

SLOVENIA

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Slovenia continued to make overall economic progress in 1999 as the country's gross domestic product rose by about 4.9% compared with that of 1998; industrial production, however, remained at about the same level as that of 1998.

Although Slovenia was not as severely affected by the 1998 market crisis (or by regional instability and the North Atlantic Treaty Organization-Serbian conflict in 1999) as some of the other regional transitional economy countries, the resulting decline in world demand for many mineral commodities appears to have had a negative impact on production. Preliminary year end results, with respect to the minerals sector, point to a slight decline in the output of crude steel and a significant drop in the output of several ferroalloys.

Slovenia produced a modest range and quantity of minerals, which included coal, natural gas, petroleum, and a variety of industrial minerals, but was heavily reliant on imports of fossil fuels, ferrous and nonferrous ores and metals and other mining and quarrying products. In 1998 (the most recent year for which trade returns were available), as in previous years, imports of crude mineral fertilizer raw materials, ferrous and nonferrous ores and scrap, and petroleum and petroleum refinery products, exceeded exports by very wide margins (Statistical Office of the Republic of Slovenia, 1999).

Policies and programs of the Government continued to promote the country's transition to a market economy system. In 1998, the Government adopted and published The Law on Privatization of Slovenian Steelworks, which provided Slovenske Zelezarne d.d., the Government's holding company for the country's iron and steel industry, with the legal framework to begin to denationalize the steel industry. In May, the controlling stock (80%) of SZ Jeklo d.o.o. Store, which was a mini mill, was sold to Inexa AB of Sweden (74%) and Unior Zrece of Slovenia (26%); 20% of the outstanding shares reportedly were to be distributed among Jeklo Store's current and former employees and pensioners (Slovenia Weekly, 1998). Inexa also announced plans to rename SZ Jeklo to Inexa Unior and to roughly double the plant's capacity, from 60,000 metric tons per year (t/yr) to as much as 140,000 t/yr (Metal Bulletin, 1999).

In addition to the sale of SZ Jeklo d.o.o. Store, Slovenske

Zelezarne d.d., approved the sale of a number of the industry's fabricating arms, which included SZ ITRO d.o.o. Store (tractor sales) and SZ Armature Muta d.o.o. Ravne (industrial armatures). The other steel producers within the holding company's purview were SZ Acroni Jesenice d.o.o. (Acroni) and SZ Metal Ravne d.o.o.

Steel production in 1999 remained at about the level reached in 1998, but this was against a background of a weak market and regional political and economic uncertainty. Restructuring activities in the steel industry in 1999 mainly included work progressing at Acroni to increase output of stainless steel. Acroni's sales of stainless steel in 1999 increased to about 25% of total sales from 20% of total sales in 1998 (Paxton, 1999).

The country's production of industrial minerals, which was largely for domestic use, included such commodities as cement, clays, silica products, and dimension stone. Cement was produced at the privately-owned Salanit Anhovo plant at Anhovo and the state-owned Cementarna Trbovlje at Trbovlje. Construction volume had been growing at about 5% per year between 1996 and 1999. A 4.9% rise in consumption was anticipated for 1999 (Global Cement Report, 1998).

Although Slovenia produced coal, natural gas, and petroleum, this production was insufficient to meet its needs for energy. The shortfall in domestic energy production was met through imports. Algeria and Russia, which were the main suppliers of natural gas to Slovenia, accounted for 40% and 60%, respectively, of the country's import needs.

References Cited

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TABLE 1
SLOVENIA: APPARENT PRODUCTION OF MINERAL COMMODITIES 1/ 2/

(Metric tons unless otherwise specified)

