

## President's Report

### Dear ITCO Members,

As 2024 draws to a close, I firstly want to take this opportunity of thanking you for all your support over the past year. That support takes many forms; your active participation in ITCO events, committing resources to our various Work Groups, engagement in the Management Committee, and simply words of encouragement and support for the changes which we have initiated during the year. ITCO is laser-focused on providing value to our members, and hopefully the broad level of support is a signalled that we are achieving some success in this respect.

Some of those changes include the wider, more representative and inclusive Management Committee, the updated ITCO Strategy, the newly established Finance Sub Committee, Town Hall meetings, and outreach to other industry associations such as ECTA, EPCA and BIC. We have also signaled our support for the chemical industry initiative 'Women in Logistics'.

Other milestone events during the course of 2024 included a successful Depot Meeting in Rotterdam (which triggered the Work Group on Depot Audits and Assessments), the superbly representative ITCO Village at the Shanghai Transport Logistic exhibition (our thanks to Kate for the excellent organisation), and a long-overdue return to the Americas for our Annual Meeting in Houston. We also supported a TT Club event focused on risk and insurance issues for tank containers, and continued our awareness programme with the Rotterdam Shipping & Transport College.

However, this is also the time to be looking forward to our plans for 2025. More details will follow, but for now please note the following dates in your calendars:

- Antwerp - April 9/10 (Digitalisation & Efficiency)
- Munich - June 2-5 (ITCO Village, Transport Logistic)
- Singapore - November, week of 17 Nov, date to be confirmed (ITCO Annual Meeting).

### Opportunities and Rabbit Holes

As we look ahead to 2025, we cannot afford to ignore both the challenging business environment (see the Market Update in this Newsletter) as well as the geopolitical reality of tariffs, and potential trade wars. Will this put the brakes on globalization, or potentially see it go into reverse?

Would more regional, local-for-local trade be an opportunity for tank containers, or would shorter trade lanes free up capacity to such an extent that it reduces the demand for new-builds?

One thing is clear; two of the major drivers of chemicals demand are automotive and construction, and both are showing signs of weakness today.

However, on the positive side, the effectiveness and efficiency of tank containers can play a significant role in a difficult business environment; they are an asset-lite solution, offer minimal product handling, have a proven safety record, environmentally friendly, and can easily be used for static storage. So, I remain a confident and optimistic advocate for the tank container.

On that note, I want to wish all our members, as well as their families and friends, a safe, peaceful, and enjoyable holiday season. Hopefully there will be an opportunity to relax and recharge the batteries, ready to face what could be a very challenging 2025!!

My very best regards

### Paul Gooch

President  
president@itco.org



*ITCO President Paul Gooch welcomed participants and gave an update on ITCO arrangements and organisational developments*

## ITCO WORK GROUP

# Successful 2024 Members Meeting in Houston

Over 200 Members participated in the 2024 Members Meeting in Houston on 28 & 29 October 2024

The Meeting commenced with a well-attended ITCO Golf Tournament on 28 October, with 72 players taking part. This was followed in the evening by the "Welcome to Houston" networking reception and golf tournament prize-giving.

Tuesday 29th began with a "Get-Together" Breakfast, followed by a Full-Day Conference, comprising external speakers, as well as reports and discussion about on ITCO's Work Groups, Projects and Activities.

### Morning Session: External Speakers

With Houston as our Host City, the opening presentation – **"Port Houston: cargo growth and infrastructure development"** – was given by Ricardo Arias, Trade Development Manager, Port Houston, who reported on the port's current expansion plans and channel development, together with a picture of its global trade.

Corey Love, Corporate Fleet Manager, Lanxess, gave an overview of the **"Challenges of tank container growth in the USA"**, reviewing some of the regulatory, technical and operational constraints affecting the industry. Following mid-morning refreshments, Jason Carl, Managing Director, North America, PSA BDP, discussed **"Supply chain solutions and digital products for the chemical industry."**

In the final presentation of the morning, Gary Bullock, Chief MSTC, Houston & Galveston Sector, US Coast Guard, considered **"Regulatory compliance issues, safety, security and the US Coast Guard Programs"**.

