



2010 Minerals Yearbook

HUNGARY

THE MINERAL INDUSTRY OF HUNGARY

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Hungary was a modest producer of minerals, and mining and mineral processing activities made up only a small part of the country's economy. In 2010, Hungary's gross domestic product (GDP) increased by 1.2% compared with the GDP in 2009. The output of its mining and quarrying sector, however, decreased by 19.8% compared with the volume of production in 2009. Petroleum, petroleum products, and related materials accounted for about 5.6% of the value of all imports, and natural and manufactured gas accounted for about 3.8% of the total value of imports. Hungary was a participant in both the South Stream and the Nabucco natural gas pipeline development projects, which will transport gas from Russia to Austria and from Turkey to Austria, respectively (Hungarian Central Statistical Office, 2011, p. 180; U.S. Central Intelligence Agency, 2011).

Production

The mineral commodities for which production increased notably in 2010 were pig iron (by 26.2%), crude steel (19.8%), bauxite (16%), and alumina (15%). Those for which there were notable decreases in production included bentonite (by 33.3%) and gypsum (16.7%). The increases in production can be attributed to the nascent recovery that some industries experienced in 2010, such as the automobile manufacturing industry. Ukrainian steel producer ISD, which owned ISD Dunaferr Co. Ltd. in Hungary, was acquired by a private group of investors and financed by the Russian bank Vnesheconombank. The group's 51% stake was purchased for about \$1 billion on December 31, 2009, and the other 49% was acquired during 2010 (table 1; Metal Bulletin, 2010).

Construction activity decreased by 10.1% compared with that of the previous year, of which construction of infrastructure decreased by 15.2% and construction of buildings

decreased by 5.2%. Nostra Cement, which was a subsidiary of Strabag SE, was to complete construction of a new cement plant at Kiralyegyhaza in 2011; the plant would have a production capacity of 750,000 metric tons per year of clinker. Production was expected to begin in June 2011 (Budapest Business Journal, 2011; Cembureau, 2011, p. 9).

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. The trade of mineral fuels is expected to remain a significant component of Hungary's trade balance.

References Cited

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TABLE 1
HUNGARY: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons unless otherwise specified)

Commodity ²	2006	2007	2008	2009	2010	
METALS						
Bauxite, gross weight	thousand metric tons	538	546	511	317	365
Alumina, gross weight, calcined basis	do.	301	301	299	185	214
Aluminum:						
Primary		1,400	--	--	--	--
Secondary ^c		50,000	50,000	50,000	50,000	50,000
Total		51,400	50,000	50,000	50,000	50,000
Gallium	kilograms	6,300	5,600	5,100	3,400	3,200
Iron and steel, metal:						
Pig iron	thousand metric tons	1,335	1,394	1,289	1,050	1,325
Steel:						
Crude	do.	2,144	2,317	2,160	1,401	1,678
Semimanufactures	do.	2,225	2,138	2,196	1,452 ^r	1,594
Manganese ore:						
Run-of-mine:						
Gross weight		50,000	51,000	50,000	43,000 ^r	55,000
Mn content ^e		13,400	13,600	13,400	11,567 ^{r,3}	14,740
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	3,724	3,552	3,544	3,200 ^e	2,560 ^e
Clays:						
Bentonite, raw		6,600	54,000	50,000	45,000 ^e	30,000
Kaolin, raw and washed		7,000	3,000	3,000	2,800 ^e	2,800 ^e
Gypsum and anhydrite		30,000	26,000	26,000	24,000 ^e	20,000
Nitrogen, N content of ammonia ^c	thousand metric tons	275	300	300	300	300
Perlite		71,000	67,000	67,000	82,000 ^r	80,000
Sand and gravel:						
Gravel	thousand metric tons	34,483	29,400	25,000	23,496 ^r	23,000 ^e
Sand:						
Common	do.	11,634	5,400	5,400	12,095 ^r	12,000
Foundry		120,000	117,000	100,000	111,000 ^r	100,000
Glass		251,000	220,000	220,000	85,000 ^r	80,000
Stone:						
Dimension, all types ^e	thousand metric tons	5,000	5,745 ^{r,3}	5,700 ^{r,3}	5,500	5,500
Dolomite	do.	8,142	6,270	6,200	933 ^e	900
Limestone	do.	3,517	3,287	3,200	1,868 ^r	1,800
Sulfur, byproduct, elemental, all sources ^c		50,000	65,000	65,000	60,000	60,000
Sulfuric acid ^c		80,000	80,000	80,000	75,000	75,000
MINERAL FUELS AND RELATED MATERIALS						
Coal:						
Brown	thousand metric tons	1,352	1,392	1,373	952 ^r	911
Lignite	do.	8,467	8,352	8,041	8,025 ^r	8,203
Total	do.	9,819	9,744	9,414	8,977	9,114
Coke, metallurgical		921,062	1,016,547	998,809	746,155	750,000 ^e
Gas, natural	million cubic meters	3,246	2,653	2,691	3,120 ^r	3,100
Peat		77,300	89,000	90,000	90,000 ^e	90,000
Petroleum: ^{e,4}						
Crude	thousand 42-gallon barrels	5,930	5,610	5,180	4,970	5,284 ³
Refinery:						
Motor fuel (including aviation fuel)	do.	11,700	11,900	11,600	11,600	11,100
Gas oil	do.	26,900	28,800	28,900	28,900	28,600
Fuel oil	do.	1,800	1,000	900	900	900
Total:	do.	40,400	41,700	41,400	41,400	40,600

