

Ellba declares force majeure on supplies to Shell Chemicals Europe

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Ellba has declared force majeure on supplies to Shell Chemicals Europe, Shell said Tuesday.

"The styrene monomer and propylene oxide plant at the Moerdijk petrochemical complex in the Netherlands is owned by Ellba C.V. (a joint venture between Shell and BASF) and is currently shut down because of an unexpected failure of one of the reboilers in the plant," Shell said.

"As a result, Ellba C.V. has declared force majeure on its ability to supply Shell Chemicals Europe B.V. on June 30, 2017," it added.

Shell also said the duration of the force majeure was "unclear" and it was "working hard to minimize the impact from this disruption for its customers".

Shell declined to comment whether SCE had declared force majeure on supplies to its customers. S&P Global Platts heard separately that Ellba had also declared force majeure on supplies to BASF, according to a source close to the company.

The source added that BASF had not declared force majeure to its customers or suppliers, but was looking for other solutions to fulfill its contractual obligations.

The source did not give any information on the expected duration of the repair work.