Early Warning System

IFC-36221

Axion

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Quick Facts

Countries	Argentina
Specific Location	Campana, Parana River
Financial Institutions	International Finance Corporation (IFC)
Status	Completed
Bank Risk Rating	B
Voting Date	2016-04-01
Borrower	AXION ENERGY ARGENTINA S.A.
Sectors	Energy

Project Description

The Axion refinery is located at the port of Campana by the Parana River, 75 km from Buenos Aires city in an area of approximately 130 hectares. The refinery is located at the northeast of Campana, in a designated industrial area Campana is a mid-size city (some 94,000 inhabitants) in a moderately populated industrial zone outside the Buenos Aires metropolitan area. The refinery, designed to process mainly heavy crude (only 20% of light crude), has a total refining capacity of 90,000 barrels per day (BPD) and produces a wide range of products, such as gas oil (37%), mogas (27%), fuel oil (12%), aviation fuels (jet fuel 7%), coke (7%) and others (10%) (i.e., liquid petroleum gas (LPG), chemical and petrochemical products.)

The proposed project, which will be built within the boundaries of the refinery, aims to expand the refinery's crude processing capacity (increase diesel production in approximately 1,200,000 m3/year and gasoline in 650,000 m3/year) as well as reaching a higher conversion (i.e., extracting more valuable products out of a single crude barrel); and producing ultra-low sulfur diesel and gasoline. Thus, it will increase the throughput from 90,000 BPD to 120,000 BPD by installing an additional delayed coker and increasing the capacity of some of the operation units. In addition, Axion will install (a) combined naphtha and diesel hydrotreaters to treat the naphtha and distillate streams from the expanded coker, and catalytic cracker units, and produce 10 ppm sulfur gasoline and diesel; (b) a sulfur recovery unit along with its corresponding sour water stripper; (c) sour gas scrubbers, for the existing and new refinery fuel gas streams; and (d) an amine regeneration system.

As part of the proposed project, Axion will also (a) increase its storage facilities and upgrade the loading capacity to accommodate the additional products and intermediates volumes; (b) increase crude reception and product delivery facilities for additional volume; (c) increase the external electrical supply by adding an additional 60 MVA to the existing internal/external electrical power supply; (d) install a second cooling water tower to complement the existing cooling water system; (e) upgrade the effluent treatment facilities; and (f) increase hydrogen production. In addition, it will also install a new flare system and associated equipment to handle additional loads to the flare from the new units; a new acid flare which collects the discharges from the fuel gas system complex will be attached to the main flare. A new air system will be also built, replacing the existing one.

Investment Description

- International Finance Corporation (IFC)

Private Actor Relationship

A part of Pan American Energy (PAE), a joint venture between Bridas Corporation (50% owned by China's CNOOC) and BP.

Private Actors Description

Axion Energy Argentina is a major Argentine energy company refining and selling fuels, lubricants, and petrochemicals, operating a large refinery in Campana, and running a vast network of service stations in Argentina, Uruguay, and Paraguay, as a key part of the Pan American Energy Group (PAE), owned by Bridas Corporation and BP. They supply various sectors (auto, aviation, marine, industrial) with products like fuels, lubricants (Mobil brand), and LPG, focusing on expansion and modernization

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
BP Global Investments Limited	Parent Company	Energy	owns	Axion Energy Argentina	Client	Energy
Bridas Corporation	Parent Company	Infrastructure	owns	Axion Energy Argentina	Client	Energy

Contact Information

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/