



2008 Minerals Yearbook

HUNGARY

THE MINERAL INDUSTRY OF HUNGARY

By Mark Brininstool

Hungary continued to be a modest producer of minerals in 2008, and mineral mining and processing activities had only a small effect on the country's economy. In 2008, Hungary's gross domestic product (GDP) increased by 0.6% compared with the GDP in 2007. Mining and quarrying made up only about 0.2% of the GDP, and mineral fuels were the only minerals significant to Hungary's terms of trade. Petroleum, petroleum products, and related materials accounted for about 6.2% of the value of all imports, and natural and manufactured gas accounted for about 5% of the total value of imports. On February 28, representatives of the Governments of Hungary and Russia signed an intergovernmental agreement on the construction of the South Stream natural gas pipeline's section that would run through Hungary. The pipeline was expected to transport at least 10 billion cubic meters of gas annually through Hungary. In 2008, about 83% of natural gas imported into Hungary came from Russia through the Druzhba pipeline, which enters the country at Beregdaroc on the Hungarian-Ukrainian border (Interfax Russia & CIS Oil and Gas Weekly, 2008; FGSZ Foldgazszallito Zrt., 2009, p. 11; Hungarian Central Statistical Office, 2009a, p. 8, 10; 2009b, p. 9).

Production

In 2008, significant production decreases were seen but there were no significant production increases compared with production in 2007. Bauxite production decreased by about 6%; gallium, by 17%; pig iron, by 8%; crude steel, by 7%; bentonite,

by 7%; gravel and foundry sand, by 15% each; crude petroleum and fuel oil, by 8% each. Data on mineral production are in table 1.

Structure of the Mineral Industry

Table 2 is a list of the major mineral industry facilities.

Outlook

Hungary will most likely remain a small producer of mineral products and trade of mineral fuels is expected to remain one of the most important issues in the mineral industry.

References Cited

- FGSZ Foldgazszallito Zrt., 2009, Annual report 2008: FGSZ Foldgazszallito Zrt., 61 p. (Accessed January 8, 2010, at <http://fgsz.hu/sites/default/files/http/79.120.183.12/files/AnnualReport2008.pdf>.)
- Hungarian Central Statistical Office, 2009a, External trade, January-December 2008 (revised, finalized data): Hungarian Central Statistical Office, September 2, 18 p. (Accessed November 12, 2009, at <http://portal.ksh.hu/pls/ksh/docs/hun/xftp/gyor/kul/kul30812.pdf>.)
- Hungarian Central Statistical Office, 2009b, Gross domestic product, 2008 (preliminary estimation): Hungarian Central Statistical Office, September, 29 p. (Accessed November 12, 2009, at <http://portal.ksh.hu/pls/ksh/docs/hun/xftp/idoszaki/gdpev/egdpevelo08.pdf>.)
- Interfax Russia & CIS Oil and Gas Weekly, 2008, Hungary joins South Stream project: Interfax Russia & CIS Oil and Gas Weekly, v. 823, no. 7, February 28 to March 5.

TABLE 1
HUNGARY: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons unless otherwise specified)

