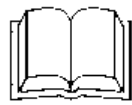



**Research Group**



***Info Mine*** 

Association of independent consultants and experts  
in the field of mineral resources, metallurgy and chemical industry

---

# **Steel Scrap Market Research in Russia**

*Moscow  
November 2007*

## Contents

<b>Annotation</b> .....	9
<b>1. Review of market of steel scrap in Russia</b> .....	<b>10</b>
<b>1.1. Statistics of scrap collection in Russia in 2000 – 2006</b> .....	10
<b>1.2. Regional structure of scrap collection in CFD</b> .....	15
<b>1.2.1. Near territories</b> .....	16
1.2.1.1. <i>Lipetsk region</i> .....	18
1.2.1.2. <i>Voronezh region</i> .....	20
1.2.1.3. <i>Orel region</i> .....	22
1.2.1.4. <i>Ryazan' region</i> .....	24
1.2.1.5. <i>Tambov region</i> .....	27
1.2.1.6. <i>Tula region</i> .....	29
<b>1.2.2. Moscow and Moscow region</b> .....	32
1.2.2.1. <i>Moscow</i> .....	32
1.2.2.2. <i>Moscow region</i> .....	34
<b>1.2.3. "Far territories"</b> .....	37
1.2.3.1. <i>Belgorod region</i> .....	37
1.2.3.2. <i>Bryansk region</i> .....	39
1.2.3.3. <i>Vladimir region</i> .....	42
1.2.3.4. <i>Ivanovo region</i> .....	44
1.2.3.5. <i>Kaluga region</i> .....	46
1.2.3.6. <i>Kostroma region</i> .....	48
1.2.3.7. <i>Kursk region</i> .....	50
1.2.3.8. <i>Smolensk region</i> .....	52
1.2.3.9. <i>Tver' region</i> .....	54
1.2.3.10. <i>Yaroslavl' region</i> .....	56
<b>1.3. Characteristics of leading scrap-collecting companies in CFD</b> .....	59
1.3.1. <i>PJSC «Uralvychermet»</i> .....	60
1.3.2. <i>LLC «Oris Prom»</i> .....	64
1.3.3. <i>LLC "PK «Vtormet»</i> .....	65
1.3.4. <i>LLC «Belprommetall»</i> .....	66
1.3.5. <i>LLC «Baltekskom»</i> .....	67
<b>1.4. Structure of consumption of steel scrap in CFD and its regions</b> .....	68
<b>1.5. Characteristics of leading scrap consumers in CFD</b> .....	71
1.5.1. <i>JSC «Novolipetsk metallurgical combine» (JSC «NLMK»)</i> .....	71
1.5.2. <i>JSC «Oskol electro-metallurgical combine» (JSC «OEMK»)</i> .....	72
<b>1.6. Supply-demand balance of scrap in Russia in 2006</b> .....	74
<b>1.7. Seasonality of scrap supplies in Russia</b> .....	76
<b>1.8. Tendencies and prospects of domestic market of steel scrap</b> .....	77
<b>2. Review of export-import operations in steel scrap in Russia in 2001 – 1 half-year of 2007</b> .....	<b>90</b>
<b>2.1. Import of steel scrap</b> .....	90
<b>2.2. Export of steel scrap</b> .....	92
<b>2.3. Review of export-import prices on scrap</b> .....	96
<b>3. Forecast of development of steel scrap market in Russia up to 2012</b> .....	<b>99</b>
<b>3.1. Forecast of production of steel scrap in Russia up to 2012</b> .....	99

<b>3.2. Estimation of expanding volumes of steel scrap consumption up to 2012</b>	<b>100</b>
<b>3.3. Forecast of supply-demand balance of steel scrap up to 2012</b> .....	<b>101</b>
<b>3.4. Forecast of Russian foreign trade in scrap up to 2012</b> .....	<b>102</b>
<b>3.5. Forecast of prices up to 2012</b> .....	<b>103</b>