### Afternoon: Focus on ITCO in the Americas

After lunch, the focus was on ITCO in the Americas. Lucas Luckmann, Depotrans, Santos, Brazil, commenced the session, giving a detailed overview of the tank container business in the Americas - "Latin America: Challenges and Opportunities for the Tank Container business".

This was followed by a panel discussion, moderated by Matt Caldwell (Intermodal Tank Transport), covering "Future Development of ITCO in the Americas". The Panel comprised: Lucas Luckmann (Depotrans), Jason Carl (PSA BDP), Corey Love (Lanxess) and Angela Chiara (EXSIF).

### ITCO Projects and Plans

The final session of the afternoon covered ITCO's current and future projects.



**Ricardo Arias, Trade Development Manager, Port Houston**



**Corey Love, Corporate Fleet Manager, Lanxess**

Thomas Tweddle, Global Fleet Manager, Royal Den Hartogh Logistics, introduced a new ITCO Work Group **“Global Trucking Standards for Tank Containers”** – with the aim of defining what should be the minimum standard of safety and behaviour for the road transport of tank containers.

Mike Tunstall, Managing Director, Sahreej/Kanoo Tank Services, updated participants on the development of the project being undertaken by ITCO to develop a global **Tank Container Depot Audit and Assessment System**.

Conference Sessions concluded with an overview of the **“Regulatory and standards work being undertaken by ITCO”**, which was presented by Alex McGonagle - Engineering Director CIMC Universal Tank Technologies (UK) Ltd

The Event concluded with a Post-Conference Reception.

### PDFs of Presentations

Presentations are available to download from the ITCO website.

### Event Sponsors

A big thank you to our Event Sponsors.

### Conference Sponsors

- EXSIF
- Fort Vale
- Tank Service Incorporated
- Silver/CIMS
- Van Moer
- Ovinto

### Golf Sponsors

- Depot Connect International
- Tank Services Incorporated
- CS Leasing
- CIMC Safeway
- Perolo



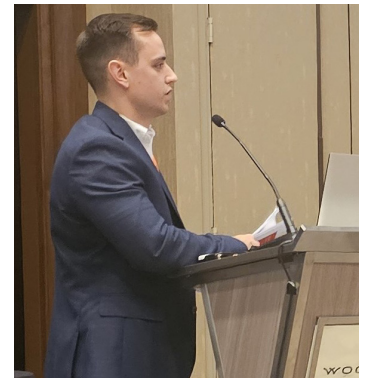
**Jason Carl, Managing Director, North America, PSA BDP**



**Gary Bullock, Chief MSTC, Houston & Galveston Sector, US Coast Guard**



**Lucas Luckmann, Depotrans, Santos**



**Thomas Tweddle, Global Fleet Manager, Royal Den Hartogh Logistics**



**Over 70 participants played in the ITCO Golf Tournament**



**Alex McGonagle - Engineering Director CIMC Universal Tank Technologies (UK)**

# 2025 ITCO EVENTS

Feedback from Members shows a preference for ITCO to organise three events each year, covering Europe, Asia and the Americas.

In 2024, ITCO has organized events in Rotterdam (Focus on Depots), Shanghai (Tank Container Village at transport logistic China) and Houston (2024 Members Meeting).

The 2025 Schedule has now been confirmed, with events scheduled for Antwerp, Munich and Singapore – practical arrangements are now being finalised for Antwerp and Singapore.. Subject to demand, there is also the opportunity for Regional ITCO Meetings.



The **transport logistic 2025** exhibition takes place in Munich, from Monday 2 to Thursday 5 June 2025. ITCO will once again be organising the Tank Container Village at the event.

Members of ITCO are invited to apply for an Exhibition Stand in the Village. To download the Stand Information Package and Stand Booking Form, click on this link: [ITCO VILLAGE](#).