Commodity 3/ METALS	1995	1996	1997	1998	1999 e/
Aluminum:					
Alumina	14,000	88,000	85,000 e/	100,000	100,000
Metal, ingot, primary and secondary	57,692	59,486	74,400	70,800 r/	70,000
Iron and steel, metal:					
Ferroalloys:					
Ferrochromium	23,247	23,142	9,232	10,621	560 4/
Ferrosilocalcium e/	200	200	200	200	200
Ferrosilicon e/	12,000	10,000	10,000	10,000	8,000
Crude steel from electric furnaces	407,000	328,000	372,700 r/	405,210	405,000 4/
Semimanufactures	175,000	175,000	150,000	150,000	100,000
Lead, metal:					
Primary and secondary:					
Smelter e/	8,000	6,000	7,000	7,000	7,000
Refined	7,237	5,601	15,000 r/	14,000 r/	15,000 4/
Pb semimanufactures, rolled	271	241 r/	300	300	300
Zinc:					
Metal e/	2,500	2,000	--	--	--
Semimanufactures, rolled	11,851	10,692	12,000	11,000	11,000
INDUSTRIAL MINERALS					
Cement thousand tons	991	1,026	1,113	1,149 r/	1,100
Clays:					
Ceramic clay, crude e/	2,500	2,500	2,500	2,500	2,500
Fire clay, crude	--	600	--	--	--
Kaolin: e/					
Crude	10,000	10,000	10,000	10,000	10,000
Washed e/	4,000	4,000	4,000	4,000	4,000
Gypsum, crude e/	10,000	10,000	10,000	10,000	10,000
Lime thousand tons	149	136	140	150	150
Pumice and related materials, volcanic tuff e/	40,000	40,000	40,000	40,000	40,000
Quartz, quartzite, glass sand: e/					
Quartz and quartzite	10,000	10,000	10,000	10,000	10,000
Glass sand	200,000	200,000	200,000	200,000	200,000
Total	210,000	210,000	210,000	210,000	210,000
Salt, all sources	2,738	4,033	5,000	5,000	5,000
Sand and gravel, excluding glass sand thousand tons	8,693	10,498	10,298	10,076 r/	10,000
Stone, excluding quartz and quartzite, dimension, crude: e/					
Ornamental	237,000	93,000 r/	82,000 r/	91,000 r/	100,000
Other cubic meters	3,000	3,000	3,000	3,000	3,000
MINERAL FUELS AND RELATED MATERIALS					
Coal:					
Brown coal thousand tons	967	841	812 r/	827 r/	1,000
Lignite do.	3,917	3,937	4,163	4,064 r/	4,000
Natural gas, gross production thousand cubic meters	18,220	12,840	12,100	12,500	12,500
Petroleum:					
Crude:					
As reported thousand tons	1,858	1,400	1,100	900	100 4/
Converted thousand 42-gallon barrels	14,000	10,500	8,200	7,000	700
Refinery products e/ do.	3,500	3,500	3,500	3,500	3,300

e/ Estimated. r/ Revised. -- Zreo.

1/ Estimated data are rounded to no more than three significant digits; may not add to totals shown.

2/ Table includes data available through September 2000.

3/ In addition to commodities listed, common clay also was produced, but available information is inadequate to make reliable estimates of output levels.

4/ Reported figure.

TABLE 2
SLOVENIA: STRUCTURE OF THE MINERAL INDUSTRY IN 1999

(Thousand metric tons unless otherwise specified)

Commodity	Major operating companies	Location of main facilities	Annual capacity
Alumina	Talum d.o.o.	Plant at Kidricevo	120
Aluminum	do.	Smelter at Kidricevo	72
Coal:			
Brown	SOZC, Rudarsko Energetski Kombinat E. Kardelj, Trobovlje, Slovenia	Mines: Sasavski Rudnici at Trbovlje, Hrastnik, Ojstro, Senovo, and Kanizarnica	1,300
Lignite	Rudarsko Energetski Kombinat Velenje, RO Rudnik Lignita-Velenje	Mine at Velenje	5,000
Cement	Salonit Anhovo	Plant at Anhovo	1,120
Lead metal	Rudnik Svinca in Topilnica, Mezica	Smelter at Mezica	35
Do.	do.	Refinery at Mezica	30
Petroleum, refined	Industrija Nafta (INA) Rafinerija Nafta Lendava	Refinery at Lendava	162 1/
Pig iron	Združeno Podjetje Slovenske Železarne	Two blast furnaces at Želazara Jesenice	300
Do.	Želazara Store	Electric reduction furnaces at Store pri Celju	290
Steel, crude	Združeno Podjetje Slovenske Železarne	Plant at Jesenica	500
Do.	do.	Plant at Ravne	162
Do.	do.	Plant at Store	140

1/ Thousand barrels per day.