


Some Ideas about the Development of China's Mn Alloys Industry





**Part I: The development of Mn-Alloys
industry depends on the development
of China's and the global steel
industry**

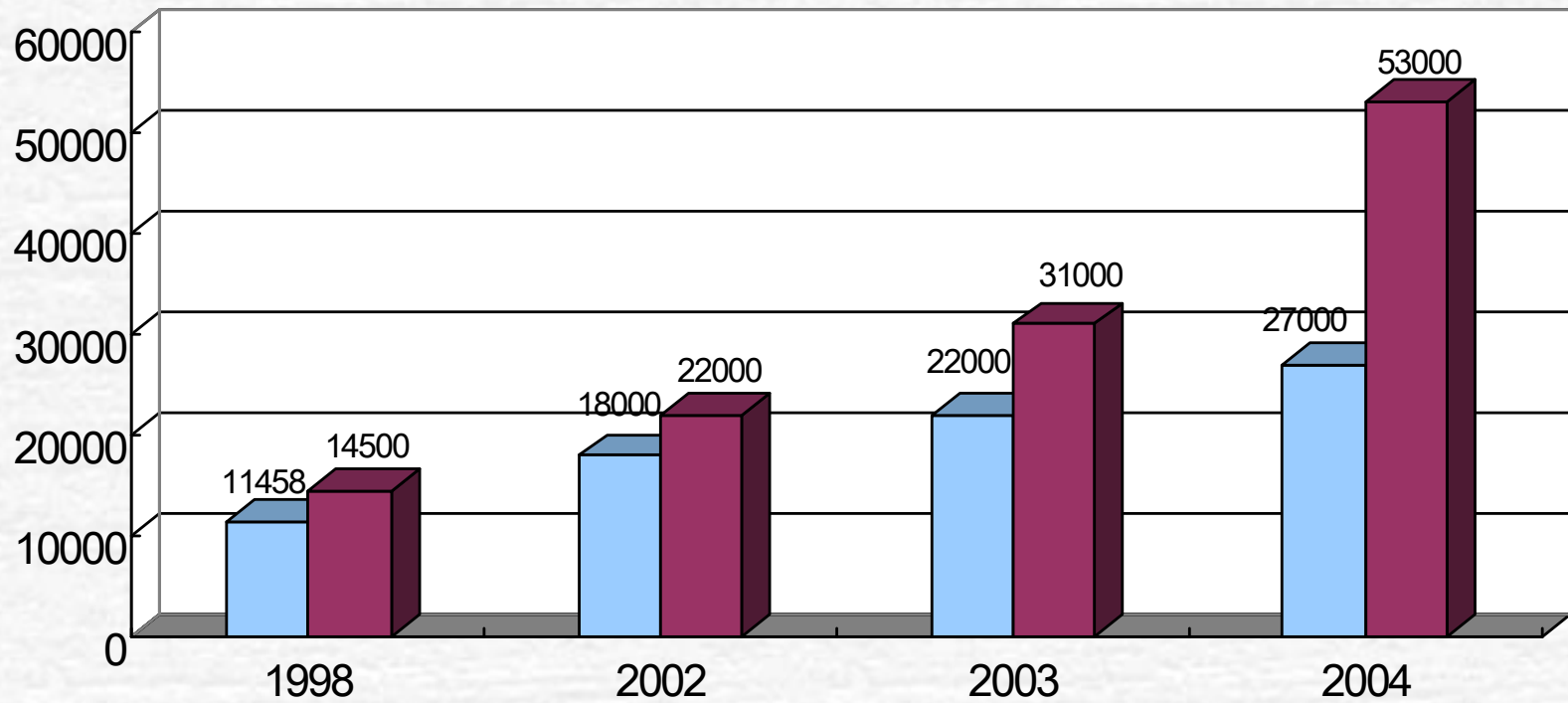


The development of the steel industry in China


China's steel output grew rapidly in the past few years

CY1998	115 million tons
CY2002	180 million tons
CY2003	220 million tons
CY2004	270 million tons


