site www.impca.eu.



Just prior to the conference in Miami we announced that after almost 12 years in the position of IMPCA Director & Secretary, **Mr. Trond R. Tenold** will from now on be enjoying his *otium*. Trond was a delegate of our member Dyno, now **Dynea**, at the first OGM in San Francisco in 1987 and served as President from 1990 to 1994 and in the years 2002-2006. When he now has decided to step down, I would like to thank him for his dedicated and long service to IMPCA over the years and I wish him all the best in his retirement. Having said that, it gives me great pleasure to welcome **Dr. Ralph Grote** as IMPCA's new Director & Secretary. Ralph is no newcomer to IMPCA or to methanol. He has previously served on the Board as the Vice President representing our member **EVONIK**, and many of you will know him from his time with EVONIK.

I hope to see you at one or more of our other events later this year, the first one being the **32nd IMPCA Mini-Conference** at the Crown Plaza Hotel in **Porto, Portugal** on the **11th and 12th June 2020**.

René Butzelaar, President

The 8th IMPCA Mini Conference America

took place at the Marriott Stanton South Beach, Miami, Florida on the 06th and 07th February 2020. Prior to the conference, on Thursday morning, a Golf Outing was organised.

On Thursday evening the delegates could enjoy the Official Opening Welcome Event at the hotel.

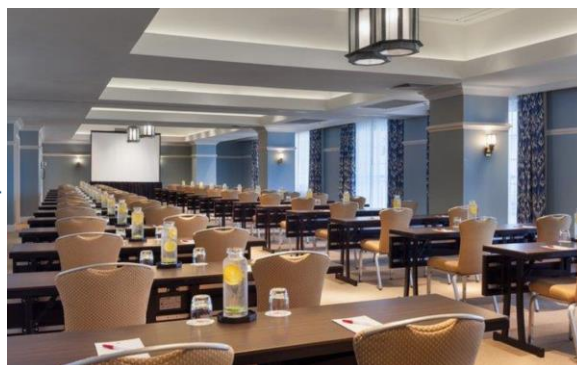
At **Friday morning's business session**, the audience had the opportunity to listen to 6 speakers on various issues of importance to the industry:

AGENDA

8th IMPCA Mini Conference America, Miami SB, Florida

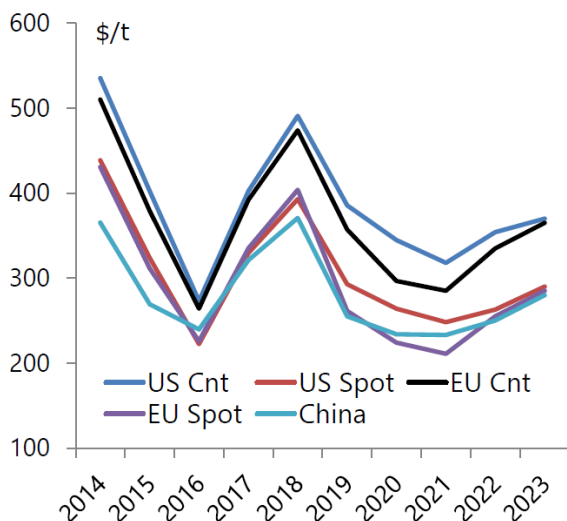
Business Session Friday February 7th, 2020

09:00 – 09:05	Opening	René Butzelaar, IMPCA President
09:05 – 09:35	Methanol Global Overview	Dave McCaskill, ARGUS MEDIA
09:35 – 10:00	Focus on Methanol Derivatives	Javier Ortiz, IHS Markit
10:00 – 10:30	A bunker supplier's view on IMO2020	Jim Jensen, Dan-Bunkering (America) Inc.
10:30 – 11:00	Interactive Coffee Break	
11:00 – 11:30	Alternatives to Drive Transportation	Eric Bober, Nexant
11:30 – 12:00	US Methanol and Acetic Acid	Anna Matherne, ICIS
12:00 – 12:30	Marine Fuel developments	Greg Dolan, Methanol Institute
12:30 –	Closing Remarks	René Butzelaar, IMPCA President



The **Global Methanol Overview** was given by **Dave McCaskill** of **ARGUS MEDIA**, and his final slide was:

