

Malaysia to become largest stainless steel player in Asia

In the recessionary time, Malaysia is set to become one of the largest stainless steel producers in Asia with the construction of a US\$1.6 billion in the Tanjung Langsat industrial area, Pasir Gudang.

The plant will be operated by joint-venture company, Bahru Stainless Sdn Bhd, which is owned 67 percent by Spanish company, Acerinox, and 33 percent by Nisshin Steel.

Bahru Stainless managing director, Rafael Garvin Salazar, said the plant would be constructed in three phases and would be fully completed in 2020. "It will be the largest and fully-integrated stainless steel plant in the region," he said.

Salazar said Malaysia was the only country in Asean (Association of South-East Asian Nations) to have a fully-integrated stainless steel plant.

"There is no doubt that this is the

largest stainless steel plant in Asean." "Malaysia will become one of the most important players in stainless steel production," he said.

Acerinox is the largest stainless steel producer in the world and its plant in Tanjung Langsat is the first in Asia. It has two plants in Spain, one in South Africa and two in the US. Salazar said for the first phase, construction of the plant, costing US\$320 million, would start in the mid of March and was expected to be completed by end-2010.

He said the plant would have a production capacity of 240,000 tons a year, out of which 182,000 tons would be cold-rolled production. "After the first phase, the company will embark on an expansion programme." "When fully completed in 2020, the plant will have the capacity to produce one million tons of stainless steel and

800,000 tons of cold-rolled production per annum," he said.

Salazar said 70 percent of the output would be for export and 30 percent for local use.

He said the plant, when fully completed, would provide 1,600 jobs and generate a multitude of spin-off activities for the local economy. Salazar said the Asean market for stainless steel market was growing and expanding whereas the European market was hit by limited growth.

"That is why we are here (Malaysia) with an integrated stainless steel plant. Malaysia was picked to house Acerinox's latest plant due to its geographical and strategic location, excellent infrastructure and political stable," he said. He said Malaysia would be Acerinox's gateway to the Asean and Asia stainless steel markets.

Global steel can recycling rate reaches highest recorded level



The global recycling rate for steel cans was 68 percent in 2007, a slight increase from 67 percent in 2006. This is the highest level ever and is the third consecutive year that the steel can recycling rate has increased. According to the World Steel Association (Worldsteel), Brussels, 7.2 million metric tons of steel cans

were recycled in the 37 countries reporting figures in 2007.

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Among countries covered by the 2007 statistics, Belgium and Germany topped the roster with the highest recycling rates of 93 percent and 91 percent respectively. Japan reported a recycling rate of 85 percent. The 27 nations of the European Union recycled 2.5 million metric tons of steel cans in 2007, with a combined

recycling rate of 69 percent. In the United States, 1.6 million metric tons of steel cans were recycled in 2007. This increased the U.S. recycling rate to 65 percent, compared to 63 percent the previous year.

"Our data shows that steel recycling is well established in almost all regions of the world," says Julie Renner, chair of Worldsteel's Committee on Packaging. "Not only is the recycling rate increasing in developed countries such as the United States and Canada but it is also going up in emerging markets such as Brazil and Turkey."

Brazil's recycling rate increased from 47 percent to 49 percent in 2007, while Turkey's edged up from 33 percent to 35 percent.