Growing steel output



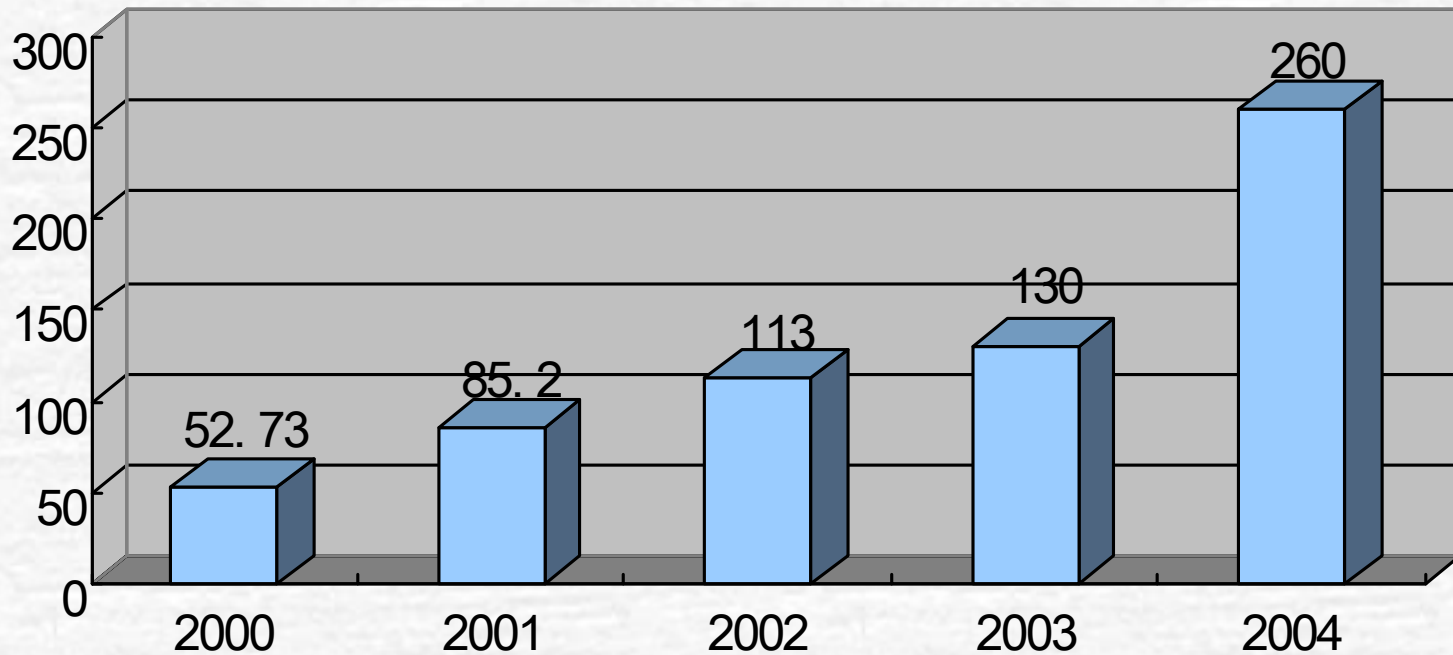
Graph 1: steel output and production capacity (unit 10,000tons)



About more than 80 millions people have annual income over 20 thousands US Dollars. These people are the main force of steel consumption.