## List of Tables

Table 1. Dynamics of supplies of commodity scrap by regions of Russia in 2003 - 2006, kt.....	11
Table 2. Consumption of steel scrap by Russian enterprises, mln t .....	13
Table 3. Structure of scrap supplies to enterprises of ferrous metallurgy in 2006, mln t .....	14
Table 4. Quantity of companies in Central Federal District, having license on collection and processing scrap and ferrous metal wastes.....	15
Table 5. Supplies of steel scrap from regions of “Near territories” in 2005 – 2007, kt16	
Table 6. Company-suppliers of steel scrap from Lipetsk region in 2005-2007 .....	18
Table 7. Large company-consumers of steel scrap from Lipetsk region.....	19
Table 8. Company-exporters of steel scrap from Lipetsk region in 2005-2007 .....	19
Table 9. Geographic structure of direct export supplies of steel scrap from Lipetsk region in 2005 -2007 .....	19
Table 10. Company-suppliers of steel scrap from Voronezh region in 2005-2007....	20
Table 11. Large company-consumers of steel scrap from Voronezh region.....	21
Table 12. Company-exporters of steel scrap from Voronezh region in 2005-2007 ...	21
Table 13. Geographic structure of direct export supplies of steel scrap from Voronezh region in 2005 -2007 .....	22
Table 14. Company-suppliers of steel scrap from Orel region in 2005-2007 .....	23
Table 15. Large company-consumers of steel scrap from Orel region.....	23
Table 16. Company-exporters of steel scrap from Orel region in 2005-2007.....	24
Table 17. Geographic structure of direct export supplies of steel scrap from Orel region in 2005 -2007 .....	24
Table 18. Company-suppliers of steel scrap from Ryazan’ region in 2005-2007 .....	25
Table 19. Large company-consumers of steel scrap from Ryazan’ region .....	25
Table 20. Company-exporters of steel scrap from Ryazan’ region in 2005-2007.....	26
Table 21. Geographic structure of direct export supplies of steel scrap from Ryazan’ region in 2005 -2007 .....	26
Table 22. Company-suppliers of steel scrap from Tambov region in 2005-2007 .....	27
Table 23. Large company-consumers of steel scrap from Tambov region .....	28
Table 24. Company-exporters of steel scrap from Tambov region in 2005-2007.....	28
Table 25. Geographic structure of direct export supplies of steel scrap from Tambov region in 2005 -2007 .....	28
Table 26. Company-suppliers of steel scrap from Tula region in 2005-2007 .....	29
Table 27. Large company-consumers of steel scrap from Tula region .....	30
Table 28. Company-exporters of steel scrap from Tula region in 2005-2007.....	30
Table 29. Geographic structure of direct export supplies of steel scrap from Tula region in 2005 -2007 .....	31
Table 30. Company-suppliers of steel scrap from Moscow in 2005-2007 .....	32
Table 31. Large company-consumers of steel scrap from Moscow .....	33
Table 32. Company-exporters of steel scrap from Moscow in 2005-2007 .....	33
Table 33. Geographic structure of direct export supplies of steel scrap from Moscow in 2005 -2007.....	34

