

# News and events that affect our industry

May 2024



The ultimate "intelligence" provider in the global cement sector

[cembrgroup.com](http://cembrgroup.com)

**Week ending: 05-05-2024**

## SUPPLY:

- **Malaysia:** The state government of Sabah broke ground on the construction of the Kampung Kawayoi Pinangah cement plant in Tongod on 27 April 2024. The value of investment in the plant's construction has been reported at US\$252m.
- **Uzbekistan:** China-based Conch International Holdings and Zhejiang Shangfeng Building Materials have successfully inaugurated their new 2.5Mt/yr Andijan cement plant, near Nayman on the border with Kyrgyzstan. The cost of the plant has been reported at US\$250m.
- **Philippines:** Cemex Philippines plans to double its capacity in the Luzon region with the completion of a 1.5Mt/yr integrated cement production line, which is scheduled to commence operations by September 2024. The new production line, located at its plant in Antipolo, Rizal, will increase the company's annual production capacity by 26% to 7.2Mt/yr.
- **Philippines:** Phinma Corp is set to expand its cement business with new facilities in Mindanao, establishing a cement plant in Davao, valued at US\$34.7m, which will bring the company's total capacity to 5Mt/yr once completed. The plant is currently awaiting its environmental clearance certificate. In addition, the company's Petra plant in Zamboanga del Norte has started operations, with a cement grinding capacity of 500,000t/yr.
- **India:** JK Cement has inaugurated a US\$341m new line at its Panna cement plant in Madhya Pradesh. The new line doubles the plant's capacity from 3.3Mt/yr to 6.6Mt/yr.

- **Kenya:** EAPCC has recommenced operations at its Athi River cement plant after a one-month shutdown for renovations and maintenance. The plant has undergone a US\$3m upgrade to expand its capacity in order to meet the increasing regional demand for cement, anticipating an annual production of 1Mt/yr within the next two years. Before the upgrade, the plant's capacity was 310,000t/yr.

#### DEMAND:

- **Vietnam:** Vietnam's cement production in 2023 -4.5% YoY to 120.1Mt, according to GSO.

#### MACRO:

- **Spain:** After growing 2.5% in 2023, Spain's economy is forecast to expand 1.9% YoY this year, before accelerating to 2.1% in 2025, according to the IMF.

### Week ending: 12-05-2024

#### SUPPLY:

- **Zambia:** Chilanga Cement has started lime production at its Ndola plant. The new lime unit at the plant has, reportedly, a production capacity of 108,000t/yr. The project had an investment of US\$5m.
- **India:** Birla Corp approved an investment of INR4250m to augment the capacity of its Kundanganj unit by 1.4Mt within two years.

#### CONSTRUCTION:

- **Ukraine:** The cost to rebuild Ukraine post-war is projected at US\$487bn, according to a report commissioned by the United States Agency for International Development. The report states that to support the reconstruction, Ukraine must produce 15-16Mt/yr of cement for three years, a significant increase from current capacities.

#### CARBON:

- **Germany:** Deuna Zement plans to invest €350m to install a carbon capture system at its cement plant in Deuna, having completed two feasibility studies. When operational in 2029, the system will reportedly capture 620,000t/yr of CO<sub>2</sub>. This will make the Deuna cement plant carbon neutral. The company has applied for government funding for the project.
- **UK:** Heidelberg Materials has initiated a carbon capture trial at its Ketton cement works in Rutland, aimed at accelerating low-cost carbon capture solutions in industries including cement. It is part of a national project which is funded with €2m from the Department of Energy Security and Net Zero's €1.2bn Net Zero Innovation Portfolio. Additional private sector contributions amount to €3.1m in total.

### Week ending: 19-05-2023

## SUPPLY:

- **USA:** Cemex has contested Boulder County's decision to terminate its right to operate the Lyons cement plant and is calling for the decision to be reversed, citing 'significant' implications for the state and local employment. The dispute follows a notice from the Boulder County Community Planning office in April 2024, attributing increased traffic as the primary reason for the termination.
- **India:** JSW Cement will establish its first cement plant in the north of the country at Nagaur, Rajasthan. The new site will begin with a capacity of 3.3Mt/yr, eventually expanding to a capacity of 15Mt/yr by 2026.

## DEMAND:

- **Bangladesh:** According to the country's Industries Minister, the cement industry's demand for clinker will reach 25Mt by 2027.

