

Orascom cements plans for SA plant

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By Sherilee Bridge

Johannesburg - Orascom Construction Industries, a leading cement producer and construction contractor active in emerging markets, said that it plans to invest \$440 million (about R3.2 billion) in a new cement plant in North West Province.

The new plant, which will have a production capacity of 2 million tons per year, is expected to begin production during 2010.

Based in Egypt, OCI has launched a subsidiary named Mafikeng Cement Company (MCC), which will build and operate the cement plant. OCI will hold 67.5 percent of MCC.

Minority partners in MCC include the Barolong-Boo Rapulana Traditional Council and the Barolong-Boora Tshidi Traditional Council, which will each represent the local communities.

The Osman Family Trust, Bazan Family Trust and Lezak Family Trust, who together with the traditional councils comprise the new company's broad-based black economic empowerment partners, will also be represented. As will Redsun Enterprises.

OCI chief executive officer Nassef Sawiris said the cement plant would cater to the fast-growing demand for cement in South Africa and contribute to the development of the North West Province through job creation and community participation.

"With the addition of MCC, the OCI Cement Group will achieve an annual production capacity of 44 million tons by 2010," said Sawiris.

OCI expects to commission greenfield cement plants in Algeria, United Arab Emirates and Northern Iraq during the fourth quarter of 2007.

The company, which employs more than 40 000 people in over 20 countries, owns and operated cement plants in Egypt, Algeria, Turkey, Pakistan, northern Iraq and Spain.

Polysius has been awarded the contract to supply plant design and main machinery while Siemens has been commissioned to provide electrical and automation equipment and materials for the Mafikeng cement plant. - I-Net Bridge