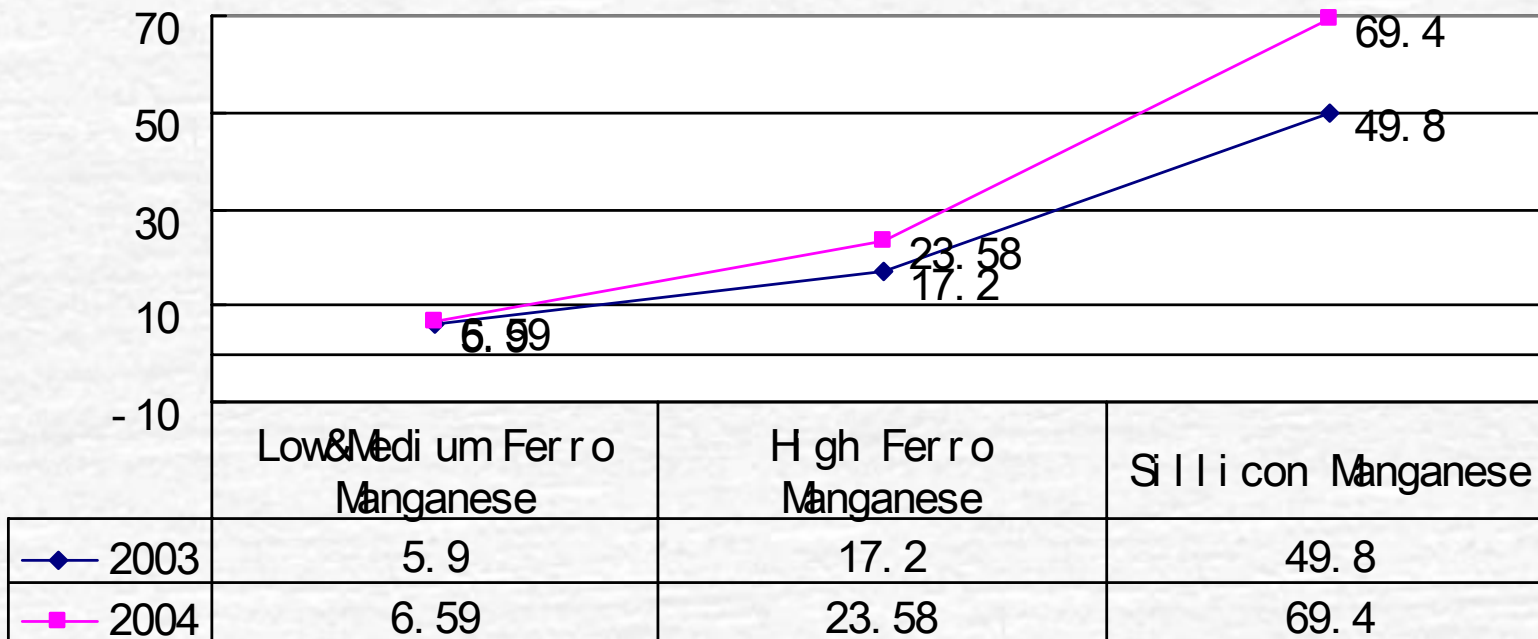
The growing demand for Manganese-Alloys (2000-2004)



Graph 2 (unit: 10,000 tons)

The export of China's Manganese-alloys product in 2003 & 2004

	CY2003	CY2004
Silicon Manganese :	498,000 MT	694,000 MT
HCFM :	172,000 MT	235,800 MT
M&LC FM:	59,000 MT	65,900 MT




Graph 3 (unit:10,000 tons)




**Part II: The Features of the
Development of China's Manganese-
alloys Industry**





The development of China's Manganese-alloys industry was propelled by the central planning economy system.



