
China to construct rail line to Inner Mongolia

Saturday, 29 Nov, 2008

China Daily reported that the Inner Mongolia autonomous region will start the construction of a 1000 kilometer rail line to transport coal in 2009 to ease the country's coal transportation bottlenecks.

The project will start from Erdos in Inner Mongolia and end in Caofeidian in Tangshan, Hebei province. It is expected to transport 200 million tonnes of coal annually. The project is in line with the government's policy to boost domestic demand.

Mr Xu Jing, who oversees the railway projects said that Inner Mongolia will invest over CNY 170 billion in building railways by the year 2013, and the total length of the railways will increase to over 13,000 kilometer from the present 6,800 kilometer. He added that rail lines for coal transportation will account for an important part of the project.

At present, Inner Mongolia is still facing coal transportation bottlenecks. Currently only 150 million tonnes of coal can be transported out from the autonomous region. In 2008 the total coal output from the region is expected to surpass 400 million tonnes.

It may be mentioned that China has announced a dramatic increase in spending on transport infrastructure to spur domestic demand. The ministry of Railways says investment on railway construction in the fourth quarter of 2008 will reach CNY 150 billion.

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