See footnotes at end of table.

TABLE 1—Continued
HUNGARY: PRODUCTION OF MINERAL COMMODITIES¹

^cEstimated; estimated data are rounded to no more than three significant digits; may not add to totals shown. ¹Revised. do. Ditto. -- Zero.

¹Table includes data available through January 31, 2012.

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

³Reported figure.

⁴Figures were converted to barrels from production reported in thousand metric tons, which was reported as the following: Crude production in 2006—886; 2007—839; 2008—775; 2009—743; and 2010—790. Petroleum products (totals) in 2006—5,092; 2007—5,249; 2008—5,225; 2009—5,220 (estimate); and 2010—no information available.

TABLE 2
HUNGARY: STRUCTURE OF THE MINERAL INDUSTRY IN 2010

(Thousand metric tons unless otherwise specified)

Commodity	Major operating companies and major equity holders	Location of main facilities	Annual capacity
Alumina	Magyar Aluminium Ltd. (MAL)	Ajka Timfoldgyar plant, about 120 kilometers southwest of Budapest, near Lake Balaton	400
Bauxite	do.	Bakony bauxite mine 5 kilometers south of Ajka	NA
Cement	Holcim Hungaria Zrt. (Holcim Ltd.) ¹	Plants at Labatlan and Hejocsaba	2,100
Do.	Duna-Drava Cement Kft. (HeidelbergCement AG, 50%, and Schwenk Zement KG, 50%)	Plants at Beremend, 30 kilometers south of Pecs, and Vac, 35 kilometers north of Budapest	2,500
Clays	Agyag-Asvany Kft	Two opencast mines at Felsopeteny	NA
Coal:			
Brown coal	Vertes Power Plant Ltd. (Magyar Villamos Muvek Zrt., 96.59%)	Markushegy Mine at Oroszlany, 55 kilometers west of Budapest	1,400 ^c
Lignite	Mátrai Erömü Zrt. (MÁTRA) (RWE AG, 50.9%; Magyar Villamos Muvek Zrt., 25.5%; EnBW AG, 21.7%)	Thorez opencast mine at Visonta, 80 kilometers northeast of Budapest	4,700 ^c
Do.	do.	Opencast mine at Bukkabrány, 130 kilometers northeast of Budapest	4,000 ^c
Coke	ISD Kokszolo Ltd. (ISD Dunaferr Co. Ltd.)	Dunaujvaros, 60 kilometers south of Budapest	1,000
Iron, pig iron	ISD Dunaferr 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)	Oil and gas fields in southern and southwestern Hungary	NA
Perlite	Perlit 92 Kft	Palhaza, northeastern Hungary; opencast mine and processing plant	NA
Petroleum:			
Crude	42-gallon barrels per day Hungarian Oil and Gas Co. (MOL)	Oil and gas fields in southern and southwestern Hungary	14,800 ^c
Refined	Duna Refinery [Hungarian Oil and Gas Co. (MOL)]	Szazhalombatta, 25 kilometers southwest of Budapest	8,100
Pig iron	ISD Dunaferr Co. Ltd. (Industrial Union of Donbass)	Dunaujvaros, 60 kilometers south of Budapest	1,300
Silica	Uveg-Asvany Banyaszati Ipari Kft.	Mine and plant at Fehevarosugo	NA
Steel, crude:			
Primary	ISD Dunaferr Co. Ltd. (Industrial Union of Donbass)	Dunaujvaros, 60 kilometers south of Budapest	1,600
Secondary	OAM OZD Steelworks Ltd.	120 kilometers northeast of Budapest	360
Do.	Dam 2004 Acel-es Hengermu Kereskedemi es Szolgaltato Ltd. ²	Diosgyor, 145 kilometers northeast of Budapest	550

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

¹Holcim Hungaria Zrt.'s plant at Labatlan temporarily halted cement production in the third quarter of 2009.

²Stopped production in December 2008.