1. China is a country with very scarce manganese ore.

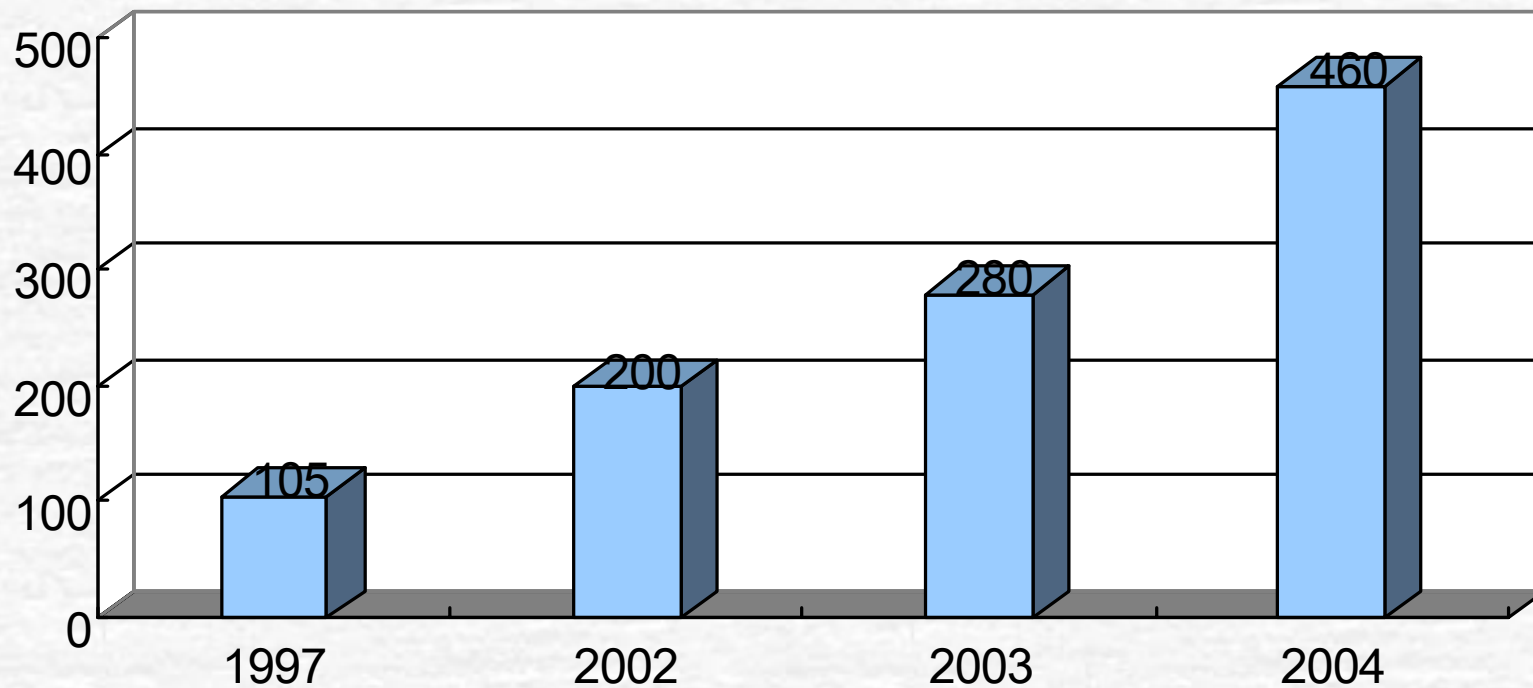
China's import of manganese ore :