As in previous events, a limited number of Exhibition Stands are available. Bookings will be handled on a “first-come, first-served” basis. At the time of going to press (15 December), there are 6 spaces remaining.

The position of each exhibitor will be confirmed at a draw to take place at the end of January 2025

To make your reservation, complete and return the form to:

- Ines Neumann: [ines.neumann@meplan.de](mailto:ines.neumann@meplan.de)
- Kate Marszalek: [secretary@itco.org](mailto:secretary@itco.org)

## “Efficiency & Digitalisation” Conference

📍 Hilton Hotel, Antwerp 📅 9/10 April 2025

With increasing focus on reducing costs and improving efficiency in all areas of the tank container business – operating, leasing, depots and manufacturing – this 1-day conference will focus on new technology and systems which can be introduced into the tank container industry.

The Meeting will also an opportunity for the ITCO Digital Twin Work Group to present the work that has been undertaken.

Initial ideas for the Conference Agenda are currently being considered. Members who wish to contribute suggestions - please contact Paul Gooch on [president@itco.org](mailto:president@itco.org)

## 2025 Members Meeting

📍 Singapore 📅 Week of 17 November 2025

Recognising the critical importance of the Asian market for the tank container industry, ITCO will return to Singapore – after a 7-year gap – for its 2025 Members Meeting.

The Meeting will take place during week commencing 17 November 2025, with a full-day conference programme, comprising external speakers and ITCO members.

Subject to demand, additions to the agenda will be incorporated, including technical site visits, etc. Members wishing to be involved in the Event, please contact ITCO President Paul Gooch – [president@itco.org](mailto:president@itco.org)

## ITCOWORK GROUP

## New ITCO Work Group: “Trucking Standards”

*At the ITCO Members Meeting in Houston in October, Thomas Tweddell of Royal Den Hartogh Logistics, highlighted the current challenges facing the road transport of tank container logistics.*

While many parties involved with the tank container supply chain strive for high standards of safety, it is not possible to control every link in the chain.

The safety standards in the road transport of tank containers can vary widely based on the region, the sales terms, and the consignee. Dangerous situations are being created on roads around the world due to incorrect equipment types and poor maintenance standards combined with a lack of policies, guidance and knowledge.

In some examples, even the most basic necessities are not adhered to. Trucks and chassis responsible for moving hazardous goods do not have sufficient tyre tread, structural integrity, or proper load securement.

To improve standards, a draft document has already been created. This “Global Trucking Standards for Tank Containers” document aims to act as a reference point for the industry and outline basic guidance on the very minimum standards required for trucking and haulier operations.

ITCO members will be invited to participate in a Work Group concerned with improving the Global Trucking Standards for Tank Containers. The initial aim will be to finalise the document, and therefore outline minimum standards, suitable to be applied worldwide.

Once published, the Work Group can concentrate on the primary objective: the design and implementation of a system which can uphold these standards. The full scope and details of this system will be decided by the WG. Learning from the progress of the Depot Assessment WG, this new WG will aim to create a structured approach to supporting the application of safe road trucking standards for tank containers globally.

The final result should empower ITCO members, shippers and consignees with a system that helps them choose trucking partners who adhere to the safety standards required when transporting tank containers by road.

## ITCOWORK GROUP

## ITCO Depot Assessment WG: Progress Report

As detailed in the last bulletin (ITCO Journal, September/October 2024), the main workload by the WG – which was to establish the structure of the depot questionnaire, and the extent of information to be gathered and published on each depot - is largely complete.

This means that the WG leaders must now establish, in collaboration with web portal providers:

- the cost of both creating and maintaining a database portal which can host depot information and capabilities (to be derived from the depot questionnaire already devised by the WG);
- and which can show the status of each depot in terms of the audit of set standards for safety, environmental stewardship and social governance (“Verification Requested” / “Verified” / “Not Verified”).

At this moment, the work underway is to create a “Request for Information” document which will be addressed to qualified web platform providers and used as the basis for an initial meeting with them to understand the projected costs of the project.

