



August 12, 2015

By Electronic Filing

Office of United States Trade Representative (USTR)
Subcommittee of the Trade Policy Staff Committee (TPSC)
Room F516
600 17th Street, NW,
Washington, DC 20508

Docket No: USTR-2015-0009

Re: Out-of-cycle review of the eligibility of the Republic of South Africa for AGOA benefits

Dear Subcommittee Chair:

Manganese Metal Company (Pty) Ltd, hereafter “MMC”, is the only producer of electrolytic manganese metal (“EMM”) located in the Republic of South Africa. EMM is primarily used as an alloying element (or input material) for the production of various types of steel, aluminum and other metal alloys. As there is no source of EMM in the United States, one of our largest export markets for EMM is the U.S. market. In fact, South Africa vies with China as the largest source of EMM to the U.S. market. As outlined below, we respectfully request the Subcommittee to maintain South Africa’s eligibility for benefits under the African Growth and Opportunity Act (AGOA). The duty-free tariff preference that we enjoy on exports of EMM not only allows us to compete with Chinese-origin EMM, but it affords raw materials to a wide range of U.S. end-users. Our EMM exports to the United States accomplish the objectives of AGOA to bring high-quality, high-wage jobs to our continent and, at the same time, provide cost competitive, high-quality raw materials to a range of U.S. industries. For these reasons, AGOA benefits should not be withdrawn from EMM exports originating in South Africa.

Attached to our comments you will find a document submitted in January 2014 to the United States International Trade Commission as part of extensive investigations into the trade performance and effects of AGOA (USITC Inv. Nos. 332-542, 332-544 and 332-546). Please refer to this document for full details on the EMM market and the role of South Africa in supplying key U.S. industries, as well as MMC’s economic development role in its local community in South Africa.

The 4 main reasons why South African Electrolytic Manganese Metal (EMM) must continue to receive AGOA benefits

1. All EMM requirements by U.S. industries are met via imports, from production located in only two countries - China and South Africa. Chinese production dominates the world market. MMC supplies only 2.3% of the total world market. But, as a direct result of AGOA, MMC supplies 34% of apparent U.S. consumption of EMM through 2015 (forecast). If EMM from South Africa is no longer eligible for AGOA benefits, various U.S. companies in different metal industries will be negatively impacted. (MMC supplies to more than 38 individual U. S. companies).

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2. The market price for EMM has been declining since September 2011 and price levels have fallen sharply since the start of 2015. MMC had to permanently lay-off 126 employees in April 2015 and various other cost saving measures are being taken to secure the sustainability of the business in an extremely competitive market. 40% of MMC's customer base is located in the United States. Without preferential duty-free treatment under AGOA, MMC will not be able to compete with Chinese supply. It will highly likely mean that MMC will be driven out of the market and even cease production altogether.
3. The majority of the EMM buyers in the United States import and/or consume material from both MMC and Chinese producers. Strategically it is very important to have a second source of supply in order to reduce country-risk and to increase competitiveness between suppliers. Due to the duty-free benefits of AGOA, South African material can be competitively priced in a market dominated by Chinese-produced material. Herein lays the most important benefit to U.S. consumers of EMM in terms of the provisions of AGOA – having security of supply of a critical raw material from a producer that is not China-based. Therefore South Africa, and EMM from South Africa, must remain eligible for AGOA benefits.
4. The local community in which MMC operates in the town of Nelspruit, in the province of Mpumalanga, has already suffered a significant setback following the employee lay-offs in April 2015. Without preferential market access to the United States via the benefits of AGOA, more members of this local community will face the challenges of financial hardship and decreased opportunity for development. MMC is a valued corporate citizen with various employee development programs and above national average wage rates. But these factors cannot compete in a global market where Chinese supply is subsidized by provincial governments, where environmental protection only happens occasionally and where unfair labor practices continue to this day. MMC currently employs 454 persons in Nelspruit – 370 permanent employees plus 84 regular contractors.

Finally, at the hearing of August 7th, 2015, South Africa reiterated its commitment to open markets for agricultural products. Additionally, no party argued that minerals should lose AGOA eligibility. This is consistent with the points made above regarding the benefits to U.S. industries through access to South African EMM.

We trust that your Subcommittee members will take the above reasons into consideration while they conduct the out of cycle review on South Africa.

