

March, 24, 2025

MITSUBISHI GAS CHEMICAL COMPANY, INC.

**MGC Commences Construction of Methanol Production  
Demonstration Facility Utilizing Diverse Gases  
including CO<sub>2</sub>, Industrial By-product Gases**

Mitsubishi Gas Chemical Company, Inc. (MGC; Head Office: Chiyoda-ku, Tokyo; President: Masashi Fujii) today announced it has commenced construction of a methanol production demonstration facility (hereinafter referred to as “the Demonstration Facility”) within its Mizushima Plant. The facility will utilize diverse gases, including CO<sub>2</sub> and industrial by-product gases as raw materials.

The construction of the Demonstration Facility aligns with the objectives outlined in the Memorandum of Understanding signed with JFE Steel Corporation and Mitsubishi Chemical Corporation, as announced in a release dated 24 March this year.<sup>1</sup> The facility will have an annual production capacity of 100 tons of methanol and is expected to begin demonstration operations in FY2026.

The Demonstration Facility has been selected as an indirect subsidy project for FY2024 under the “Subsidy for Petroleum Supply Structure Improvement Projects” program operated by the Ministry of Economy, Trade & Industry’s Agency for Natural Resources and Energy.<sup>2</sup>

Reducing GHG emissions in the industrial sector is a major societal challenge in addressing climate change. Methanol, one of the fundamental chemical substances, can be synthesized from captured CO<sub>2</sub>, waste plastics, biomass, and other sources. It is gaining attention as a sustainable next-generation energy source, including marine fuel, and is widely regarded as a key material for GHG reduction and the establishment of a carbon-recycling society due to its diverse applications in various industries.

MGC, as a comprehensive methanol manufacturer,<sup>3</sup> leverages its long-standing expertise, knowledge, and experience to promote its platform “Carbopath™,” which aims to create a resource-recycling society through methanol in partnership with cross-sectoral collaborators.

The Demonstration Facility will enable the demonstration of methanol production technology utilizing diverse gases as raw materials, including CO<sub>2</sub> and by-product gases from industrial processes. From FY2026, the facility will seek to validate technology for producing methanol by directly reacting by-product gases emitted from the steel-manufacturing process with hydrogen. Furthermore, the facility is being designed as a mobile

plant that can be relocated, thereby enabling future demonstrations of methanol production technology from diverse gas sources across various locations in Japan.

Through the operation of the Demonstration Facility, MGC is committed to contributing to the realization of a sustainable, resource-recycling society through methanol.

1 Release title ([JFE Steel, Mitsubishi Gas Chemical, and Mitsubishi Chemical Collaborate to Develop a Carbon Recycling Supply Chain at Mizushima Complex](#) | [About Us](#) | [Mitsubishi Gas Chemical Company, Inc.](#))

2 The purpose of this program is to promote the reduction of fossil fuel usage in order to achieve carbon neutrality by subsidizing the costs of projects that create an environment conducive to the stable supply of next-generation fuels (non-fossil fuels), including biofuels (including biomethanol and bioethanol) and e-fuels.

3 MGC is a methanol manufacturer with a unique value chain that extends from the raw materials for methanol to production technology, logistics, sales, and derivatives, and it has gained the trust of the market.

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## INQUIRIES

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