Table 34. Company-suppliers of steel scrap from Moscow region in 2005-2007.....	35
Table 35. Large company-consumers of steel scrap in Moscow region.....	36
Table 36. Company-exporters of steel scrap from Moscow region in 2005-2007 .....	36
Table 37. Geographic structure of direct export supplies of steel scrap from Moscow region in 2005 -2007 .....	36
Table 38. Company-suppliers of steel scrap from Belgorod region in 2005-2007 ....	37
Table 39. Large company-consumers of steel scrap from Belgorod region.....	38
Table 40. Company-exporters of steel scrap from Belgorod region in 2005-2007 ....	38
Table 41. Geographic structure of direct export supplies of steel scrap from Belgorod region in 2005 -2007 .....	39
Table 42. Company-suppliers of steel scrap from Bryansk region in 2005-2007 .....	40
Table 43. Large company-consumers of steel scrap from Bryansk region .....	40
Table 44. Company-exporters of steel scrap from Bryansk region in 2005-2007.....	41
Table 45. Geographic structure of direct export supplies of steel scrap from Bryansk region in 2005 -2007 .....	41
Table 46. Company-suppliers of steel scrap from Vladimir region in 2005-2007.....	42
Table 47. Large company-consumers of steel scrap from Vladimir region .....	43
Table 48. Company-exporters of steel scrap from Vladimir region in 2005-2007 ....	43
Table 49. Geographic structure of direct export supplies of steel scrap from Vladimir region in 2005 - 2007 .....	43
Table 50. Company-suppliers of steel scrap from Ivanovo region in 2005-2007 .....	44
Table 51. Large company-consumers of steel scrap from Ivanovo region.....	45
Table 52. Company-exporters of steel scrap from Ivanovo region in 2005-2007.....	45
Table 53. Geographic structure of direct export supplies of steel scrap from Ivanovo region in 2005-2007 .....	45
Table 54. Company-suppliers of steel scrap from Kaluga region in 2005-2007 .....	46
Table 55. Large company-consumers of steel scrap from Kaluga region .....	47
Table 56. Company-exporters of steel scrap from Kaluga region in 2005-2007 .....	47
Table 57. Geographic structure of direct export supplies of steel scrap from Kaluga region in 2005-2007 .....	47
Table 58. Company-suppliers of steel scrap from Kostroma region in 2005-2007....	48
Table 59. Large company-consumers of steel scrap from Kostroma region.....	49
Table 60. Company-exporters of steel scrap from Kostroma region in 2005-2007 ...	49
Table 61. Geographic structure of direct export supplies of steel scrap from Kostroma region in 2005-2007 .....	49
Table 62. Company-suppliers of steel scrap from Kursk region in 2005-2007.....	50
Table 63. Large company-consumers of steel scrap from Kursk region.....	51
Table 64. Company-exporters of steel scrap from Kursk region in 2005-2007 .....	51
Table 65. Geographic structure of direct export supplies of steel scrap from Kursk region in 2005-2007 .....	51
Table 66. Company-suppliers of steel scrap from Smolensk region in 2005-2007....	52
Table 67. Large company-consumers of steel scrap from Smolensk region .....	53
Table 68. Company-exporters of steel scrap from Smolensk region in 2005-2007 ...	53
Table 69. Geographic structure of direct export supplies of steel scrap from Smolensk region in 2005-2007 .....	54