Such costs will be the last part of the jigsaw needed to complete an overall “Proposal for the ITCO Management Committee”, to proceed with the project and trigger a campaign for depots globally, to join the database and be audited.

Such initial meetings with providers are intended to take place during January 2025.

## ITCO WORK GROUP

## ITCO Digital Twin WG: Progress Report

In the September/October Issue of the ITCO Journal, we set out the background - and the progress to date - of the ITCO "Digital Twin" Work Group, which is one of our initiatives under the theme of "Efficiency and Digitization".

The directions and objectives were agreed last year in meetings of the main Work Group.

Additionally, over the last 18 months, a sub-group has worked to agree 500 lines of technical vocabulary and data as the raw material of the digital message format for the ISOTank "passport" or ID.

This means we are at the stage now where an IT specialist can draft the first version of the message schema, incorporating the raw data in a user-friendly fashion, which can then be reviewed and critiqued by the main Work Group.

The co-Leader of the Work Group, Shane Robertson (Stolt

Tank Containers) has kindly allocated a dedicated specialist in his office to do this. The work is underway right now.

Once the schema is agreed, the next stage of the journey would involve attracting all key stakeholders to adopt this format, with the ambition to achieve a high level of interoperability between all those players who receive and pass on ISOTanks during their supply chain operations.

Bureau International of Containers (BIC) - who were on stage at the ITCO Depot Meeting in Rotterdam earlier this year - have also taken a strong interest in our project.

In an initial collaboration, BIC have provided an example of how the new message could be used to share container information with other supply chain partners through their BoxTech platform. This has already taken shape with a mock-up of how the front page of a container ID might look, with all the additional data accessible via a "Documents" button - this is divided into "ITCO Datafile" and "Inspection Certificates". Once this is in a test phase, it will also be brought to the WG for critique and discussion.

With much of the hard work done, we look forward to a trial roll-out of the Digital Twin during 2025 - with updates to be shared during the Efficiency & Digitization meeting in Q1.

The screenshot shows the Global Container Database interface. At the top left is the BoxTech logo and 'Global Container Database'. At the top right is the user 'David Reff' with email 'bic@bic-code.org' and a 'Menu' button. Below is a search bar with the text 'Enter container number' and a 'Search' button. The main content area displays details for container 'UTCU4674716'.

Physical Characteristics		BIC Code Holder / Operator Details	
<b>Group ST</b> 22KL	<b>Detail ST</b> 22K5	<b>BIC Code Holder</b> STOLT TANK CONTAINERS LEASING LTD	<b>Current Operator</b> STOLT TANK CONTAINERS LEASING LTD
<b>Tare weight</b> Kgs: 3,890 Lbs: 8,576	<b>Cubic capacity</b> m3: cu ft:	<b>Documents</b>	
<b>Max payload</b> Kgs: 32,110 Lbs: 70,790	<b>Max gross</b> Kgs: 36,000 Lbs: 79,366	<b>Inspection Certificate</b> Download	
<b>Stacking</b> Kgs: 213,000 Lbs: 430,000	<b>Racking</b> Kgs: 20,000 Lbs: 40,000 Newton: 150	<b>ITCO Datafile</b> Download	
Tank Container Details			
<b>Capacity Litres</b> 24,000	<b>IMDG Code</b> T11		
<b>ADR Code</b> L4BN	<b>Baffles</b> Yes		
<b>Ladder</b> Rear Left	<b>Walkway Coverage</b> E		
<b>Steam Heating</b> Run Count: 8 Inlet Connection Type: Threaded 3/4	<b>Manlid</b> Closure Type: Hinged Hand Nut Type: Wingnuts Closure Count: 8		

# TECHNICAL REGULATIONS STANDARDS

## REGULATORY AFFAIRS & INDUSTRY STANDARDS

### IMDG Code and RID/ADR editions

#### Mike Himbury highlights some “dates for your diary”

As we approach the end of 2024, we can make a note that the 2022 edition of the IMDG Code (Amendment 41-22) remains current throughout 2025.

