
Vale inks MoU for steel plant in Brazil with CSP and Dongkuk

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Reuters reported that Brazilian mining giant Vale SA announced that it signed a MoU for the construction of an integrated steel mill in Brazil's northeastern state of Ceara.

Vale said it signed the accord with the Companhia Siderurgica do Pecem, or CSP, the state government of Ceara and Korean steelmaker Dongkuk.

The mill will have an initial annual production capacity of 3 million tonnes per year in its first phase, which will require an estimated USD 4 billion in investment. The project is slated to reach production capacity of 6 million tonnes per year.

Brazilian miner Vale SA says it plans to work with South Korean steel maker Dongkuk Steel Mill Co. to build a \$4 billion mill in northeastern Brazil.

The two companies signed a preliminary agreement on Wednesday.

A statement from Vale Wednesday said the mill will be able to produce 6 million tons of steel slabs, but a spokesman for the company could not say when production would begin.

Vale is the world's biggest producer of iron ore, a key ingredient in steel and one of the country's top exports.

(Sourced from Reuters)

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