News and events that affect our industry

2nd half September 2022

CemBR

The ultimate “intelligence” provider in the global cement sector

cembrgroup.com

Week ending: 25-9-2022

SUPPLY:

- **Kenya:** East African Portland Cement has restarted production at its Athi River plant, after an upgrade of its kiln. Production at the 0.6Mt/yr plant will be boosted by 50%
- **Norway:** Heidelberg Materials plans commissioning of a full production CCUS unit at Brevik by 2024. It will be the first such plant in the world
- **India:** Adani Group plans to double its cement capacity in 5 years to 170Mt/yr, as part of a $2.5bn investment
- **India:** Ultratech Cement plans to reach cement production capacity of 154Mt/yr by 2025
- **Angola:** Nova Cimangola's plant in Luanda will be upgraded to use limestone calcined clay. Once completed it will be one of the first in the world to convert an existing clinker line into a clay calciner and will produce 0.3Mt/yr calcined clay for production of 1Mt/yr limestone calcined clay cement
- **Malaysia:** The Lahad Datu 0.23Mt/yr cement plant in Sabah, part of an integrated limestone processing complex (ILPP), owned by Makin Teguh & Borneo Oil has started. It is the first plant in Malaysia to use alternative fuels and includes a WHR unit
- **France:** Hoffmann Green's second production unite H2 at Bournezeau is expected to be delivered by the end of 2022. Its third production unit H3 at Dunkirk is expected to be completed by 2024. The company has signed a 40-year temporary occupation permit at

Dunkirk major seaport in order to build the plant. The company plans to raise its total production capacity from 50Kt to 550Kt by 2024

- **Gabon:** CIMAF Gabon plans a clinker factory in Meba after sign an agreement with local authorities. No further details have been disclosed

DEMAND:

- **Russia:** Soyuzcement sees cement demand drop of 7% in 2022
- **Ukraine:** Ukrcement says cement production in Ukraine fell by 50% YoY in 1H22. Domestic consumption in 1H22 was down by around 65% to 70%
- **India:** Adani sees cement demand rising by 1.2 to 1.5 times the rate of GDP in the long run because of the government's infrastructure and housing investments, as cement per capita is only 250Kg compared to 1600kg for China
- **Colombia**: The Colombian Chamber of Cement and Concrete sees historic level of cement shipments in 2022 at around 13.4Mt, equivalent to 5% YoY growth
- **China:** Cement production in China in 08M22 was 1.4bnt, an 11yr low

IMPORTS / EXPORTS:

- **Russia:** Cement exports from Russia fell by around 19% YoY in 1H22 due to sanctions and strong rouble. Imports fell by around 7.4% in 1H22
- **Algeria:** Lafarge Algeria targets 3Mt of exports in 2022

OTHER:

- **Germany**: HeidelbergCement has been renamed as Heidelberg Materials

Week ending: 02-10-2022

SUPPLY:

- **USA:** Boulder County, Colorado, has rejected Cemex USA's application for an extension of the mining license of the Dowe Flats quarry for 15 yrs on environmental reasons. The company uses limestone from the quarry for its neighbouring Lyons cement plant
- **India:** Ramco Cements has commissioned its new Kolumigundla cement plant in Andhra Pradesh. Clinker capacity is 2.25Mt/yr. Cost was $366m. Also its Nandyal cement plant in Kalvatala was inaugurated on 28 Sep 2022, capacity 2Mt/yr
- **Russia:** Russia's Ministry of Industry and Trade foresees possible building materials shortages in 2024. White cement supply has been secured, but as other cement imports may be challenged, the government will seek to expand domestic production capabilities
- **India:** Birla Corp plans $1bn investment towards its target of raising cement production capacity to 30Mt/yr by 2030
- **Pakistan:** A Committee formed by the Punjab Assembly will review proposed plans for a new cement plant in Chakwal, after protests on environmental grounds

- **France:** Ciments Calcia will lay the foundation stone for the construction of a new 4000tpd clinker line at its Airvault cement plant on 5 Oct 2022. Cost of the plant is estimated at EUR300m
- **Germany:** Heidelberg Materials is considering shutting down its cement plants in Germany due to the high costs of gas and electricity, which are estimated to rise by 50% in 2022 to EUR3bn
- **Kenya:** Dangote has stated intentions to revive plans for two cement plants in Kenya with capacity 1.5Mt/yr in total
- **Russia:** Chechencement plant will be modernised and increase production capacity to as much as 1.5Mt/yr from 0.6Mt/yr currently. Designs are being drafted at this stage
- **Vietnam:** Long Son Cement's Line 4 has started, capacity around 2.5Mt/yr, raising the company's production capacity above 10Mt/yr

M&A:

- **India:** Jaiprakash Associates is seeking to sell all its remaining assets after receiving another insolvency notice from the State Bank of India. The company owns two grinding and one integrated cement plants
- **Saudi Arabia:** Qassim Cement has agreed to acquire Hail Cement. The latter operates a 1.7Mt/yr integrated plant in Turbah

IMPORTS / EXPORTS:

- **Kenya:** Several local producers in Kenya are reportedly lobbying with the government to raise the import duty on clinker to 25% from 10% currently
- **Russia:** Russian cement producers have reportedly asked for import duties on fear that the strong rouble may lead to a rise in imports from Iran, Kazakhstan and Belarus to as much as 7Mt/yr

DEMAND:

- **Pakistan:** Cement producers in Pakistan expect demand to pick-up in the next 3 to 6 months on reconstruction following recent floods. It is estimated that recent floods have damaged or destroyed 1.76m houses, 390 bridges and 12,700km of roads