However, it is joined on 1 January 2025 by the next edition, IMDG Code 2024 (Amendment 42-24) - which will be voluntary until 1 January 2026, when that - in turn - becomes mandatory.

If, like me, you prefer “diagrams” to “words”, then the following sketch might help follow this schedule.

The UNECE website has yet to provide the access link to the full web based new 2025 ADR regulation. We are informed that a track change version and the full 2025 ADR code will be published and available in English, French and Russian for public access, in January 2025 on the following link.

<https://unece.org/adr-2025-files>

#### IMDG Code Amendment Cycle 2017-2026

Key	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
		38-16								
Transition year when either amendment is valid				39-18						
Year when single amendment only is valid						40-20				
								41-22		
										42-24

Those of us who are grappling with the issue of the new RID/ADR SV marks for gas tanks - or are unclear about managing the changes in tolerance for intermediate test due dates - will find the following extract from the minutes of the December 2024 RID/ADR WP15 meeting useful.

ITCO will be attending the RID/ADR March 2025 sessions - primarily to work with regulators on their drive to ban dual certification intermodal tanks.

In the November 2024 session, France proposed to work on mitigating the problems reported by ITCO, which would be created by a ban on our dual certified T11/L4BN standard tank. We await papers to be posted on the site.

#### Interpretations to be published on the ECE website

##### I. Display of the SV mark in 6.8.3.2.9.6

The display of the SV mark required by 6.8.3.2.9.6 applies only to tanks intended for the carriage of compressed, liquefied and dissolved gases fitted with safety valves. Tanks intended for the carriage of refrigerated liquefied gases, MEGCs and battery-vehicles, the elements of which are pressure receptacles, shall not display the SV mark.

(Reference documents: informal documents INF.4 and INF.6)

##### II. Procedure if the specified date of the intermediate inspection has passed

If the specified date of the intermediate inspection has passed, an intermediate inspection shall be performed in accordance with 6.8.2.4.3 or alternatively a periodic inspection may be performed in accordance with 6.8.2.4.2.

(Reference documents: informal documents INF.5 and INF.6)

## ISO TC 104 Freight Containers

### Revision of ISO 1496-3:2019 (Tank containers for liquids, gases and pressurized dry bulk)

The many amendments agreed by TC104/SC2/WG4 are being compiled into a Working Draft.

This will be reviewed by the WG in early 2025 along with further consideration on the following subjects.

1. Whether MEGCs are included in the scope for this standard. (Possible ISO ballot to decide).
2. Further consideration may be given to the benefit of creating an informative annex on Interface Connections for Tank Containers. WG4 doubted the value of this.
3. Guidance to be provided in the standard for permitting reduced ratings for dedicated low specific gravity payload tank containers. (For example dedicated Hydrogen transport tanks)

If any members of ITCO wish to volunteer opinions on these proposals please make contact, either to me by email, or through their national standards body (NSB) for those countries who elect to be Participating Members in the standard work.

It would be a good thing if more members could engage with their NSBs to provide valuable expertise in the ISO committee forum. Your National Standards Body will have access to this Working Group if your country of domicile is listed as a "Participating Member" on the following ISO/TC104/SC2 website.

<https://www.iso.org/committee/51174.html?view=participation>

**Michael Himbury**

himbury@itco.org

### TECHNICAL & REGULATORY: PFAS

## PFAS: Meeting with DG Move

Matthew Woodcock (Fort Vale) represented ITCO at the joint meeting with UIP (International Union of Wagon Keepers) at the EU Brussels office of the Director General Move this December.

ITCO is cooperating with UIP to lobby sections of the EU Commission for continued use of essential materials for tank seals and gaskets.

Although the Director General cannot currently offer a particular direction for any industry, they are observing the consultation phase and shortly after the RAC and SEAC report is issued, they can begin drafting and recommendations to the EU.

