
Cuban nickel industry operating below capacity - Report

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Reuters reported that Cuba's nickel industry was still operating at below capacity 6 weeks after taking a direct hit from Hurricane Ike. As per report, the two most important plants in Moa were operating practically at capacity while a third plant in Nicaro was still under repair.

Industry sources said that the Pedro Sotto Alba plant in Moa Holguin, a JV between state run Cubaniquel and Canada's Sherritt International was operating at capacity.

The Pedro Sotto Alba plant is Cuba's most efficient, with a capacity of 33,000 tonnes of unrefined nickel plus cobalt per year. Cubaniquel also owns the Che Guevara plant in Moa, with a capacity of 33,000 tonnes, and the Rene Ramos Latourt plant at Nicaro Holguin, which has capacity of 10,000 to 15,000 tonnes.

Cuba is one of the world's largest nickel producers, at 75,000 tonnes of unrefined nickel per year, and supplies 10% of the world's cobalt. Nickel emerged as Cuba's biggest export earner in 2000. It garnered more than USD 2 billion in 2007, with almost all output destined for Canada, Europe and China.

Cuban nickel is considered to be Class II, with an average 90% nickel content. Cuba's National Minerals Resource Center reported that eastern Holguin province accounted for 34% of the world's known reserves, or 800 million tonnes of proven nickel plus cobalt reserves, and another 2.2 billion tonnes of probable reserves, with lesser reserves in other parts of the country.

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