Table 70. Company-suppliers of steel scrap from Tver' region in 2005-2007 .....	55
Table 71. Large company-consumers of steel scrap from Tver' region.....	55
Table 72. Company-exporters of steel scrap from Tver' region in 2005-2007.....	55
Table 73. Geographic structure of direct export supplies of steel scrap from Tver' region in 2005-2007 .....	56
Table 74. Company-suppliers of steel scrap from Yaroslavl' region in 2005-2007 ..	57
Table 75. Large company-consumers of steel scrap from Yaroslavl' region.....	57
Table 76. Company-exporters of steel scrap from Yaroslavl' region in 2005-2007 ..	58
Table 77. Geographic structure of direct export supplies of steel scrap from Yaroslavl' region in 2005-2007 .....	58
Table 78. Large company – suppliers of steel scrap in CFD in 2005 – 2007.....	59
Table 79. Volumes of steel scrap supplies (including export) by enterprises of Central Federal District department of PJSC «Uralvtorchermet» holding in 2005-2007, t ...	61
Table 80. Characteristics of companies of «Uralvtorchermet» holding, operating in the territory of Central Federal District.....	63
Table 81. Consumers of steel scrap, supplied by enterprises of Central Federal District department of «Uralvtorchermet» holding.....	64
Table 82. Consumers of steel scrap, supplies by LLC «Oris Prom».....	65
Table 83. Consumers of steel scrap, supplies by LLC «PK «Vtormet» .....	65
Table 84. Supplies of steel scrap of LLC «Belprommetall».....	66
Table 85. Consumers of steel scrap, supplies by LLC «Baltekskom» .....	67
Table 86. Structure of supplies of steel scrap in regions of Central Federal District in 2005 – 2007 .....	68
Table 87. Structure of supplies of steel scrap in regions of Central Federal District from all regions and inside the District in 2005-2007 .....	69
Table 88. End-users of steel scrap in Central Federal District in 2005-2007, thousand t.....	69
Table 89. Consumption of steel scrap by metallurgical enterprises of Central Federal District in 2005-2006 .....	71
Table 90. Large suppliers of steel scrap for JSC «NLMK».....	71
Table 91. Large suppliers of steel scrap for JSC «OEMK».....	72
Table 92. Data on transactions in steel scrap in 2006.....	74
Table 93. Supply-demand balance of steel scrap in Russia in 2006.....	75
Table 94. Average consumption coefficients in production of steel at Russian enterprises, kg/t steel produced.....	78
Table 95. Production of cast iron, steel and rolled steel, utilization of productive capacities and structure of steel produced by routs of production in Russia.....	81
Table 96. Balance of consumption of steel products in 1994-2005, mln. t .....	83
Table 97. Macroeconomic parameters and consumption of rolled steel in Russia (% as compared to 1990).....	84
Table 98. Dynamics of production volumes in machine building in 1990-2005 .....	86
Table 99. Russian foreign trade in machines, equipment and transport vehicles (bln. USD).....	87
Table 100. Supply-demand balance of steel pipes in Russia, mln t.....	89

Table 101. Geographic structure of import of steel scrap by Russia in 2001 – 1 half-year of 2007.....	91
Table 102. Geographic structure of export of steel scrap from Russia in 2001- 1 half-year of 2007.....	93
Table 103. Dynamics of Russian export prices on steel scrap (FOB port) in 2001-2007, \$/t.....	98
Table 104. Forecast of production of steel and rolled steel up to 2012, mln t .....	100
Table 105. Forecast of supply-demand balance of steel scrap up to 2012 .....	101

