
Asia and the Middle East lead global ammonia capacity

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Global ammonia capacity is expected to experience considerable growth between 2017 and 2026, increasing from 230 million tons per annum (mtpa) in 2017 to more than 280 mtpa by 2026, led by Asia and the Middle East, according to GlobalData, a data and analytics company.

The company's report: "Q4 2018 Global Ammonia Capacity and Capital Expenditure Outlook" Dangote Industries Ltd and Nagarjuna Fertilizers Lead Global Capacity Additions" reveals that around 100 planned and announced plants are scheduled to come online, predominantly in Asia and the Middle East, over the next nine years.

Within Asia, India plans to add a total capacity of approximately 8.6 mtpa by 2026 with the help of 18 planned and announced ammonia plants. Major capacity additions will be from Nagarjuna Fertilizers and Chemicals Ltd and Rashtriya Chemicals and Fertilizers Ltd.

Dayanand Kharade, Petrochemicals Analyst at GlobalData, comments: "Domestic producers in India are set to have large capacity additions, primarily targeting the country's increasing fertilizer demand and import substitution."

GlobalData identifies the Middle East as the second highest in terms of ammonia capacity additions. Within the region, Iran has 21 planned and announced ammonia plants, with a total capacity of 8.4 mtpa by 2026.

In Africa, Nigeria plans to spend US\$7.21bn and add capacity of roughly 6.6 mtpa, expected to come onstream by 2026.

Kharade adds: "In Nigeria, Dangote Industries Ltd is setting up large ammonia plants, primarily targeting domestic fertilizer demand and other export markets in the region."

The US has nine planned and announced ammonia plants, with a capacity of around 3.1 mtpa over the next nine years, and plans to spend US\$3.23bn. Major capacity additions will be from Cronus Corporation and Ohio Valley Resources LLC.

In the Former Soviet Union (FSU), most ammonia capacity additions are in Russia, with capacity of approximately 2.9 mtpa by 2026. Capex for these plants totals US\$1.95bn by 2026. MCC EuroChem is the top company accounting for the major capacity additions in Russia.

In South America, the major ammonia capacity additions are in Peru, with planned and announced capacity additions of around 0.9 mtpa by 2026. Capex for these plants totals US\$0.76bn. In Europe, Hungary plans to spend US\$24.0m and add capacity of 0.1 mtpa, expected to come onstream by 2026.

The report states that Dangote Industries Ltd and Nagarjuna Fertilizers and Chemicals Ltd leads among the key companies in terms of global capacity additions, with an estimated capacity addition of 2.9 mtpa (3 plants) and 2.0 mtpa (4 plants) respectively.