CY1997 1.05 million tons

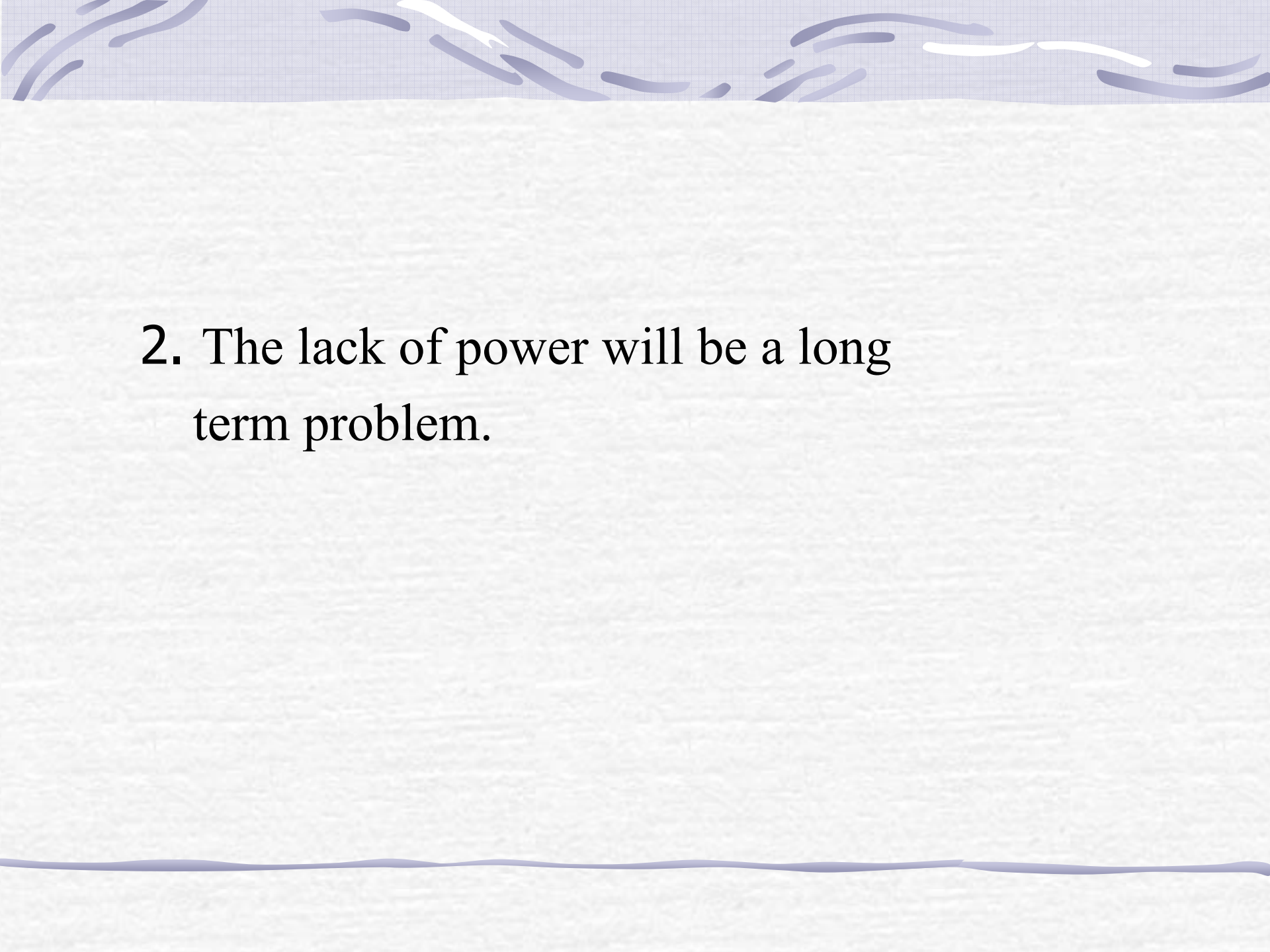
CY2003 2.80 million tons

CY2004 over 4.60 million tons


(see graph 4) ◦




Graph 4 (unit: 10,000tons)




2. The lack of power will be a long term problem.




3. The transportation will also be a constraint to the national economy, including Mn-alloys industry.






4. The production techniques in Mn-Alloys industry is obsolete.






5. The environment protection is still not cared.






6. Currently the industry is shifting from the developed areas to the undeveloped areas






7. Scale effect has not been formed in the industry.







**Part III: The prospect of the Mn
Alloys industry in China**







1. The industry should reach consensus on the resources imperatives.






2. To use the resources effectively, it is important to form the scale effect and specialization.





3. The government will control the development of the Mn-alloys industry.





4. The overseas manganese-alloys product will enter Chinese market.





Thank you for your attention.

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