## CARBON:

- **Belgium:** Holcim kicked-off its Go4Zero CCUS project at its Obourg plant on 16 May 2024. The €500m Go4Zero project, supported with €230m of funding from the European Union, will enable the integrated plant to reduce its CO2 emissions by 30% by 2027 and to produce 2Mt/yr of CO2-free cement by 2029. When fully operational, the Obourg plant will capture 1.2Mt/yr of CO2.

## Week ending: 26-05-2024

## SUPPLY:

- **USA:** Eagle Materials will modernise and expand its Laramie, Wyoming cement plant, increasing its capacity by 50% to approximately 1.2Mt/yr. The cost is estimated at US\$430m. Construction is set to begin immediately, with completion expected in the second half of 2026.
- **India:** Dalmia Bharat has launched a new mill at its Ariyalur manufacturing unit in Tamil Nadu. The new 1Mt/yr cement unit increases the company's total manufacturing capacity to 45.6Mt/yr. This brownfield expansion is valued at US\$24.5m.
- **Uzbekistan:** By the end of 2024, Uzbekistan will commission new cement production capacity of 8Mt/yr, according to the Uz sanoat kurilish material lari Association. This expansion will raise the country's total capacity to 40.8Mt/yr.
- **Zambia:** Grizzly Mining has announced an investment of US\$200m to establish a cement plant in Solwezi, Northwestern Province. No further details are currently available.
- **Spain:** Cemex has announced the definitive closure of its clinker production kilns at the Lloseta plant.
- **Tanzania:** Fortune Cement has initiated white cement production at its new plant in Mkuranga District, Coast Region, producing 200t/day of white cement.

- **India:** Ramco announced its plans to double its clinker capacity at Kolimigundla to 6.3Mta and double the cement capacity to 3Mta with 15MW of WHRS.
- **Uzbekistan:** On 21 May 2024, the 6000tpd clinker production line in Andijan, Uzbekistan was officially ignited.

## CARBON:

- **Global:** Cembureau has released an update to its net zero roadmap. The roadmap now aims for a 37% reduction in CO<sub>2</sub> emissions related to cement production by 2030, 78% by 2040 and net zero cement production by 2050, with potential to become carbon negative. The key policy measures reportedly include: The implementation of a watertight carbon border adjustment mechanism (CBAM), the increase in funding for decarbonisation initiatives, the need for guaranteed access to affordable decarbonised energy, infrastructure and raw materials, as well as the creation of lead markets for low carbon, circular products.

## DEMAND:

- **Uzbekistan:** The country's projected cement production for 2024 stands at 16.7Mt, reports Uzbekistan Daily.

## M&A:

- **Philippines:** PHINMA Corporation, through its subsidiary Philcement Corporation, is set to acquire 100% of Petra Cement for US\$8.6m. The Share Purchase Agreement was signed on 21 May 2024, with the transaction reportedly expected to close by 31 December 2024.
- **Brazil:** Buzzi will acquire complete ownership of cement producer Cimento Nacional in a deal valued between €290m and €310m. The transaction involves the exercise of a put option on a 50% stake by Grupo Ricardo Brennand, making Buzzi the sole owner, according to local sources. Buzzi expects to finalise the transfer at the end of 2024.
- **Canada:** Béton Provincial has concluded its deal with CRH Canada Group Inc. Among others, the company now owns Ash Grove Cement's Joliette cement plant.

## Week ending: 02-06-2024

## SUPPLY:

- **Indonesia:** PT Kobexindo Cement has entered an agreement to construct a new cement plant in South Aceh, despite a national moratorium on such developments. The project, under China-based Zhejiang Hongshi Cement, reportedly plans a US\$621m investment for a facility with a 6Mt/yr capacity.
- **Russia:** Ulyanovskcement reopens after 6 years. Its first deliveries are set to commence soon.
- **Japan:** Mitsubishi Cement plans to dismantle its Aomori plant. A five-year plan for factory demolition has been announced.

## CARBON:

- **Ireland:** The government's new mandate requires a 30% clinker substitution in concrete for all government and public works projects, alongside the phase-out of high clinker cement.

#### DEMAND:

- **Japan:** FY24 cement demand -7% YoY to 34.6Mt.
- **Tanzania:** Cement consumption in 2023 reportedly +6.2% YoY to 8Mt, production +20% YoY to 9.1Mt.

#### M&A:

- **UAE:** UltraTech Cement Middle East Investments has reportedly offered to acquire a new 32% stake in RAK White Cement.
- **Malaysia:** YTL Cement to divest stake in Malayan Cement. No further details are currently available.