

RusAl Smelter To Get \$1.4Bln Chinese Loan

By [The Moscow Times](#)

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United Company RusAl will receive \$1.4 billion from China Development Bank to help fund construction of its Taishet smelter in Siberia, according to state-run bank VEB.

The Chinese and Russian lenders signed an agreement on the loan in Beijing on Tuesday during a visit from Prime Minister Vladimir Putin, VEB chief executive Vladimir Dmitriyev told reporters in the city. China Development Bank will provide the money to VEB, which will in turn lend it to RusAl, he said.

The aluminum producer is proceeding with expansion projects in eastern Siberia that were suspended in 2008 as the global economic crisis eroded metal demand and tightened access to credit. The company plans to increase production capacity by 12 percent by late 2013 as it starts smelters in Taishet and Boguchansk.

VEB, chaired by Putin, said Aug. 4 that it was studying a loan for the Taishet project.

The bank's board of directors approved the plan on Sept. 27, according to the lender's web site.

Taishet's first phase, coming online in 2013, will have an output capacity of 375,000 tons a year, RusAl said in an Aug. 29 presentation. The company currently has an annual capacity of 4.4 million tons.

VEB also agreed last December to lend 50 billion rubles (\$1.6 billion) to build the 147,000-ton-a-year Boguchansk smelter and a hydroelectric generator to power the plant.

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