The DG appreciated physical samples of a hatchway seal, relief valve and PFA coated ball. It allowed them to understand the main use of the equipment and lifespan and serviceability of the equipment leading to this conclusion. Perhaps, following the meeting, the requirements of the tank transport might be considered positively by the DG.

ITCO members that have contacts with EU officials and can assist ITCO with lobbying, are requested to contact the Technical Secretary (rubery@itco.org).



*The DG Move Building in Brussels*



## PFAS: ECHA considering alternative options for seals and gaskets

A report from Chemical Watch and News & Insight dated 21 November 2024 indicates that ECHA is exploring alternative options to a PFAS ban for certain sectors - including fluoropolymers which are essential materials for seals and gaskets, as one of the potential candidates for an exemption from the ban.

Hundreds of companies and industry associations, including ITCO, submitted comments during the consultation, arguing that solid state fluoropolymers are harmless, emissions from them are controlled and a ban would eliminate many critical uses.

This new development was revealed in an update provided by the agency and five European countries working on the REACH Annex XV dossier and says that an alternative option to a ban could involve "conditions allowing the continued manufacture, placing on the market or use of PFAS instead of a ban" or conditions that must be met until alternatives are available.

This work will continue into 2025, (the transport sector is due to be reviewed Spring 2025) leading to an opinion by the risk assessment committee and a draft opinion by the socio-economic assessment committee (SEAC). Following a consultation on the draft SEAC opinion, the consolidated opinions are expected to be published in mid 2026.

## Flexibags transporting Mixed Hydrocarbon Oil

The Indian Office of the Commissioner of Customs issued Public Notice 86/2024 clarifying that The Petroleum (Amendment) Rules 2024 (framed by the Petroleum and Explosives Safety Organisation (PESO) prohibit the use of flexibags for transport and storage of petroleum products as defined. This is consistent with IMDG regulations.

The Indian Customs Authority has applied these rules to the petroleum products imported under Harmonised Tariff Schedule Code HS 2709 and 2710.

However, HS Code covers a range of petroleum products and includes certain mineral oils and bituminous substances that the IMDG does not classify as DG.

Consequently, "a large quantity" of flexibags reportedly filled with "Mixed Hydrocarbon Oil" which are not classified as DG by IMDG, have been held by Indian Customs at the port.

This action by Indian Customs might lead to an opportunity for shippers to convert the trade to tank containers.

UN TRANSPORT DANGEROUS GOODS MEETING  
NOV-DEC 2024

## T50 FRP Liquefied Gases

The meeting discussed the programme for the development of a new section 6.9.4 Requirements for the design, construction, inspection and testing of portable tanks with shells made of fibre reinforced plastics (FRP) materials intended for the transport of non-refrigerated liquefied gases.

Should this come about, there are implications for T50 owners and operators. ITCO members that would like to participate in the subject, should contact the technical secretary (rubery@itco.org).

## Test your Knowledge: This Month's Quiz Questions

### 1. Which, if any, of the following is incorrect?

- ADR 6.7 is a UN Portable Tank used to transport DG cargo on land within Europe
- ADR 6.7 is a UN Portable Tank and not allowed to transport DG cargo on land within Europe
- ADR 6.8 is a tank container used to transport DG cargo on land within Europe

### 2. A UN Portable Tank divided into sections by surge plates (baffles) requires the capacity of each section to be no greater than:

- 5000 litres
- 7,500 litres
- 8,500 litres

### 3. When a UN Portable Tank is used to transport a substance at an elevated temperature, IMDG 4.2.1.4 requires the temperature of the outer surface of the shell not to exceed:

- 60degC
- 70degC
- 80degC

### 3.1 Does the maximum temperature of the "outer surface of the shell" also apply to the:

- Thermal insulation fitted to the shell
- Openings and their closures

Please send your answers to the ITCO Technical Secretary - [rubery@itco.org](mailto:rubery@itco.org).

