
Hebei to eliminate 20 million tonnes backward capacity by 2011

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According to the source close to the Industry and Information Technology Department of Hebei Province Hebei province, the China major province for steel production is aiming to wash out 20 million tonnes of backward steel capacity by the year of 2011.

It is said Hebei province has eliminated 8 million tonnes of obsolete capacity so far this year.

As the China largest province in steel production, Hebei produces 20% of the national total steel output. However, the province also faces many problems in the development of steel industry such as environment protection, materials coordination between regions and industry structure adjustments.

According to the provincial government, Hebei is aiming to eliminate the blast furnace under 400 cubic meters and the converter/electric oven under 30 tonnes by the end of 2011 with the total elimination plan of 20 million tonnes about 24% of the national plan. Meanwhile, Hebei province also dedicates in upgrading the mills' technology, increasing the proportion of high value added products and enhancing the industry concentration rate. The province is aiming to create 5 huge steel mills with annual capacity surpass 5 million tonnes and optimal products mix.

To fulfill the target, Hebei province will constrain the new projects approval and severely punish the violators, a higher standard for industry entrance will also be established.

(Sourced from MySteel.net)

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