Commodity ²	2004	2005	2006	2007	2008	
METALS						
Aluminum:						
Bauxite, gross weight	thousand metric tons	647	535	538	546	511
Alumina, gross weight, calcined basis	do.	304 ^r	305 ^r	301 ^r	301 ^r	299
Metal:						
Primary		34,500 ^r	31,800 ^r	1,400 ^r	--	-- ^c
Secondary ^c		50,000	50,000	50,000	50,000	50,000
Total		84,500 ^r	81,800 ^r	51,400 ^r	50,000	50,000
Gallium	kilograms	5,500	6,000 ^r	6,500 ^r	6,000	5,000
Iron and steel, metal:						
Pig iron	thousand metric tons	1,350	1,329	1,335	1,394	1,289
Ferrous alloys ^c		-- ^r	-- ^r	-- ^r	-- ^r	--
Steel:						
Crude	thousand metric tons	1,944	2,005	2,144	2,317	2,160
Semimanufactures, rolled only ^c	do.	1,844 ³	1,850	2,000 ^r	2,100	2,000
Manganese ore:						
Run-of-mine:						
Gross weight		49,000	50,000	50,000	51,000	50,000
Mn content ^c		13,200	13,500	13,400 ^r	13,600 ^r	13,400
Concentrate:^c						
Gross weight		15,000	15,000	15,000	15,000	15,000
Mn content		5,000	5,000	5,000	5,000	5,000
INDUSTRIAL MINERALS						
Cement, hydraulic	thousand metric tons	3,580	3,371	3,724	3,552	3,544
Clays:						
Bentonite, raw		6,449	9,000	6,600	54,000 ^r	50,000
Kaolin, raw and washed		7,530	7,000	7,000	3,000	3,000
Gypsum and anhydrite		62,000	55,000	30,000	26,000	26,000
Lime, calcined ^c	thousand metric tons	500	500	500	500	500
Nitrogen, N content of ammonia ^c	do.	274 ³	275	275	300	300
Perlite		65,100	65,000	71,000	67,000	67,000
Sand and gravel:						
Gravel	thousand metric tons	33,544	33,500	34,483	29,400	25,000
Sand:						
Common	do.	12,500 ^c	12,800	11,634	5,400	5,400
Foundry		138,200	138,000	120,000	117,000	100,000
Glass		163,900	164,000	251,000	220,000	220,000
Stone:						
Dimension, all types ^c	thousand metric tons	5,000	5,000	5,000	5,000	5,000
Dolomite	do.	7,200	7,200 ^c	8,142	6,270	6,200
Limestone	do.	3,014	3,014	3,517	3,287	3,200
Sulfur, byproduct, elemental, all sources ^c		35,000 ^r	65,000 ^r	50,000	65,000 ^r	65,000
Sulfuric acid ^c		80,000	80,000	80,000	80,000	80,000
MINERAL FUELS AND RELATED MATERIALS						
Coal:						
Bituminous	thousand metric tons	260	--	--	--	--
Brown	do.	2,495	1,426	1,352 ^r	1,392 ^r	1,373
Lignite	do.	8,470	8,154	8,467	8,352 ^r	8,041
Total	do.	11,225	9,580	9,819 ^r	9,744 ^r	9,414
Coke, metallurgical		663,864 ^r	613,643 ^r	921,062 ^r	1,016,547 ^r	998,809
Gas, natural, marketed	million cubic meters	3,112	3,159	3,246	2,653	2,703
Peat		NA ^r	NA ^r	77,300	89,500	90,000

See footnotes at end of table.

TABLE 1—Continued
HUNGARY: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons unless otherwise specified)

Commodity ²	2004	2005	2006	2007	2008	
MINERAL FUELS AND RELATED MATERIALS—Continued						
Petroleum:						
Crude:						
As reported	thousand metric tons	1,077 ^r	948	886	839	775
Converted ^e	thousand 42-gallon barrels	7,210 ^r	6,340 ^r	5,930 ^r	5,610 ^r	5,180
Refinery:						
Motor fuel (including aviation fuel)		1,456,112	1,324,830	1,369,289	1,393,930	1,364,073
Gas oil		3,306,373	3,508,844	3,477,274	3,720,083	3,736,657
Fuel oil		263,914	163,857	245,660	135,007	123,922
Total:						
As reported		5,026,399	4,997,531	5,092,223	5,249,020	5,224,652
Converted ^e	42-gallon barrels	42,700,000 ^r	42,500,000 ^r	43,300,000 ^r	44,600,000 ^r	44,400,000

^eEstimated; estimated data are rounded to no more than three significant digits; may not add to totals shown. ^rRevised. do. Ditto. NA Not available. -- Zero.

¹Table includes data available through January 8, 2010.

²In addition to the commodities listed, diatomite and a variety of industrial minerals and construction materials, such as common clay and talc, are also produced, but available information is inadequate to make reliable estimates of output.

³Reported figure.

