



Improving Energy Efficiency in the Steel Industry

Project Title

Energy Efficiency in Steel Re-rolling Mills

Budget

USD 6.75 million

Duration

September 2004 – August 2009

Partners

Ministry of Steel, Government of India; Steel re-rolling mills technology suppliers; Small Industries Development Bank of India

Project Location

Five regions in India

Challenges

There are more than 1,200 steel re-rolling mills (SRRM) within the small and medium enterprise sector, in India. Almost 57 percent of the secondary steel in the country is being produced in these small scale units. Steel production is a highly energy intensive process that may lead to a lot of wastage. As the mills have grown haphazardly, and use technologies that are outdated, they have low-investments and generate high production cost.

Response

A study of 90 units from five geographical clusters revealed that the sector has the potential to reduce 36 million tonnes of CO₂ over a period of 20 years. This project supports the government's efforts to promote energy conservation and reduce greenhouse gas emissions in the steel re-rolling sector. The steel re-rolling mill units receive packages that consist of technology that is highly energy efficient and has a low risk of failure. These mills also receive technical assistance and training to use this technology. Selected units will also receive financial assistance.

Impact

The technology packages for the steel re-rolling mill units have been finalized and 28 re-rolling mills have been identified where these packages can be implemented. To provide support and facilitate close interaction with these units, local missions and a technology resource centre have been set up. A technical monitoring and evaluation methodology has been established to calculate the reduction of greenhouse gas emissions. Training modules on various topics for shop-floor technicians, managers and owners have been developed at the

Management Training Institute of Steel Authority of India Limited. A nation-wide outreach programme enables the sharing of knowledge and information among steel units.

Contact detail: climatechange.in@undp.org