

En+ Mulls Partnership Deal With Chinese and South Korean Firms

By [The Moscow Times](#)

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Oleg Deripaska's energy firm En+ Group has invited leading Chinese and South Korean companies to join its project to upgrade the Krasnoyarsk Metallurgical Plant, Vedomosti reported Thursday.

En+ invited China's Chalco, the world's second-largest aluminum producer, and Korean multi-industry conglomerate Lotte, and has also signed an agreement with Norinco, a Chinese car maker, an En+ representative told Vedomosti.

Norinco, Chalco and Korean Lotte could not be reached for comment, while Lotte Engineering & Construction did not immediately comment on the matter.

In 2011, En+ decided to build Russia's largest aluminum rolling complex at the Krasnoyarsk plant. The complex is expected to have an annual capacity of 560,000 tons of aluminum per year, while investment in the facility is projected at \$500 million.

The first phase of the project will require \$150 million for its construction, the bulk of which will be financed through a loan. The phase is expected to be completed in 2016.

“In the future, depending on market demand, [the company] will consider the possibility of expanding the capacity of the rolling complex to up to 250,000 tons per year,” an En+ representative told Vedomosti.

The aluminum industry is going through difficult times as major companies are cutting down their production because metal prices are low.

RusAl plans to shut down facilities that produce 300,000 tons of aluminum, which accounts for about 7 percent of its company’s total capacity.

Kirill Chuiko, an analyst at BCK, said the situation on the aluminum market would not improve in the near future, saying “the times are tough for global projects.”

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