## ITCO Members Survey results

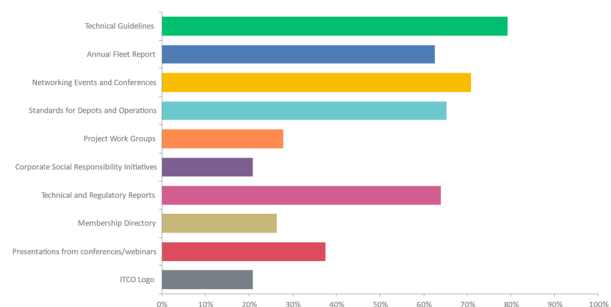
ITCO recently undertook a Members Survey, with the aim of identifying which projects, events, activities are relevant and interesting for its Members. There were 80 responses to the Survey (which is a high proportion of the Membership). To encourage Members to respond to the Survey, answers and comments were kept anonymous.

The complete Survey results are available to view on the ITCO website – go to the ITCO website and click on documents.

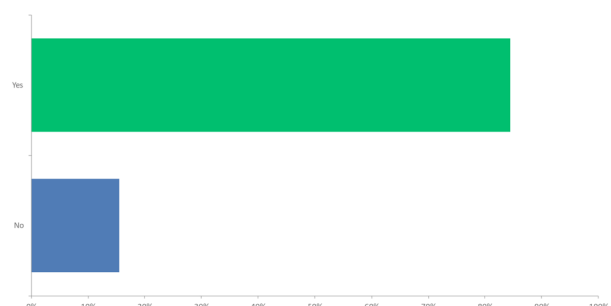
From the data, the top four areas of interest to Membership are as follows (in order):

- Technical Guidelines
- Networking & Conferences
- Standards for depots & Operations
- Annual Fleet report / Technical Regularity reports

Q1: Which of the following ITCO deliverables do you consider to be most valuable for your business. Select all that are relevant for you.



Q12: Should ITCO rotate the geographical location of their events? (Europe, Asia, India, China, Americas, Mid East)



# MARKET UPDATE

## 2025 Outlook

Unfortunately, not much in the way of “good news” to report in this final market update for 2024.

3Q chemical earnings were generally disappointing based on sluggish demand and limited margin recovery. Demand and volume trends suggest that while some segments are recovering, e.g. electronics, others face weak demand and market uncertainties.

The outlook for 2025 remains cautious, with hopes that lower inflation, reduced interest rates and more accommodative fiscal policies will accelerate recovery.

However, the return of Donald Trump to a second term will be closely watched. US chemical makers may welcome plans for lower corporate taxes and deregulation but globally companies remain wary of potential tariffs and increased global trade tensions.

*(Source: Chemical Week Finance and Strategy Insider)*

## Germany's challenges

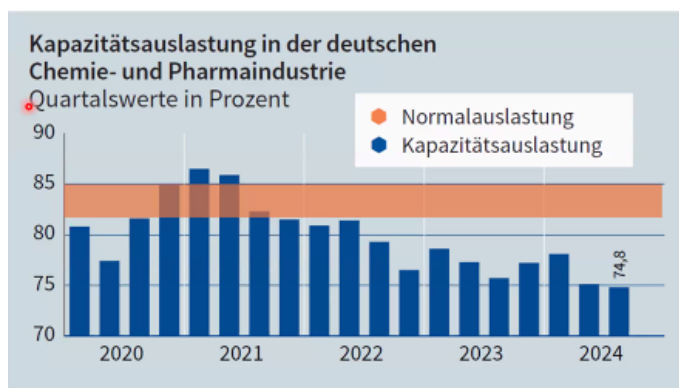
VCI, Germany's chemical industry association, said the country's chemical-pharmaceutical industry suffered a “major setback” in the third quarter of 2024.

As a result, VCI has downgraded its full-year guidance and now expects production to increase by 2% and sales to decline by 2%, instead of the previously expected increases of 3.5% and 1.5%, respectively.

The anticipated recovery in demand for chemical products did not materialize in the third quarter, VCI said. Many industrial customers cut production, causing a drop in demand for chemicals, while the pharmaceutical business was weak in foreign markets, it said. Domestic sales as well as foreign

business are on the decline, it added.

