



Production of graphite electrodes



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Relevance of the project

The world production of graphite electrodes is largely dependent on the production of steel in electric arc furnaces. The growth of the world production of electric steel is the main driver of the development of the graphite electrode market. The key market factors are the absence of substitutes for graphite electrodes for the production of electric steel, their frequent replacement (every 8-10 hours), and a small share in the structure of steel costs (2-3%).



Advantages of project implementation

According to Stratview Research forecasts, the global graphite electrode market will grow rapidly over the next five years and will reach 15.3 billion USD in 2024. Factors affecting the world market for graphite electrodes is the stable growth of steel production by the EAF method (electric arc furnace)



Import analysis

The total volume of imports of graphite electrodes in 2018 amounted to 1,661 tons. In monetary terms, this indicator was **33.3 million USD**. In 2019, the volume of imports amounted to 1,632 tons in quantitative terms, and in monetary terms - **27.4 million USD**.



Local partners

If necessary, assistance will be provided in the search and identification of local partners with production experience that are part of the Uzeltexsanoat Association.



Location of the project



Republic of Uzbekistan,
including in Free Economic
Zones



Key investment indicators

| | | | | | |
|---------|------------------------|---------|-------------------------------|----|----------------------------|
| \$1.0 M | Estimated project cost | 3 years | Payback period of the project | 15 | Number of new jobs created |
|---------|------------------------|---------|-------------------------------|----|----------------------------|



Production volume and revenue

| Product name | 1 year | | 2 year | | 3 year | | 4 year | |
|---------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|
| | quantity (thousand packs) | amount (in M USD) | quantity (thousand packs) | amount (in M USD) | quantity (thousand packs) | amount (in M USD) | quantity (thousand packs) | amount (in M USD) |
| Graphite electrodes | 540 | 3.8 | 715 | 5.0 | 895 | 6.3 | 1 000 | 7.0 |



Sales market

The local market of Uzbekistan, as well as neighboring Central Asian and CIS countries, are considered as the main markets for products.