

Croatian oil and gas company INA said it is set to close the fluid catalytic cracking plant at its Sisak refinery in a bid to convert the refinery into a logistics centre and cut losses.

"A Deloitte analysis has shown that a conversion of Sisak Oil Refinery into a logistics centre is the most cost-effective solution, and that its implementation would generate \$93 million (75.9 million euro) in cash flow over the next three years," INA said in a statement.

The move is a step towards a significant reduction in the losses that the refinery generates, INA added.

The closure of the FCC plant will see 40 employees lose their job in 2018, INA noted.

Local media have reported that the company's employees are worried that INA is preparing to completely halt production in Sisak.

Last August, INA decided to transfer crude oil stored in Sisak to a refinery in the port city of Rijeka for processing. At the time an employee told news agency Hina that INA's parent company, Hungary's MOL, wants to close the refinery as it is the chief competitor to MOL's refineries.

MOL is the biggest shareholder in INA with a 49.08% stake. The Croatian government owns 44.84%, with the remaining 6.08% is held by institutional and private investors.

Source: seenews