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## Vale starts pellet production in Oman

Vale celebrates today the start of pellet production at its first pelletizing plant of its industrial complex in the coastal city of Sohar, Sultanate of Oman. The US\$ 1.356 billion pelletizing plant and distribution center will serve as a hub catering to the growing demand of iron ore products in the Middle East, North Africa and India.

Vale's industrial complex in Sohar is comprised of a two-unit pelletizing plant, each with a nominal capacity of 4.5 million metric tons of direct reduction pellets per year, in addition to a distribution center with an annual capacity of 40 million metric ton per year. In May 2010, Vale announced a partnership with the Omani government through the sale of a 30% stake in the pelletizing plant to Oman Oil Company.

"Oman's strategic location outside the Arabian gulf, with the advantage of deep water seas, and its heavy infrastructure investments to provide leading logistics networks, advanced energy and power supply technologies and world class facilities at Sohar Industrial Port, were key to our decision to establish our operations in the Sultanate," said Roger Agnelli, Vale CEO.

From the onset, Vale has played an instrumental role in building a solid industrial platform by positively contributing to the development of the local economy. In line with this strategy, the company contracted Sohar Industrial Port Company to build a 1.5-kilometer jetty which upon completion in June of this year, will be exclusively used and operated by Vale. Three ship loaders and one ship unloader have already been delivered. A long-term agreement was also signed with Oman Shipping Company for the construction of four very large iron ore carriers (VLOCs) with a loading capacity of 400,000 tons to be leased to Vale.

As part of its commitment to the sustainable development of the Sultanate of Oman, Vale places high priority on developing and retaining local qualified talents. To date, the company has invested US\$ 11.3 million in specialized recruitment and training programs that aim to generate 720 direct and 1,800 indirect jobs.

Vale considers the environment as a fundamental component of its operations and seeks to balance environmental protection with economic development. In Oman, the company continually invests in managing environmental aspects and risks as well as research new technology to surpass the established standards of excellence in environmental control systems. A total of US\$ 40 million has been invested in green technology which includes an advanced 100% water recycling system as well as a 3,150 meter wind fence surrounding the Industrial Complex to control dust emissions. Vale is also innovating the technology used for the production of pellets, making its plant in Sohar the first to use 'Grate Kiln' furnace. This technology will provide consistent quality results and an end product with high compression, low abrasion and perfect roundness.

More information



**Mônica Ferreira**

monica.ferreira@vale.com

**Fatima Cristina**

fatima.cristina@vale.com

Rio de Janeiro

+55 (21) 3845-3636

Rio de Janeiro

+55 (21) 3485-3621

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