The remainder of this document contains supporting data to the points listed above, the majority of which is updated data from the document submitted to the USITC in January 2014, in attachment.

U. S. import statistics for Electrolytic Manganese Metal (EMM)

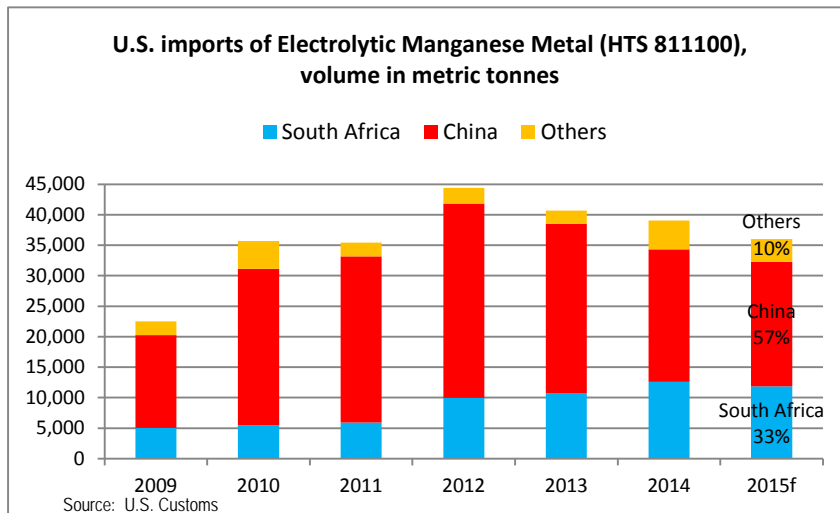


Figure 1 – Volume in metric tonnes of imports of EMM by the U.S. since 2009. The share of supply from South Africa has grown in recent years. Without AGOA’s benefits, this would not be possible.

Note: 2015 forecast is based on YTD June 2015 data.

The supply from “Other” countries to the U.S. is Chinese-origin EMM that has been reprocessed into different physical formats.

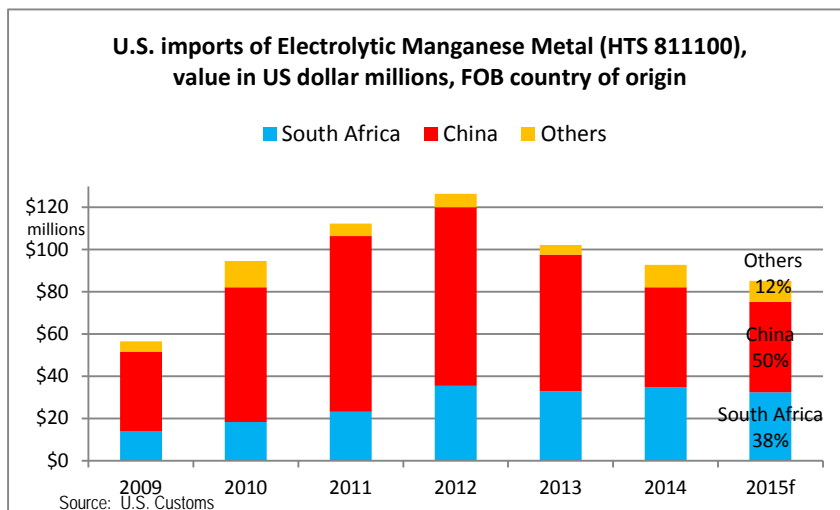


Figure 2 – The value of the South African material is proportionately higher than that of the Chinese material, due to higher chemical purity. Yet the duty-free treatment of EMM flake from South Africa affords U.S. consumers the ability to purchase the higher value product at a delivered price that is competitive with (lower purity) Chinese products.

Note: 2015 forecast is based on YTD June 2015 data.

The EMM supplied to the United States from countries other than China or South Africa, is in all cases Chinese-origin EMM that has been reprocessed into different physical formats, such as briquettes or tablets or wrought items.

U. S. industries and customers using EMM imported from South Africa

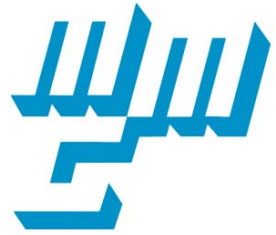
EMM is used in the U.S. as a key alloying element during the production of various grades of steel, stainless steel, foundry alloys, aluminum alloys, copper alloys, welding rods and selected manganese-based chemicals. These different materials are used during the domestic manufacture of automobiles, aircraft, military equipment, public transportation systems, gas pipelines and other energy installations, beverage cans and other consumer packaging as well as construction materials. Many of these products are exported to global markets.