Industry methanol pricing history/forecast



- China's dominant market position continues to "underpin" methanol industry pricing
 - ROW follows China's direction when the industry is balanced
 - The industry is seldom balanced and remains vulnerable to supply shortages and price fly-ups in all regions
- MTO methanol affordability underpins the long-term forecast
 - Olefin "down cycles" are transferring to the methanol industry
- Major industry spot pricing moves toward parity, eliminating most regional differentials

illuminating the markets

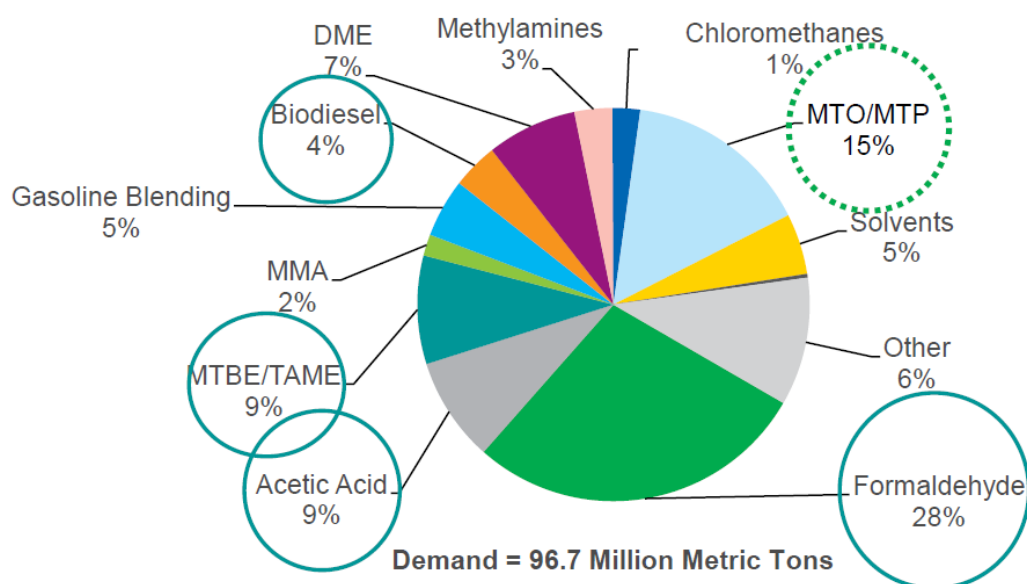
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Javier Ortiz of **IHS Markit** chose "**Methanol Derivatives Outlook**" as the title for his presentation. Amongst the subjects he covered were:

MTO Matters to Methanol....

World: 2023 Methanol Demand by End Use



Source: IHS Markit

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“A Bunker Supplier’s View on IMO 2020” was the title of the presentation given by Jim Jensen, of Dan Bunkering (America) Inc. and he concluded as follows:

IS METHANOL THE SOLUTION ...OR JUST A PART OF IT?



- Methanol definitely has a justification in the bunker fuel basket.... mainly because of its low carbon footprint
- Ideal for shipowners/operators looking to take firm commitments towards lowering emissions (Cruise Lines and Car Carriers)
- Ideal for shipowners/operators having relatively short voyages with fixed port calls (Cruise Lines, smaller GC)
- Ideal for Methanol producers with inhouse shipping activities (Methanex AKA Waterfront shipping)

CONCLUSION

- Methanol presently have good fundamentals in place from an infrastructure and technical perspective
- Currently no financial upside burning Methanol instead of traditional bunker fuels
- Focus should be on specific subsegments within shipping as listed above
- Today limited uptake ... in order to boost sales of Methanol to the bunker market strategic alliance should be formed between producers, whole sellers/ Traders (such as DB) and owners/operators to explore further development

Eric Bober, from Nexant Inc. spoke about “Alternatives to Drive Transportation”.

