

Siderurgy and the Huasco Pellet Plant.

The investment of CAP S.A. companies that are now being developed are estimated at an accumulated US\$850 million for the period 1989-1994. The most important project at the Huachipato steel mill has been a coke plant with a capacity of 500,000 tons per year, inaugurated in 1990. Total investment for this plant was US\$140 million.

18.5 Non-metallic or industrial minerals

Non-metallic mining mainly consists of the exploitation of nitrate, lithium and calcium carbonate. It is worth noting that Chile is the second world producer of iodine (a by-product of nitrate) and lithium, which are mostly exported. Calcium carbonate is used basically in the production of cement for the domestic market, thus depending heavily on the overall growth rate of the economy.

Several projects will be undertaken in the near future regarding aluminum refining, an area not yet developed in Chile. One of them is the Alumisa Project, which contemplates an initial investment of US\$1.1 billion. Its location is the far south of the country (XI region), where low-cost hydroelectric power is readily available. The raw material would be imported from Australia. This project could imply a substantial economic impact for the country, and especially for the region. With annual production estimated at around US\$400 million starting in 1996, it would triple regional GDP.