ATTACHMENT

MANGANESE METAL COMPANY

Manganese Metal Company (Pty) Ltd
Registration No. 1971/006609/07

P O Box 323 Nelspruit 1200
Republic of South Africa
Telephone (013) 759-4600
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Website www.mmc.co.za



January 21, 2014

By Electronic Filing

Lisa R. Barton, Acting Secretary
United States International Trade Commission
Room 112A
500 E Street, S.W.
Washington, DC 20436

Inv. Nos. 332-542, 332-544 &
332-546

Re: Investigation No. 332-542, AGOA: Trade and Investment Performance Overview; Investigation No. 332-544, AGOA: Economic Effects of Providing Duty-Free Treatment for Imports; and Investigation No. 332-546, EU-South Africa FTA: Impact on U. S. Exports to South Africa

Dear Secretary Barton:

Manganese Metal Company (Pty) Ltd, hereafter "MMC", is a producer of electrolytic manganese metal ("EMM") located in the Republic of South Africa. For the purposes of your investigations numbers 332-542, 332-544 and 332-546 regarding the performance and effects of the African Growth and Opportunity Act ("AGOA"), we hereby submit this document to provide your Commission with information and data related to the South Africa – U.S. trade in EMM as well as provide general information on the EMM industry and its impact on U.S. consumers of EMM.

U. S. imports of EMM and the role of South Africa in supplying key U.S. industries

There is no domestic production of EMM in the United States. Production of EMM in the U.S. ended, first at Eramet, Marietta, OH, in 2000 and then at Kerr-McGee Chemical, Hamilton, MS, in 2001. All EMM requirements by U.S. industries are met via imports. Figures 1 and 2 illustrate the size of U. S. imports of EMM, included in Chapter 81 of the Harmonized Tariff Schedule ("HTS"), part of the non-ferrous metals sector. China and South Africa are the only two countries in the world that produce EMM. Figure 3 shows the relative share of EMM supply held by these two countries. Reprocessing of Chinese EMM takes place on a small scale in a number of other countries. As can be seen, the industry is dominated by Chinese supply.

EMM is used in the U.S. as a key alloying element during the production of various grades of steel, stainless steel, foundry alloys, aluminium alloys, copper alloys, welding rods and selected manganese-based chemicals. These different materials are used during the domestic manufacture of automobiles, aircraft, military equipment, public transportation systems, gas pipelines and other energy installations, beverage cans and other consumer packaging as well as construction materials. Many of these products are exported to global markets.

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MANGANESE**



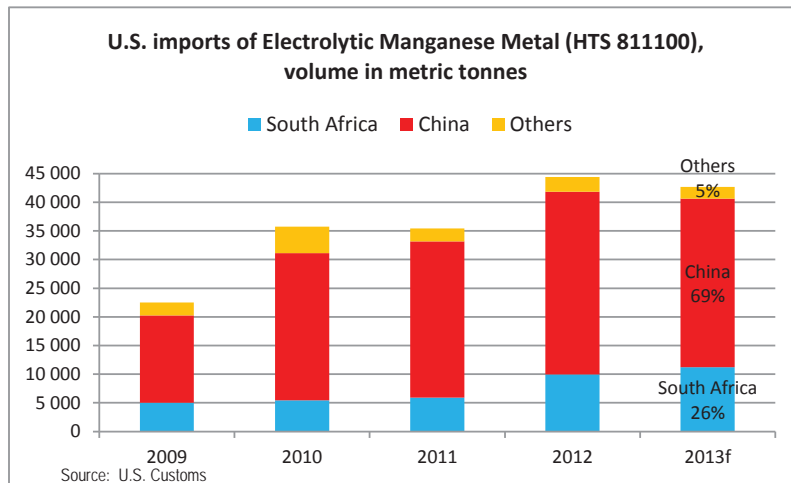


Figure 1 – Volume in metric tonnes of imports of EMM by the U.S. since 2009. The share of supply from South Africa has grown substantially in each of the years shown. Without the AGOA country benefits, this would not be possible.

