

Asian and Russian Hopefuls for Mongolian Coal

By [The Moscow Times](#)

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Private security guards keeping watch on a workers camp at the Ulaan Ovoo coal mine in Mongolia in September. **Doug Kanter**

Oleg Deripaska's En+ Group, Russian Railways and Japanese trading companies are bidding for the Tavan Tolgoi coal field in Mongolia, one of the largest untapped deposits of the steelmaking material.

En+ delivered an offer to the Mongolian government last week to take part in developing the project, which has more than 6 billion metric tons of coal reserves, Andrei Petrushinin, a spokesman for the company in Moscow, said by telephone Tuesday.

Russian Railways and Siberian Coal Energy, the nation's biggest producer of coal for power, also bid as part of a group of investors, said people at the companies who declined to be identified in line with internal policy. The group of 11 includes Japan's Sumitomo, Marubeni and Itochu, Russian Railways' press office said by e-mail.

Sumitomo and Marubeni officials didn't respond to calls to their press departments, while an Itochu official was unable to comment on the matter outside normal office hours in Tokyo.

Mongolia, a mineral-rich country between China and Russia, is seeking developers to help it feed demand for raw materials from its neighbors, while maintaining control over the deposits. China's rising coal purchases will mainly come from Indonesia and Mongolia because of cheaper prices, according to David Fang, a director at China Coal Transport and Distribution Association.

Coal imports to China, the world's largest user, may rise 9 percent to 180 million tons this year, according to the median estimate of seven analysts in a Bloomberg survey conducted between Jan. 26 and Jan. 28. China boosted shipments into the country by 31 percent to a record 165 million tons in 2010.

Vale and ArcelorMittal are among bidders for Tavan Tolgoi, Reuters said Tuesday, citing an unidentified person.

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