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A joint venture to construct the world's largest low-carbon green ammonia plant in Louisiana by 2029

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CF Industries Holdings, Inc., the worldâ??s largest producer of ammonia, has formed a joint venture with **JERA Co., Inc. (JERA), Japanâ??**s largest energy company, and **Mitsui & Co., Inc. (Mitsui),** a leading global investment and trading company, for the construction, production and offtake of low-carbon ammonia.

Greenfield low-carbon ammonia isÂ primarily used in the agricultural sector as a fertilizer, particularly for nitrogen.Â it also has potential for use as a low-emission fuel in industries like maritime shipping, power generation, and even as a hydrogen carrier.Â Additionally, it can be used in the chemical industry and for producing explosives.

Yukio Kani, JERA Global CEO and Chair said, â??Collaboration and partnership are at the heart of JERAâ??s strategy to achieve our decarbonization goals. This Blue Point project is a testament to the strong alliances we are building to advance low-carbon solutions. The U.S. remains a cornerstone market for JERA, and this initiative underscores our long-term commitment to expanding our presence with diversified and sustainable energy projects. As we move forward, we will continue to accelerate the availability of low-carbon fuels and develop their supply chains, driving meaningful progress toward a more stable and cleaner energy future.â?•

Kenichi Hori, President and Chief Executive Officer of Mitsui & Co., Ltd, said, â??This is a landmark investment with CF Industries and JERA in this large-scale low-carbon ammonia project. Mitsui will establish a low-carbon ammonia value-chain worldwide by leveraging its presence in the US gas value chain from natural gas to chemicals including this project, and our strength and track record in the global trading of ammonia. We aim to lower carbon emissions across various industries through investment in projects of this kind.â?•

Greenfield Low-Carbon Ammonia Capacity Construction Overview

The companies estimate that the cost of the low-carbon ATR ammonia production facility with CCS technologies will be approximately $4 billion. Approximately half of the estimated cost is related to materials that will be imported to the United States, with the majority of imported materials expected to arrive in Louisiana in three years. The companies will divide the cost of the ammonia production facility engineering, procurement and construction according to their ownership percentage.

Pre-construction activities and engineering evaluations will begin in 2025 at CF Industriesâ?? Blue Point Complex in Ascension Parish, Louisiana. Construction of the ammonia production facility is expected to begin in 2026, with low-carbon ammonia production expected in 2029.

The ammonia production facility is designed with an annual nameplate capacity of approximately 1.4 million metric tons and is expected to capture greater than 95% of carbon dioxide generated from the production of ammonia. CF Industries will have operations and maintenance responsibility under a contract with the joint venture.

Additionally, CF Industries will build and operate scalable infrastructure at the Blue Point site to supply the ammonia production facility with services including product storage and loading. CF Industries will invest approximately $550 million for these facilities and receive ongoing services revenue from the joint venture ammonia production facility.