Conclusions

- Market adoption is contingent on a multitude of factors
- Petroleum fuel infrastructure/history is a large two-way barrier
- Conventional fuels offer consumers:
 - Ease
 - Reliability
 - Low cost
- But consumers worry about the impact on the environment
- Some alternative resources still in R&D stage (e.g., fuel cells)
- Biggest inhibitors for wide and deep adoption of methanol as a transport resource are:
 - Consumer cost
 - Refueling infrastructure
 - Being the Betamax instead of the VHS

Anna Matherne, ICIS presented an overview of “US Methanol/Acetic Acid” and amongst her information was:

US Acetic Acid/VAM: First new acetyls capacity in decades

Company	Capacity (kt/year)	Product	Location	Start-up
Celanese	150,000	VAM	Clear Lake, Texas	December 2018
Celanese	800,000	Acetic Acid	Clear Lake, Texas	End of 2020

- Moving production back to US from Asia because of cheap natural gas
- Acetic acid expansion would boost capacity by 54% in US
- Reduce production in Asia by 600,000 tonnes

“Methanol Marine Fuel Developments” was the title of the paper given by Greg Dolan, CEO of the Methanol Institute.

Amongst the subjects he covered were:

METHANOL IS:

- A simple, safe liquid fuel, miscible in water
- Plentiful, available globally, price competitive
- Works with existing engine technologies as a drop-in or a dual fuel
- Complies with IMO2020 provides a pathway to IMO 2030 and 2050
- Requires only minor modifications to current bunkering infrastructure



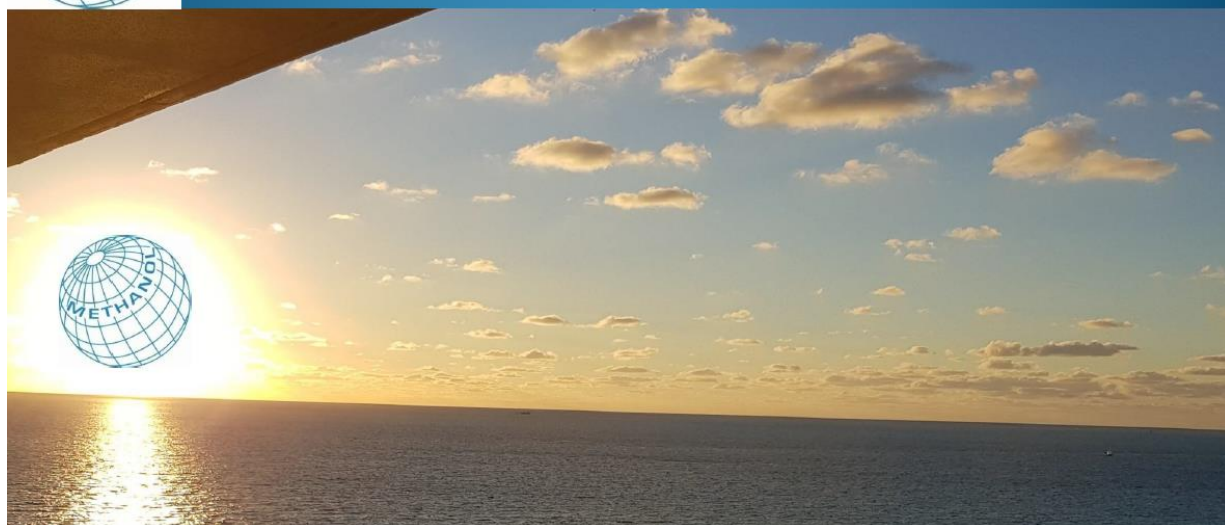
IMPCA thanks the speakers, delegates and sponsors for their valuable contribution in making the conference a success.

IMPCA thanks the following companies for their support for this year's conference:



8th IMPCA Conference America

6th & 7th February 2020



32nd IMPCA European Mini-Conference 2020, P O R T O, Portugal

The Mini-Conference in 2020 will be held at the **Crowne Plaza Hotel** in Porto, Portugal on 11-12 June. Crucial for the choice of venue is of course that a ship suitable for our Thursday evening Welcome Buffet Dinner is available, and in 2020 we shall sail onboard the “**Esplendor do Douro**”, embarking from the harbour of Porto.



*Sponsorship opportunities are available for this year's Mini-Conference.
Please contact the IMPCA secretariat at info@impca.eu*



Your company's logo could be here!

23rd IMPCA Asian Methanol Conference 2020

Methanol Marketing Services Asia will be organising the 23rd IMPCA Asian Methanol conference in **Singapore** from **November 3rd to November 5th, 2020**.



As this conference has become the most important Asian event when it comes to methanol conferences, you should definitely mark this event in your calendar.



Editorial Team:

Trond R. Tenold, IMPCA Director Emeritus

Eleanor Conway, IMPCA Secretariat

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