## List of Figures

Figure 1. Dynamics of collection of ferrous metals scrap in Russia in 1985-2006, mln t .....	10
Figure 2. Structure of railway supplies of ferrous metals scrap by Federal districts of Russia in 2006 .....	13
Figure 3. Structure of supplies of steel scrap by parts ("territorise) of CFD in 2006... ..	16
Figure 4. Structure of supplies of steel scrap by regions of "Near territories" in 2006	17
Figure 5. Supplies of steel scrap from Lipetsk region in 2005 – 2007 .....	18
Figure 6. Supplies of steel scrap from Voronezh region in 2005 - 2007 .....	20
Figure 7. Supplies of steel scrap from Orel region in 2005 - 2007.....	22
Figure 8. Supplies of steel scrap from Ryazan' region in 2005-2007 .....	24
Figure 9. Supplies of steel scrap from Tambov region in 2005-2007 .....	27
Figure 10. Supplies of steel scrap from Tula region in 2005-2007 .....	29
Figure 11. Supplies of steel scrap from Moscow in 2005-2007 .....	32
Figure 12. Supplies of steel scrap from Moscow region in 2005-2007 .....	34
Figure 13. Supplies of steel scrap from Belgorod region in 2005 – 2007 .....	37
Figure 14. Supplies of steel scrap from Bryansk region in 2005 – 2007.....	39
Figure 15. Supplies of steel scrap from Vladimir region in 2005 – 2007 .....	42
Figure 16. Supplies of steel scrap from Ivanovo region in 2005 – 2007.....	44
Figure 17. Supplies of steel scrap from Kaluga region in 2005 – 2007 .....	46
Figure 18. Supplies of steel scrap from Kostroma region in 2005 – 2007 .....	48
Figure 19. Supplies of steel scrap from Kursk region in 2005 – 2007 .....	50
Figure 20. Supplies of steel scrap from Smolensk region in 2005–2007 .....	52
Figure 21. Supplies of steel scrap from Tver' region in 2005–2007 .....	54
Figure 22. Supplies of steel scrap from Yaroslavl' region in 2005–2007 .....	56
Figure 23. Monthly dynamics of domestic supplies of steel scrap in 2005 – 1 half-year of 2007 .....	76
Figure 24. Dynamics of "apparent" domestic consumption of rolled steel by kinds in 1998-2005, kt .....	83
Figure 25. Dynamics of volume of works and consumption of rolled steel in building sector in 1996-2005 .....	87
Figure 26. Dynamics of production of steel wall and roofing panels and building constructions in Russia в 1998-2005 .....	88
Figure 27. Dynamics of import of steel scrap by Russia from Kazakhstan in 2001-2006 .....	90
Figure. 28. Dynamics of export of steel scrap by Russia in 2001-2006 .....	92
Figure 29. Dynamics of prices on steel scrap, imported from Kazakhstan, on terms DAF, in 2001-2007 .....	96
Figure 30. Dynamics of average annual export prices on steel scrap in 2001-2007 ....	97
Figure 31. Dynamics of prices on steel scrap on terms FOB Black Sea ports and CIF Izmir (Turkey) in 2001-2007 .....	97
Figure 32. Forecast of steel scrap collection in Russia up to 2012.....	99
Figure 33. Dynamics of export supplies of steel scrap from Russia in 2006-2012... ..	102
Figure 34. Dynamics of prices on steel scrap in Russia in 2004-2012.....	105



## **Annotation**

The report is devoted to investigation of market of steel scrap in Russia and Central Federal District and forecast of its development. The report includes 3 Sections, 105 pages, including 105 Tables, 34 Figures and Appendix. The report is a desk study. As information sources, data of Federal Service of State Statistics (Rosstat), Federal Customs Service of Russia (FCS), official domestic railrage statistics of Ministry of Railways of Russia, data of companies, received in the course of telephone interviews with their leaders, the sector and regional press, annual and quarterly repots of companies, internet-sites of company-collectors and consumers of steel scrap were used.

The first Section of the report describes development and standing of market of steel scrap in Russia and Central Federal District. It presents statistics of scrap collection in Russia in 2000-2006, regional structure of collection and consumption of steel scrap, characteristics of leading scrap collectors and consumers, analyses tendencies and prospects of Russian market of steel scrap.

The second Section presents review of export-import of steel scrap in Russia in 2001 – 1 half of 2007, as well as regional structure of the export-import supplies and review of export-import prices on of steel scrap in Russia.