“Our industry is in a severe recession. The demand for chemical products is falling further, and the pharmaceutical business is weakening too. Capacity utilization in the industry's plants is getting lower and lower,” said VCI Director-General Wolfgang Große Entrup



*(Source: KI Webinar based on VCI data)*

## Earnings expectations

Overall, chemical results fell short of expectations. Among the top 25 companies in the CW75 index by market capitalization, 13 missed and 12 exceeded earnings expectations, leading to a disappointing performance.

In contrast, three-quarters of S&P 500 companies surpassed expectations, highlighting the chemical sector as a laggard. While gases outperformed, agriculture continued to lag, and diversified, basic and specialty chemicals reported mixed results.

Companies noted generally weak volumes, though some experienced modest improvements, while others, particularly in the automotive sector, faced unexpected declines. Europe, especially Germany, remains notably weak.

*(Source: Chemical Week Insider)*

## Market News

- Iraq is rebooting plans for a multibillion-dollar integrated petrochemical complex at Basra, which were scrapped by Shell PLC earlier this year after years of inconclusive discussions between the company and its Iraqi government partners. The country's Ministry of Planning, in collaboration with the Ministries of Oil and Industry and Minerals, said it has commissioned KBR Inc. (Houston) to conduct a feasibility study for the relaunched Nebras petrochemical project.
- Bayer AG said its performance in the third quarter of 2024 was negatively impacted by a weaker-than-anticipated development of the agricultural market, especially in Latin America, and as result it decided to lower the crop science division's targets as well as the group's EBITDA before special items guidance.
- Sabic is considering multiple options as part of its ongoing global portfolio optimization and asset restructuring process, including a "partial exit or full exit" from Europe, according to CEO Abdulrahman al-Fageeh during a third-quarter earnings call with analysts on Nov. 4. "We continue to look into our assets in Europe ... a closure and rationalization of our footprint in Europe is one option, but there are many options for Europe," he said.
- Meanwhile in Japan, ethylene cracker operating rates for October were reported to be just 77.4% of capacity, which is not sustainable, and some rationalization is inevitable.

## Scenario Planning

The pressing question remains: when will the cycle turn? As 2025 planning progresses, the anticipated acceleration has yet to occur. Despite these challenges, many companies are hopeful that moderating inflation and more accommodative monetary policy measures will provide some stimulus in 2025.

Unfortunately, as we all know, "Hope is not a strategy" (Attributed to James Cameron), and therefore we are sure ITCO members are actively involved in scenario planning for 2025.

## Contacting ITCO...

To communicate with ITCO, Members should use the following contacts:

### ITCO Policy and Future Development

For matters relating to ITCO policy and future development, please contact either the President or your respective Board Director

- **President:** Paul Gooch – [president@itco.org](mailto:president@itco.org)
- **Operators:** Mark Warner, [MWarner@denhartogh.com](mailto:MWarner@denhartogh.com)
- **Manufacturers:** Graham Blanchard, [gblanchard@fortvale.com](mailto:gblanchard@fortvale.com)
- **Lessors:** Mike Broadhurst, [mbroadhurst@trtn.com](mailto:mbroadhurst@trtn.com)
- **Depots & Services:** Mike Tunstall, [gm@sahreej.com](mailto:gm@sahreej.com)

### ITCO Administration and Technical Matters

- **General Secretary:** Patrick Hicks – [hicks@itco.org](mailto:hicks@itco.org)
- **Financial/Administration:** Kate Marszalek – [secretary@itco.org](mailto:secretary@itco.org)
- **Technical:** Colin Rubery – [rubery@itco.org](mailto:rubery@itco.org)
- **Regulatory/Standards:** Mike Himbury – [himbury@itco.org](mailto:himbury@itco.org)

### ...use email, not WhatsApp

Members are asked to use email for any communication.

**Please note: WhatsApp messages will not be answered.**