

Jindal to export 80,000 tonnes of Bolivian iron ore

La Paz, Nov 12 (EFE) India's Jindal Steel and Power Limited will export 80,000 tonnes of iron ore every month from its plant at El Mutun in eastern Bolivia, the company said.

Arvind Sharma, director of the firm's Bolivian unit, said Tuesday the company is currently implementing the first phase of its production plan.

Two mineral processors with a capacity of 400-tonne-per-hour will be used in the first phase and total output in the initial stage is expected to total 80,000 tonnes per month, he added.

He said the next step is to complete all the requirements to begin exporting Bolivian iron ore to markets in China and India by the yearend.

Once the investment plan is approved by the state-run ESM mining firm, Jindal will set up a steel plant in the eastern river port of Puerto Suarez that will enable the company to increase output.

The project has suffered delays due to problems of acquiring land rights to develop El Mutun, located near the border with Brazil.

In addition to that problem, Guillermo Dalence, former president of ESM, Jindal's partner in the project, is being probed for alleged overpayment for land purchases.

Dalence said Monday the probe by the attorney general's office delayed the launch of the project. Sharma, however, stressed the company was going ahead with its work despite the problem faced by the state-run firm.

'ESM has had its crisis and it's already passed. Meanwhile, we're working concurrently so as not to lose time. We're continuing our work,' Sharma said.

In 2007, the Indian company and the Bolivian government signed a contract in which Jindal pledged to invest \$2.1 billion over the next 40 years in El Mutun, which has an estimated 40 billion tonnes of medium-grade iron ore reserves.

Jindal and Bolivia's socialist government are to share the profits from El Mutun. La Paz is expected to get about \$200 million a year.

Jindal has also discovered two natural gas and oil wells in Bolivia this year and invested \$60 million in the hydrocarbons sector.

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