

Serious concern at steady decline in uptake of galvanised steel

The steady decline in the uptake of galvanised steel in South Africa is directly related to the drop-off in manufacturing activity and the dwindling number of construction and civil engineering projects on the go. This is the message from the Africa Desk of the International Zinc Association (IZA), with coordinator Simon Norton expressing "serious concern" at the current state of affairs.



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South Africa produced 110,000 tonnes of refined zinc in 2001, in addition to importing 19,000 tonnes for local consumption. "The bulk of this refined zinc would have been used to protect steel for construction, rail and mining projects," said Norton.

However, the spiralling input cost of electricity resulted in South Africa's only zinc refinery closing in 2011, with a similar refinery in Namibia shutting down in 2020 due to process technology issues. This means that at present there is no zinc refinery on the continent, with South Africa relying on costly zinc imports from Kazakhstan, Brazil and South Korea to meet local demand.

In the more recent past, refined zinc imports dropped from 86,700 tonnes in 2014 to 47,000 tons in 2020, pointing to a decline in the use of galvanised steel in particular. "This means that South Africa's zinc usage has plummeted from 129,000 tonnes to 47,000 tonnes over 20 years. We are the only major country in the world at present where zinc usage is on a downward spiral," said Norton.

Testament to this decline is the fact that the number of galvanizers in South Africa has dropped from 38 to just over 20 in under a decade. “We may soon reach the position where there is no galvanizing capacity available in the country at all,” said Norton.

Such a scenario will be catastrophic for steel corrosion protection. Galvanised steel is commonly used for essential infrastructure such as electrical and railway power pylons, structural steel in water and wastewater plants, wire and fencing, structural steel for mining and coastal civil engineering applications, roofing and sheeting, steel drums for fruit juice and automotive body panels, among many others.

“This is an urgent situation that, if not halted by decisive action, will lead to South Africa becoming even more dependent on foreign imports,” Norton stressed. “The remedies are many and complex, and we do not believe that any master plan will achieve anything in this regard.” This is a reference to the signing of the steel and metal fabrication sector master plan on 11 June by Minister of Trade, Industry and Competition Ebrahim Patel and industry stakeholders.

The master plan was the outcome of a draft document unveiled in October last year as a consolidation of discussion outcomes between various industry players, a government-appointed facilitator and public entities. Norton believes the time for plans has passed and that drastic action is needed to halt the decline in galvanised steel usage.

Norton concluded, “The passenger rail network, which is in a shocking state, needs to be rebuilt. This will provide a huge amount of employment, consume significant tonnages of galvanised steel and eventually offer comfortable rail transport. The IZA Africa Desk sees a dedicated and massive focus on the South African passenger rail rebuild as the key project involving government and the private sector that will boost civil engineering and revitalise the local steel, zinc and galvanizing industry.”

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