

June 6, 2024

Sojitz Corporation

Sojitz, Sembcorp and Kyushu Electric Sign Term Sheet to Supply Green Ammonia from India to Japan

Sojitz Corporation ("Sojitz"), Kyushu Electric Power Co. ("Kyushu Electric"), and Sembcorp Green Hydrogen Pte. Ltd., a wholly-owned subsidiary of Sembcorp Industries ("Sembcorp"), leading energy provider in Asia, have signed a term sheet on June 6, 2024, for the supply of green ammonia* produced in India to Japanese off-taker. Each company intends to develop the term sheet into a legally binding document at a later stage.



[Signing at Kick-off Seminar of the Japan-Singapore Co-Creation Platform]

As the global trend toward carbon neutrality accelerates, there is a greater push to a transition to clean energy. Sojitz began discussions with Sembcorp from 2022 to collaborate on a wide range of infrastructure and new energy business areas focused on decarbonization. Price-competitive green ammonia will be produced in India, which has abundant renewable energy resources and vast land area, by utilizing Sembcorp's knowledge and resources in project development and operation in the country. From 2023, Sojitz and Sembcorp, together with Kyushu Electric, have been engaged in joint planning of a project to produce green ammonia to be supplied to Japanese off-takers.

Sojitz and Kyushu Electric will undertake the 200,000 metric tonnes of green ammonia per year from the latter half of the 2020s for the Japanese market and will supply it to various industrial off-takers mainly in the Kyushu region as part of this term sheet agreement.

By supplying cost-competitive green ammonia, Sojitz will promote the introduction of green energy and contribute to Japan's decarbonization efforts. At the same time, Sojitz strives to provide a stable supply of energy through diversification of the green energy supply with the establishment of a new supply chain in India.

*Green hydrogen, which is produced using renewable energy and water electrolysis equipment, is attracting attention as a carbon-neutral, next-generation energy source that does not emit CO₂. However, there are some issues that remain to be solved, such as the transportation method. Green ammonia is expected to spread quickly for use in thermal power generation and other applications as a hydrogen carrier for green hydrogen and as a zero-emission fuel (fuel ammonia) that emits no CO₂ when burned.

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18 December 2023

[Attendance at the MOU Ceremony of AZEC Leader's Meeting](#)

26 October 2022

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