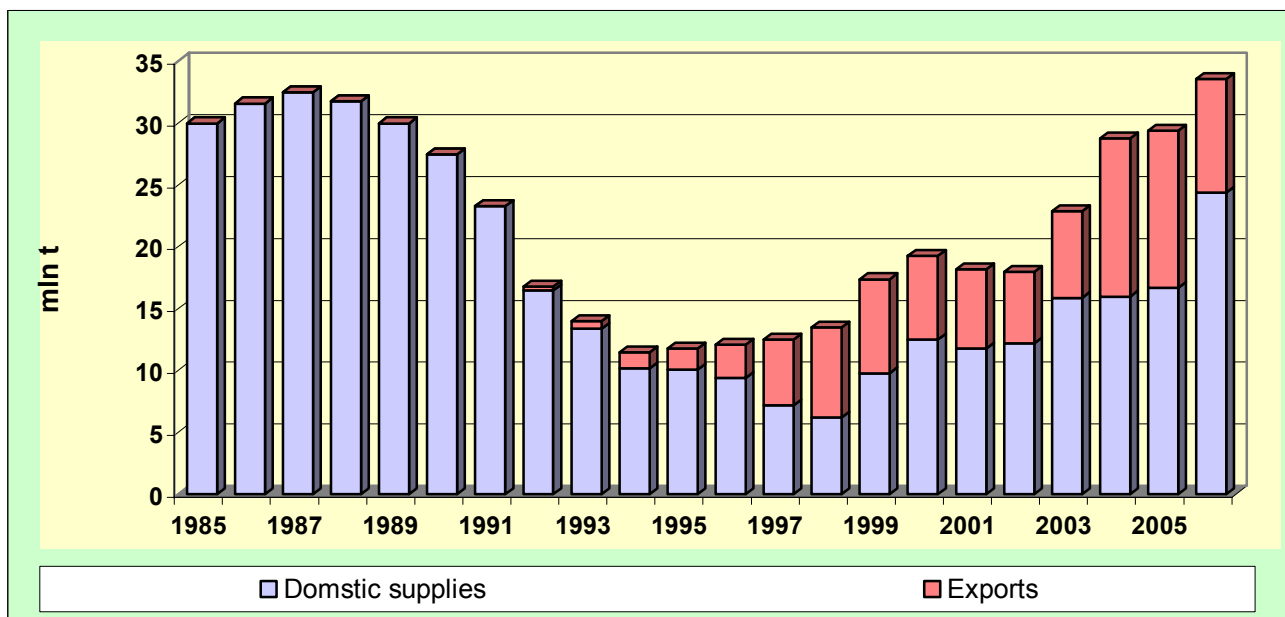
The third Section is devoted to forecast of production and consumption of steel scrap, foreign trade, prices up to 2012.

## 1. Review of market of steel scrap in Russia

### 1.1. Statistics of scrap collection in Russia in 2000 – 2006

Statistics of scrap collection in Russia for the period from 1985 to 2006 is presented in Fig. 1. Annual volume of scrap collection was calculated as a sum of domestic consumption of scrap (expert's estimations) and export supplies of scrap (from data of customs statistics).

**Figure 1. Dynamics of collection of ferrous metals scrap in Russia in 1985-2006, mln t**



Source: expert's estimate, customs statistics

After bottom level in 1994 (11.5 mln t), the scrap collection steadily grew up to 2006 (except 2001-2002). In 2006 the collection reached 33.6 mln t and thus reached the 80s level.

In Table 1 dynamics of railway supplies of commodity scrap of ferrous metals in 2003 – 2006 by regions of Russia and Federal districts (FD) is presented.

In 2003-2005 the railway supplies (railage) of scrap increased, whereas in 2006 volume of the supplies (both domestic and export) dropped. Share of export railway supplies decreased on the background of overall decline in the export volumes. The domestic railage volumes in 2006 dropped 15% compared with 2005.

**Table 1. Dynamics of supplies of commodity scrap by regions of Russia  
in 2003 - 2006, kt**

Region and District (FD)	2003			2004			2005			2006		
	DS*	EX*	TOT*	DS*	EX*	TOT*	DS*	EX*	TOT*	DS*	EX*	TOT*
Belgorod region												
Bryansk region												
Vladimir region												
Voronezh region												
Ivanovo region												
Kaluga region												
Kostroma region												
Kursk region												
Lipetsk region												
Moscow and region												
Orel region												
Ryazan' region												
Smolensk region												
Tambov region												
Tver' region												
Tula region												
Yaroslavl' region												
<b>Total for CFD</b>												
Arkhangelsk region												
Vologda region												
Karelia												
Komi												
Murmansk region												
Novgorod region												
Pskov region												
St-Petersburg and Leningrad region												
<b>Total for North- Western FD</b>												
Adygea												
Astrakhan region												
Volgograd region												
Dagestan												
Kabardino-Balkaria												
Kalmykia												
Karachaevo-Cherkessia												
Krasnodar region												
Rostov region												
North Osetia												
Stavropol region												
Chechnya and Ingushetia												
<b>Total for Southern FD</b>												
Bashkortostan												
Kirov region												
Mary-El												
Mordovia												
Nizhny Novgorod region												
Orenburg region												
Penza region												
Perm region												
Samara region												
Saratov region												
Tatarstan												
Udmurtia												
Ul'yanovsk region												

