
Recession reports - Russian steel sector recovery by 2015

Monday, 19 Oct, 2009

According to the data issued by the Ministry of Industry and Trade of Russia, the Russian metallurgical industry is expected to reach its pre crisis output level only in 2014 to 2015.

According to the data in question, in 2009 production in the Russian metallurgical industry is expected to decrease by 15% to 17% however, if current state support measures had not been implemented, the extent of the drop could have been 2.5% greater.

Due to the state support measures undertaken by the Russian government to support the domestic metallurgical industry during the period of crisis, the additional output volume in 2009 will amount to 1.1 million tonnes. The main measures in question include the increase of import duties on some types of steel products, the decrease of import duties on scarce types of raw materials, the acceleration of VAT compensation, exclusive railway transportation tariffs for export transportation, the zeroing of import duty on manufacturing equipment, state guarantees, and the refinancing of accounts payable.

The Ministry of Industry and Trade of Russia said that with the help of the support measures, in the current year it has been possible to preserve 1,400 jobs and to complete MMK main investment project i.e the construction of its plate mill 5000.

(Sourced from SteelOrbis)

Visit www.steelorbis.com for more

For more news visit at www.steelguru.com