

China wants to buy Ukrainian technologies

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Chinese companies are interested in purchasing Ukrainian technologies for manufacturing rolled products from titanium sponge.

China's largest iron and steel producers Kunming Iron&Steel Group and Huaxia Special Metals Group are holding talks with Ukrainian manufacturers of titanium rolled products. China's key objective is to buy technologies in Ukraine enabling to make rolled products from titanium sponge and establish a joint venture with that end in view.

As for Ukrainian private companies, they are first of all interested in getting access to a Chinese raw material base because about 40% of total reserves of titanium are in that country. Secondly, cooperation with China opens up opportunities for raising investments to develop their own business which is evaluated by experts as being very promising as titanium is applied in strategically important industries in leading countries. (aircraft engineering and aerospace industry)

Ukrainian companies confirm information about being approached by representatives of Chinese manufacturers of titanium. "We are in talks now on designing new electron beam furnaces and establishing a joint production of titanium rolled products," Antares, Ukraine's largest producer of titanium ingots, announced. Experts say that the total expenses for implementing the technology will be \$40-50 million.

However, experts believe that the main reason inspiring Ukrainian companies to conduct negotiations with China is intent to do away with state monopoly in titanium sponge, the basic raw material for titanium products. At present, its main producer is state-owned Zaporizhia Titanium-Magnesium Works. In fact, the plant acts as a monopolist in the Ukrainian market, which enables to dictate its terms of raw material supply. That does not suit private companies fine. As a result they have to import required raw materials at higher prices as compared with the domestic market.

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