Region and District (FD)	2003			2004			2005			2006		
	DS*	EX*	TOT*	DS*	EX*	TOT*	DS*	EX*	TOT*	DS*	EX*	TOT*
Chuvashia												
<b>Total for Privolzhsky FD</b>												
Kurgan region												
Sverdlovsk region												
Tyumen' region												
Chelyabinsk region												
<b>Total Ural FD</b>												
Altai region (krai)												
Buryatia												
Irkutsk region												
Kemerovo region												
Krasnoyarsk region												
Novosibirsk region												
Omsk region												
Tomsk region												
Khakassia												
Chita region												
<b>Total Siberian FD</b>												
Amursky region												
Evreisky region												
Primorsky region												
Sakhalin region												
Khabarovsk region												
Yakutia												
<b>Total Far Eastern FD</b>												
<b>Total</b>												

\* DS – domestic supplies, EX – export supplies, TOT - total

Source: Russian rail age statistics

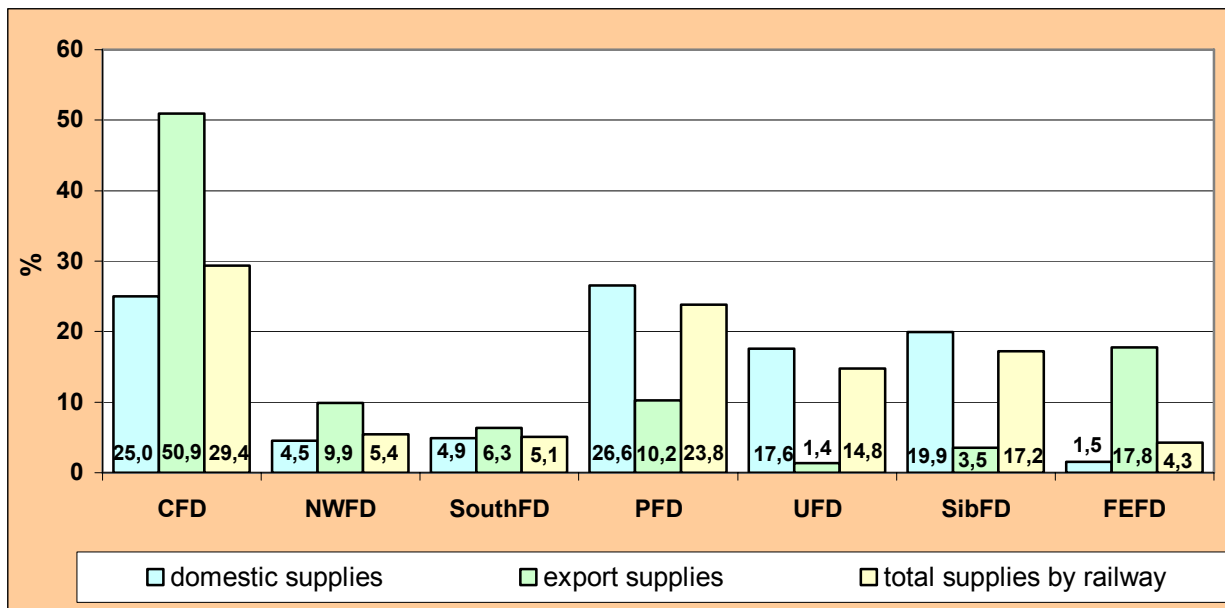
Structure of railway supplies of ferrous metals scrap in 2006 by Federal Districts is presented in Fig. 2. The greatest shares in the domestic supplies belong to Privolzhsky (26.6%) and Central (25.0%) Federal Districts, and in exports to Central FD (50.9%). Notice that around 2/3 of the export supplies is conducted by sea and river transport, and, on the whole, export-oriented FD are Southern, North-Western and Privolzhsky Districts.