Note: 2013 forecast is based on YTD Nov 2013 data. The supply from “Other” countries to the U.S. is Chinese-origin EMM that has been reprocessed into different physical formats, such as briquettes or tablets.

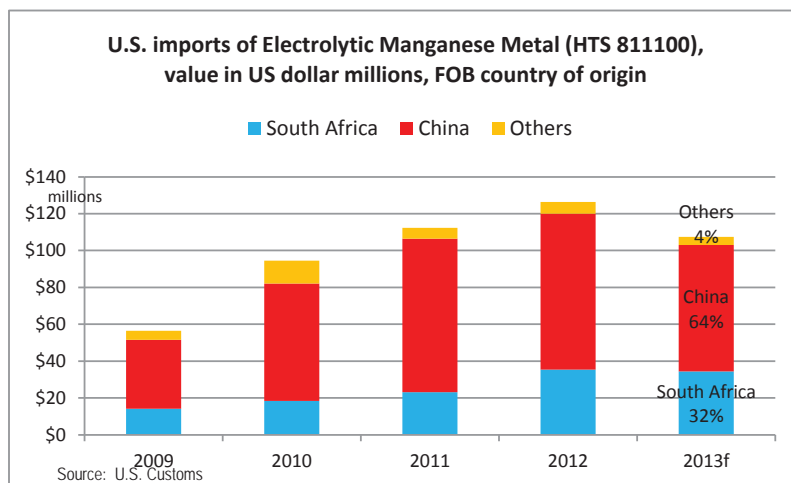


Figure 2 – The value of the South African material is proportionately higher than that of the Chinese material, due to higher purity and more stable supply. Yet the duty-free treatment of EMM flake from South Africa affords U.S. consumers the ability to purchase the higher value product at a delivered price that is competitive with (lower purity) Chinese products.

Note: 2013 forecast is based on YTD Nov 2013 data. See note at Figure 1 regarding the “Other” countries.

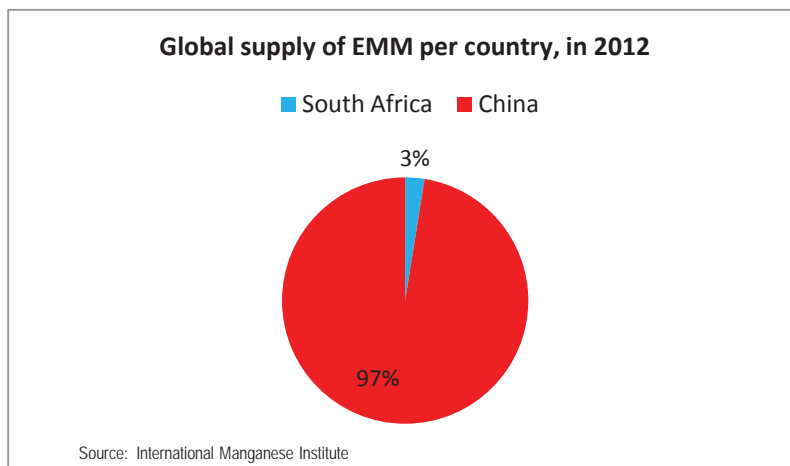


Figure 3 – South Africa’s share of the global supply of EMM was 40% at the start of the 1990’s. But rapid expansion in China has eliminated all other producers and shrunk MMC’s share to only 3% by 2012. Low barriers to entry and limited or absent pollution controls have been key drivers to the Chinese EMM industry capacity expansion.

As shown by Figure 2, South Africa supplies 32% of apparent U.S. consumption of EMM in 2013 and has consistently supplied over 20% of U.S. consumption since 2009. At the same time, as shown by Figure 3, South Africa only accounts for 3% of global production. In other words, South Africa's production (and exports) are disproportionately directed to the U.S. market. This is a direct result of South Africa being an AGOA beneficiary country. MMC is the only producer of EMM in South Africa, and is currently also the only producer outside China. MMC has a production capacity of approximately 30,000 metric tonnes per annum. MMC competes for sales with roughly 140 different EMM producers in China, with a total annual output of approximately 1.2 million metric tonnes. The EMM supplied to the U.S. from countries other than China or South Africa, is Chinese-origin EMM that has been reprocessed into different physical formats, such as briquettes or tablets.

