

Deripaska Does \$1Bln Metal Deal With China

By [The Moscow Times](#)

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Russian tycoon Oleg Deripaska **Andrei Makhonin**

Oleg Deripaska's Basic Element said it had agreed on a \$1 billion cooperation deal with China's state-owned North Industries Corporation, or Norinco, that will include construction of a rolling mill in Russia for metal production.

The deal will also allow the world's largest aluminum producer RusAl, which is majority owned by Basic Element's subsidiary En+ Group, to expand its aluminum exports to China by selling to North United Aluminum, a joint venture between RusAl and Norinco, Basic Element said in a statement on Saturday.

RusAl will also consider an option to buy Norinco-made anode production equipment for its Taishet aluminum smelter that is under construction in eastern Siberia, the statement said.

The announcement coincides with a visit to Russia by Chinese Vice Premier Li Keqiang, who is

expected to succeed Wen Jiabao as premier early next year.

"Basic Element and Norinco plan to boost the value of their ... cooperation to more than \$1 billion," the statement said. The rolling mill will be built on the premises of En+ Group's metal plant in Krasnoyarsk, Siberia, it said.

"This agreement represents another step forward in the development of our economic relations with China, one of the most strategically important markets for Russia," Deripaska was quoted as saying in the statement.

RusAl is the world's largest aluminum maker, producing about 4 million tons of aluminum and 8 million tons of alumina last year.

Chinese Vice Premier Li Keqiang has announced the signing of contracts between China and Russia worth a total of \$15 billion, The Associated Press reported.

Speaking at a trade and investment forum in Moscow attended by hundreds of Chinese businessmen, Li said he and one of Prime Minister Vladimir Putin's top deputies had witnessed the signing of contracts for "transportation, energy, communications, high-technology and investment projects."

Li estimated the total value of the contracts signed on Saturday at more than \$15 billion.

Among the specific projects named, he said Russia and China were considering the joint design of a wide-body long-distance passenger plane.

First Deputy Prime Minister Igor Shuvalov told participants in the forum that Russia was working to improve its investment climate.

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