In 2005, Russian steelmakers consumed 25.5 mln t scrap, and in 2006 – 30.1 mln t of steel scrap (including circulating scrap). Volumes of scrap consumption by large Russian steelmakers are presented in Table 2. The greatest consumers of steel scrap are JSC «Severstal» and JSC «MMK». In 2006 they used around 4.8 and 4.4 mln t scrap, respectively. JSC «NLMK» in 2006 consumed around 2.2 mln t.

The figures of scrap consumption were calculated on the basis of data on specific consumption of scrap in smelting open-hearth, converter and electric steels (per 1 t steel).

The same method (based on data on losses and wastes in metallurgical production stages) was applied to calculate generation of circulating scrap at enterprises of ferrous metallurgy in 2006.

**Figure 2. Structure of railway supplies scrap of ferrous metals by Federal Districts of Russia in 2006**



Source: Russian railgate statistics

**Table 2. Consumption of steel scrap by Russian enterprises, mln t**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Severstal															
MMK															
NLMK															
CHMK															
ZSMK															
Ural Steel															
NKMK															
NTMK															
OEMK															

Source: expert estimation

In Table 3, data on scrap consumption by enterprises of ferrous metallurgy are presented, as well as data on scrap railgate and circulating scrap generation in 2006.

Difference between total consumption of scrap and sum of volumes of the scrap railgate and circulating scrap is connected with the fact that a part of scrap is supplied by motor and, possibly, river transport.

On results of 2006, share of the motor transport supplies of scrap estimates around 1/3 of the total supplies.

**Table 3. Structure of scrap supplies to enterprises of ferrous metallurgy in 2006, mln t**

<b>Enterprise</b>	<i>Consumption of scrap</i>	<i>Supplied by railway</i>	<i>Generation of circulating scrap</i>	<i>Rest</i>
Russia as a whole				
Severstal				
MMK				
NLMK				
CHMK				
ZSMK				
Ural Steel				
NKMK				
NTMK				
OEMK				

*Source: expert estimation, Russian railage statistics*

## 1.2. Regional structure of scrap collection in CFD

In the territory of CFD, around 800 companies are involved in collection and processing of scrap and wastes of ferrous metals. As of January 1, 2007, 789 companies had licenses on this business; their distribution by regions is presented in Table 4.

**Table 4. Quantity of companies, having licenses on collection and processing of scrap and wastes of ferrous metals in CFD**

Region	Quantity of licensees as of 1.01.2005	Quantity of licensees as of 1.01.2006	Quantity of licensees as of 1.01.2007	Of which	
				Submitted report in accordance with form N14-MET (scrap)	Did not operate in 2006
Belgorod region					
Bryansk region					
Vladimir region					
Voronezh region					
Ivanovo region					
Kaluga region					
Kostroma region					
Kursk region					
Lipetsk region					
Moscow region					
Orel region					
Ryazan' region					
Smolensk region					
Tambov region					
Tver' region					
Tula region					
Yaroslavl' region					
Moscow					
<b>Total for CFD</b>					

Source: Rosstat (Federal Statistic Service of Russia)

In structure of scrap supplies in Central Federal District (CDF), 3 territorial zones can be distinguished from viewpoint of closeness to the Novolipetsk iron&steel works (NLMK): so-called "Near territories", "Far territories", and Moscow with Moscow region.

Distribution of supplies of steel scrap by these zones of CFD in 2006 is presented in Fig. 3. Notice that the shares of the zones in total scrap railage are not differ considerably from each other.

Below, description of each region is given, including data on domestic and export supplies, by distinct company-suppliers and company-consumers, as well as data of the exports. *Description of regional structure of scrap collection is based on data of Russian railage statistics in 2005 – 2007.*