TABLE 2
HUNGARY: STRUCTURE OF THE MINERAL INDUSTRY IN 2008

(Thousand metric tons unless otherwise specified)

Commodity	Major operating companies	Location of main facilities	Annual capacity
Alumina	Magyar Aluminium Ltd. (MAL)	Ajka Timfoldgyar plant, about 120 kilometers southwest of Budapest, near Lake Balaton	400
Do.	Motim Electrocorundum Ltd.	Moson-Magyarovar plant, in northwestern corner of Hungary, about 12 kilometers from Austrian and Czech Republic borders	30
Aluminum, primary	INOTAL Aluminium Processing Ltd.	Inota plant, near Varpalota, 75 kilometers southwest of Budapest	35
Bauxite	Magyar Aluminium Ltd. (MAL) (owns and operates Bakony Bauxite Mines Ltd.)	Bakony District, extending roughly 100 kilometers northeast along Lake Balaton	NA
Cement	Holcim Hungaria Zrt.	Plants at Labatlan and Hejocsaba	2,100
Do.	Duna-Drava Cement Kft. (Heidelberg & Schwenk, 100%)	Plants at Beremend, 30 kilometers south of Pecs, and Vac, 35 kilometers north of Budapest	2,500
Clays	Agyag-Asvany Kft (Navan Resources PLC)	Felsopeteny, two open pit mines and a 5,000-metric-ton-per-year processing plant. Products are ball clay, kaolin, and refractory clay	35
Coal:			
Brown Coal	Vertes Power Plant Ltd. (Magyar Villamos Muvek Zrt., 96.59%)	Markushegy Mine at Oroszlany, 55 kilometers west of Budapest	NA
Lignite	Mátrai Erömü ZRT. (MÁTRA) (RWE AG, 50.9%; Magyar Villamos Muvek Zrt., 21.7%; EnBW AG, 21.7%)	Thorez opencast mine at Visonta, 80 kilometers northeast of Budapest	NA
Do.	do.	Opencast mine at Bukkabrány, 130 kilometers northeast of Budapest	NA
Coke	ISD Kokszo Ltd. (ISD Dunaferri Co. Ltd.)	Dunaujvaros, 60 kilometers south of Budapest	1,000
Iron, pig iron	ISD Dunaferri Co. Ltd. (Industrial Union of Donbass)	do.	1,400
Manganese	NA	Urkut manganese ore mines, 120 kilometers southwest of Budapest	NA
Natural gas	Hungarian Oil and Gas Co. (MOL)	Szeged and Algyo gasfields, southern Hungary	NA
Do.	do.	Hajduszoboszo gasfields, 180 kilometers east of Budapest	NA
Do.	do.	Smaller gasfields are Szank, Kardoskut, Bekes, Berefurdo, and others	NA
Perlite	Perlit 92 Kft (Navan Resources PLC and Hungarian Group)	Palhaza, northeastern Hungary; open pit mine and processing plant	NA
Petroleum:			
Crude	Hungarian Oil and Gas Co. (MOL)	Szeged-Algyo Field, near Romanian-Yugoslav border; 50% of total capacity	NA
Refined	Hungarian Oil and Gas Co. (MOL), of which:		
Do.	Duna Refinery	Szazhalombatta, 25 kilometers southwest of Budapest	8,100
Do.	Tisza Refinery	Tiszaújvaros	NA
Do.	Zala Refinery	Zalaegerszeg	NA
Silica	Uveg-Asvany Banyaszati Ipari Kft.	Mine and plant at Fehevarosugo	NA
Steel, crude	ISD Dunaferri Co. Ltd. (Industrial Union of Donbass)	Dunaujvaros, 60 kilometers south of Budapest	1,600
Do.	OAM-Ozdi Acelmuvek Kft	120 kilometers northeast of Budapest	360
Do.	Dam 2004 Acél-es Hengermu Kereskedemi es Szolgaltato Kft.	Diosgyor, 145 kilometers northeast of Budapest	550

Do., do. Ditto. NA, Not available.