

Croatian national oil company INA said that it has signed a contract worth some 444 million euros with Italian company Kinetics Technology (KT) on the modernization of its Rijeka oil refinery.

Last week, INA made a decision to invest some 540 million euros in a heavy waste treatment plant at the Rijeka oil refinery. The company's Supervisory Board gave its prior approval for the construction of the heavy duty processing facility in Rijeka, followed by a unanimous decision on the investment by the Management Board. Works on the new plant will begin early next year and it is expected to start operating in 2023. CEO of INA Sandor Fasimon said that the decision on the heavy-duty processing plant marks an important step in the implementation of INA's 2023 downstream program, as well as an important moment in the company's history as it is the largest investment INA has made in decades. With this decision, Rijeka refinery will be transformed into a modern European refinery while ensuring that INA maintains a leading position on the market.

This investment is a part of INA's 2023 downstream program, along with the transformation of its other oil refinery in Sisak into an industrial site, effectively closing the plant. The program is focused on ensuring sustainability and profitability of refining and marketing operations, as well as the whole company through changes of the current downstream business model. Although the refinery in Sisak will be closed, it will still remain a valuable part of INA's operation and a major employer. The alternatives for Sisak would include the development of bio-component refining and petrochemical production conditional to viable business case, and positive development of EU and Croatian legislation. It would also include a modern logistics hub, bitumen, renewables, lubricant production or other sustainable and economically viable operations.