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# stahl und eisen

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**Interview Marc Solvi**

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it is required and can be tested"

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# "The European plant engineering industry needs to have its test fields on the doorstep"

What are the strengths of the European metallurgical plant and equipment suppliers, what are their biggest challenges? In the run-up to the world's top metallurgical trade fair, Metec, stahl und eisen interviewed Marc Solvi, CEO of Paul Wurth and Chairman of the European Metallurgical Equipment Association - EUnited Metallurgy.

**What are the common interests of European metallurgical plant and equipment suppliers? What is their joint motive for affiliating with EUnited Metallurgy – the European Metallurgical Equipment Association?**

I think that the common ground of today's European machinery and plant builders is mainly their specific tradition. This tradition is founded on the innovative pioneering work which has been done since the industrial revolution and has led to the control of the laws of nature on an industrial scale.

And without closing one's eyes to the doubtful propelling power which armament and war have been to technology in the course of history, it is noteworthy to mention that also the social conflicts and humanistic drives of our recent history have caused technical innovation to contribute to the welfare of mankind. The preservation of this aspect of our tradition – innovation adapted to today's technological challenges and social responsibilities – is for sure a sufficient common denominator for an association like EUnited.

**What is the Association's most urgent task?**

If Europe wants to stay technologically innovative, it needs a strong industrial, engineering and manufacturing sector. Actually, innovation can only occur where it is required and can be tested. The key mission of our association is to effectively promote, with our customers and involved research branches, collaborations in view of

maintaining the innovative potential as well as the conduct of R&D activities. This is part of a larger, general social challenge, because you can only succeed in doing so, if there is a positive attitude towards industry and if good engineers with the corresponding education are available.

**We are in the run-up to Metec, the world's most important trade fair for metallurgical plant and equipment. In which mood is the industry at the moment? What do you personally expect from this year's Metec?**

Metec is indeed something very special, it is commonly seen as the largest showcase for metallurgical plant building and is visited by specialists from all over the world. Paul Wurth will be in great form in Düsseldorf. At InSteelCon (ECIC), we will present this time a particularly large number of papers about successfully achieved projects and technological novelties. We expect very positive impulses from the mere fact that we show the world how we developed further. Likewise our other colleagues from EUnited Metallurgy will not hide themselves either!

**For your industry, what is different this time compared to last Metec four years ago?**

I see a number of fundamental changes which cannot and



Marc Solvi, CEO Paul Wurth S.A., Luxembourg. Chairman EUnited Metallurgy Board, Brussels, Belgium

Photo: pw

should not be considered separately. If you have a look at the order books, the climate in our sector is, surprisingly, as good as before the financial crisis even though this is primarily due to an obvious geographical shift of the projects – today blast furnaces are built above all in Asia and South America. Nowadays, the quantity of information available mainly through internet and the rapidity of data circulation is simply breathtaking. This globalization of knowledge has also increased customer expectations and thereby contributed to stiffen international competition. And finally, people realize now – in a much greater degree than this was the case in 2007 – that resources are finite and energy not available in an unlimited way – and this is setting new tasks to industry.

**Are you feeling the competitive squeeze from the BRIC countries? Are plant suppliers from China, Russia or India becoming a serious competition?**

Yes, of course, we feel the competition in and from these countries. In these areas, you do not only have a strong industrialization, but people learn very quickly and are eager to turn the acquired knowledge into profit. In principle, every competitor has to be taken seriously. Therefore we have to concentrate on our strengths and to stay innovative, in order to be able to offer also in future reliable technology products with an attractive price-performance ratio.

**Where does the strongest competition for the European plant engineering industry come from? Japan? The USA?**

The European industrial plant builders have always been very internationally oriented. This is today a competitive advantage. All over the world there are good engineers. In global competition, the one who has gained technological and project-related competence from international experience and

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**«In order for Europe to remain at the cutting edge of technology, it needs the industry, process technology and the manufacturing sector»**

is able to develop an internationally demanded product, has the best cards in hand.

**What is your opinion on EU energy and climate politics? Which short, medium and long-term effects do you expect for the plant engineering industry from current political decision-making?**

I only want to say on this subject that climate and energy utilization are global problems, which have to be solved on a global level. The role of the noble pioneer will not bring that much to Europe and the planet, if one has not reached a global consensus being transformed into global action. The environmental efforts of our society must not burden the competitiveness of the continent. Should this be the case, then there is a danger of de-industrialization with the result that the European plant builders will simply no longer have a testing field at their front door.

**Repercussions from emission trade and high energy prices present the steel companies in Europe with major challenges. Especially Germany is affected by the high costs of energy. In your opinion, what are the potentials for cutting energy consumption and CO<sub>2</sub> emissions in the steel industry?**

One should underline first of all that the European steel industry is very modern today, particularly in terms of energy consumption! On the other side, we know that at each production stage there is still potential for savings. It is not that easy for us to quantify this but I am convinced that selective savings will only have marginal effects. I expect more from integrated solutions with regard to energy use and consumption, solutions which go beyond the boundaries of the steelworks and which have to be found in dialogue with municipalities, regions and other economic sectors.

**Concerning CO<sub>2</sub>-emissions?**

Concerning CO<sub>2</sub>-emissions: In the frame of the ULCOS project, 1 844 kg CO<sub>2</sub> per 1 000 kg of produced hot rolled coil is considered to be the basic reference value which has to be improved. If we succeed in foreseeable future, for example, to bring the Top Gas Recycling (TGR) Blast Furnace to industrial maturity and operation, according to present knowledge, the CO<sub>2</sub>-emission could be decreased by 25 % at the blast

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## **EUnited Metallurgy**

- the European Metallurgical Equipment Association

EUnited Metallurgy is the voice of the European suppliers of plants, mechanical and electrical equipment, components, automation solutions and services for the processing of raw materials, ironmaking and other reduction processes, steel and non-ferrous metal production, casting of steel and non-ferrous metals, rolling of flat and long products, metal processing and finishing, environmental protection. With their cutting-edge technology, members of EUnited Metallurgy represent the European metallurgical plant and equipment industry being world market leader.

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furnace (resp. 15% for HRC) – for me, a tremendous step.

**From a plant supplier's perspective, which current and future technological developments will play key roles in climate protection and energy conservation?**

Energy production from renewable sources is of course a central topic. But it is much more important to reduce the specific energy use for all our consumption goods and their production processes: light weight engineering, composite materials, nanotechnologies aimed at reaching the corresponding material properties – this is sought after more

than ever. The plant builders will assist the steel producers in the development of the appropriate processes and equipment. We have already spoken about integrated energy solutions. Last but not least: a reduction-free primary metallurgy for iron, copper, zinc etc. is certainly unrealistic. But one should never stop improving the efficiency of the reduction processes – this has already been achieved, for example, with pulverized coal injection, and this is expected from the above mentioned TGR blast furnace.

**The BRIC countries are considered the markets of the future. Which countries do you con-**

**sider as the most important markets? How long will the boom in China, India, Russia and Brazil continue?**

For us and for all our colleagues associated in EUnited Metallurgy, these countries are already the markets of today! The growth rates of their economies are derived from population growth, social striving for better living standards and higher consumption combined with the political will to meet these expectations through industrialization. So it is foreseeable that this trend will prevail for the years to come.

*Interview by Gerd Krause*

**EUnited**  
**Metallurgy** ■ European  
Metallurgical Equipment  
Association