

# News and events that affect our industry

October 2024



The ultimate "intelligence" provider in the global cement sector

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

## Week ending: 06-10-2024

### SUPPLY:

- **Ethiopia:** Lemi National Cement Factory has been inaugurated. It has a production capacity of 15,000t/day, reportedly the largest in Ethiopia. The project cost US\$600m.
- **Czech Republic:** Holcim Česko, owner of the Čížkovice cement plant, will construct a new calcined clay processing line with an investment of US\$44m. The project is scheduled to begin in Jan25 and complete by the end of 2026. The Czech Ministry of the Environment has contributed US\$14.5m towards the construction.
- **Ghana:** The government has directed cement manufacturers to secure licences or cease operations immediately, in compliance with the new Ghana Standards Authority's (GSA) Manufacture of Cement Regulation, 2023 (LI 2480). This regulation mandates re-registration and licensing of existing operations and bars unlicensed new plants - it came into law in 2024.
- **India:** JSW Cement has commissioned another 2Mt/yr of grinding capacity at its Vijayanagar plant in Karnataka, increasing the plant's total capacity to 6Mt/yr. The expansion, which cost US\$55m, increases the company's overall capacity to over 20Mt/yr.
- **Bangladesh:** Confidence Cement is building a new 1.8Mt/yr cement grinding plant at Narsingdi. The project has reportedly an investment of US\$68m and is scheduled to start operation in early 2025. Around two-thirds of the project cost is being supplied by loans with the rest coming from company equity.

- **India:** Wonder Cement plans to build a new 'Nimbahera Line 5' production line at its Nimbahera cement plant, to increase the plant's cement capacity from 2.5Mta to 3.25Mta.
- **Russia:** Timlyuisk Cement (a subsidiary of JSC HC Sibcem) plans to launch rotary kiln No. 2 at its Timlyuisk Cement Plant in May25, which will increase its clinker production capacity by 33%.

### CARBON:

- **Italy:** Heidelberg Materials has launched a feasibility study at its Rezzato-Mazzano cement plant to explore a source-to-sink carbon capture and storage (CCS) solution, potentially making it the first in Italy to produce carbon-captured net-zero cement. The aim of the study is to evaluate the feasibility of capturing CO<sub>2</sub> from cement production and transporting it via pipeline to the Ravenna CCS storage hub under the Adriatic Sea.
- **UK:** The government has announced a €26.3bn investment to develop carbon capture and storage (CCS) projects in northern England. The investment will subsidise three projects to capture CO<sub>2</sub> from various sources, including Heidelberg Materials' Padeswood cement plant, and support infrastructure for transporting and storing CO<sub>2</sub> in Liverpool Bay and the North Sea. The funding, promised over the next 25 years, aims to establish two carbon capture clusters in Merseyside and Teesside.

### M&A:

- **Brazil:** Buzzi SpA has completed the acquisition from Grupo Ricardo Brennand of a 50% stake in Cimento Nacional (NCPAR). As a result, Buzzi now holds 100% control of NCPAR. The price paid by Buzzi for the purchase of the shares was around EUR300m, funded by available liquidity.

## Week ending: 13-10-2024

### SUPPLY:

- **India:** Orient Cement will install a clinker grinding unit at Satpura Thermal Power Station, Sarni. No further details are currently available.
- **Philippines:** Cemex Philippines has extended Aboitiz Construction's contract to provide technical services for the commissioning of the upcoming Line 4 of its Antipolo City cement plant in Rizal. The new concluding date of the contract is December 2024.
- **Bolivia:** The Potosí cement plant has officially begun operations using raw materials sourced from the Turucaya deposit, following the recent enactment of a law that approves the contract for its exploitation. The plant has the capacity to produce 260Kt/yr of cement using these raw materials. The project represents an investment of US\$308,334.
- **Cameroon:** Enterprise Générale Industrielle SA (EGIN SA) will increase its production capacity at its Douala plant from 200,000-500,000t/yr, using funding from the Development Bank of the Central African States (BDEAC). The expansion is valued at US\$31.7m.
- **Pakistan:** Flying Cement is actively completing its new Line- II of 9000tpd of clinker, the commissioning date of which is targeted by the FY3Q24-25.
- **Turkey:** Sonmez Cement has announced an expansion at its Adana Ceyhan plant in Adana Yumurtalik Free Zone, Turkey. The modernisation will see clinker production rise at the facility to 5.63Mta and cement production to 6.89Mta with the completion of the second production line.

## CONSTRUCTION:

- **Pakistan:** Pakistan Railways (PR) is planning the construction of a 105km railway line that will link the Thar Coal mines with a Port at Qasim. The project is being financed by the Sindh state and national governments and will be completed by October 2025. A government official said that the line would bolster the nation's bulk transportation capabilities, supporting key industries like cement production.

## M&A:

- **India:** Adani Group is negotiating the purchase of Heidelberg Materials' cement business in India, potentially valued at US\$1.2bn, according to Reuters. Heidelberg Materials has been present in India since 2006, and owns four plants with a total capacity of 12.6Mt/yr.
- **India:** Adani Group is considering a merger of Ambuja Cements and ACC into a single entity, Adani Cement, by 2028. The group, which began integrating the operations of the two companies recently, may also reportedly include Sanghi Industries in the merger.
- **Brazil:** Buzzi has finalised the acquisition of the remaining 50% stake in Companhia Nacional de Cimentos (CNC) from Brennand Cimentos, securing full control over the joint venture. The deal was valued at US\$311m. CNC has been operational since 2018 and has five integrated cement plants and two grinding plants in Brazil, with a total production capacity of 7.2Mt/yr.

## DEMAND:

- **Saudi Arabia:** 2023 local cement demand reached 47.3Mt.

## IMPORTS/EXPORTS:

- **Saudi Arabia:** 2023 cement and clinker exports exceeded 8.48Mt.

## Week ending: 20-10-2024

## SUPPLY:

- **Saudi Arabia:** Eastern Province Cement Company has secured US\$226m through a credit facilities agreement with Saudi National Bank and will reportedly use the funds for an upcoming new 10,000t/day line at its Al Khursaniyah cement plant in Eastern Province.
- **India:** UltraTech Cement has commissioned an additional 1.2Mt/yr of grinding capacity at its Arakkonam unit in Tamil Nadu. With this latest addition, UltraTech Cement's total cement capacity now stands at 156Mt/yr.
- **Kazakhstan:** Korcem has successfully ignited the 3500tpd (1.15Mta) clinker production line of the Korcem project in Kazakhstan. It will now be optimised to have a full cement capacity of 1.5Mta.
- **Tanzania:** The Tanzanian government has signed an agreement with the Amsons Group to invest US\$130m for the expansion of the Mbeya Cement plant and US\$190m for the construction of a new cement plant in Tanga. The first investment will increase the plant's clinker production capacity five-fold, from the current 1000tpd to 5000tpd, while the new facility in Tanga will also produce 5000tpd of clinker.

## DEMAND:

- **India:** CRISIL Ratings expects domestic cement demand to grow by 7-8% to approximately 475Mt in FY24.

#### M&A:

- **Ukraine:** Buzzi has completed the closing of the sale of its assets in Ukraine to CRH. The sale price amounts to EUR0.1bn.

## Week ending: 27-10-2024

### SUPPLY:

- **India:** Meghatop Cement is planning to build an integrated cement plant in Wahiajer village, Elaka Narpuh, which is expected to have a 3.3Mt/yr clinker capacity and 16MW waste heat recovery system.
- **India:** Jindal Panther Cement (JPC) has commissioned its first cement grinding unit with a capacity of 1.5Mt/yr at Angul, Odisha. In the future, JPC plans to increase production capacity at both of its facilities, Angul and Raigarh, to 7Mt/yr, with an investment of US\$257m.
- **Azerbaijan:** AzCement has reportedly launched a new cement plant project in Askeran village, Khojali district, with a production capacity of 60,000t/yr.
- **Mexico:** Cruz Azul has reportedly incurred losses exceeding US\$1.26bn due to the control of its cement and concrete plant in Tula, Hidalgo by a dissident group over the past four years. A company representative said that the plant has the capacity to produce 35-40% of the company's total cement volumes, but no cement has been produced in the last four years.
- **India:** Dalmia Cement will set up a new cement plant in Madhya Pradesh with a capacity of 4Mt/yr, at a cost of US\$475m.
- **China:** Fujian Moucheng held an ignition ceremony for the commissioning of the 2Mt/yr (5000t/d) cement clinker production line in Caoyuan Town, Yongan City, Fujian Province. The total investment amounted to 828 million yuan.

### M&A:

- **India:** Adani Group subsidiary Ambuja Cements has entered talks for the acquisition of Orient Cement (OCL) at a value of US\$451m. Ambuja Cements will acquire 47% of OCL's shares from its current promoters and certain public shareholders, fully funded through internal accruals.

### CARBON:

- **Germany:** Cemex has won €157m from the EU Innovation Fund for a carbon capture, utilisation and storage (CCUS) initiative at the Rüdersdorf cement plant. The project will capture 1.3Mt/yr of CO<sub>2</sub> from the plant's production processes, aiming for complete decarbonisation of the site by 2030.

### IMPORTS/EXPORTS:

- **Pakistan:** FY24 cement exports +54.3% YoY to 7.1Mt, according to the State Bank of Pakistan.

### DEMAND:

- **Pakistan:** FY24 cement production -4.5% YoY, according to the State Bank of Pakistan.

## Week ending: 03-11-2024

---

### SUPPLY:

- **India:** Adani Group has entered talks with the Odisha government to construct its first greenfield cement plant. Ambuja Cements, a subsidiary of the Adani group, is likely to build the 4Mt/yr unit for US\$357 – 416m, which is expected to be operational by FY28.
- **Kenya:** Mining and Blue Economy Cabinet Secretary Hassan Ali Joho has ordered the closure of the Simba Cement plant in Kilifi County due to pollution concerns.
- **Tanzania:** Amsons Group will reportedly build a US\$320m cement plant in northern Tanzania's Tanga area with a production capacity of 5,000t/day. The company also plans to implement a major upgrade at the recently acquired Mbeya Cement in Tanzania, including a new grinding mill.
- **India:** Kanodia Cement (India) is planning to expand its cement capacity to 10Mta (from 5Mta) and is looking to raise funds for such an expansion through a US\$95.12m public issue.

### CARBON:

- **Denmark:** Aalborg Portland has received EUR220m in support from the EU Innovation Fund to establish a large-scale CO2 capture facility by 2029, which is expected to reduce CO2 emissions by 1.5Mta.