Exhibit 1 includes U.S. Census import statistics for imports of EMM flake and EMM powder. EMM flake has been duty-free under AGOA, since 2003. Powder, in contrast, remains subject to the 14% MFN rate applied to imports under subheading 8111.00, HTSUS. Consequently, as shown by Exhibit 1, the average landed cost, duty-paid price of EMM flake from South Africa has been less than 10% higher than the price of EMM flake from China over the past three years, during which time volume of imports of EMM flake from South Africa have increased significantly relative to imports from China.

The ability of South African EMM flake imports to compete with EMM flake from China is the direct result of duty-free treatment under AGOA. Thus, by comparison to imports of flake, imports of EMM powder – with respect to which South African imports pay a 14% tariff – have been unable to approach the low prices set by Chinese imports. And, although the volume of powder from South Africa consistently exceeded the volume of EMM powder from China, demand for powder is much lower and the quality of South Africa's product allows MMC to obtain a price premium.

Figure 4 shows the breakdown of MMC's sales per destination country. The largest market for MMC is the United States, which accounted for 37% of MMC's shipments in 2013. AGOA, and the ability to import South African EMM flake into the United States duty-free, enables MMC to be competitive with Chinese material in the U.S. market, regardless of the significant cost of production differential between South Africa and China.

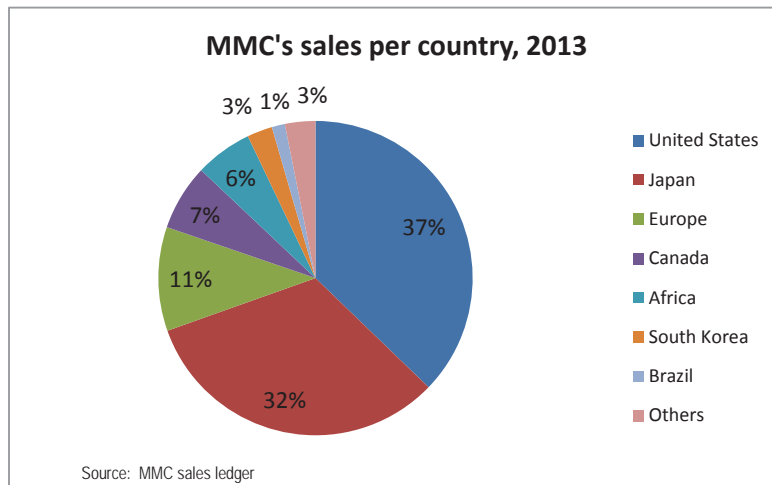


Figure 4 – The U.S. market is the most important market segment to MMC in terms of sales revenue. The AGOA duty-free benefits only apply to MMC's flake products. If duty-free treatment were extended to powder and other forms of EMM, MMC's powder and briquette products could potentially increase their share of the U.S. market.

The cost of production advantages in China include very low labour wages, the use of low grade manganese ore, reduced electricity consumption made possible by the use of selenium¹, lower electricity prices due to local government subsidies in certain regions and externalized cost of environmental protection due to the lack of pollution controls and/or enforcement. The lack of pollution controls in certain regions enables the use of low grade manganese ore, which generates large volumes of solid and liquid wastes, but without the need for treatment and managed disposal thereof.

As a result of lower wages, lower energy costs, lack of pollution controls and the like, Chinese EMM production capacity has grown rapidly in recent years. At the same time, South African investment in new, cleaner and more efficient capacity is highly sensitive to the need to pay higher wages for skilled workers, electricity price increases and first-world standards and enforcement of environmental protection. Continuation of AGOA, therefore, both ensures an alternative (and affordable) source of supply for U.S. consumers and encourages investment in South Africa consistent with the fundamental policies of AGOA.

Economic effects of duty-free treatment of South African EMM flake on U.S. consumers

Many U.S. consumers of EMM imports and/or consumes material from both MMC and Chinese producers. Due to the duty-free benefits of AGOA, South African material can be competitively priced in a market dominated by Chinese-produced material. Herein lays the most important benefit to U.S. consumers of EMM in terms of the provisions of AGOA – having security of supply of a critical raw material from a producer that is not China-based. Strategically it is very important to have a second source of supply in order to reduce country-risk and to increase competitiveness between suppliers. Competitively priced raw materials are of particular importance to the U.S. exporters of final products containing EMM.

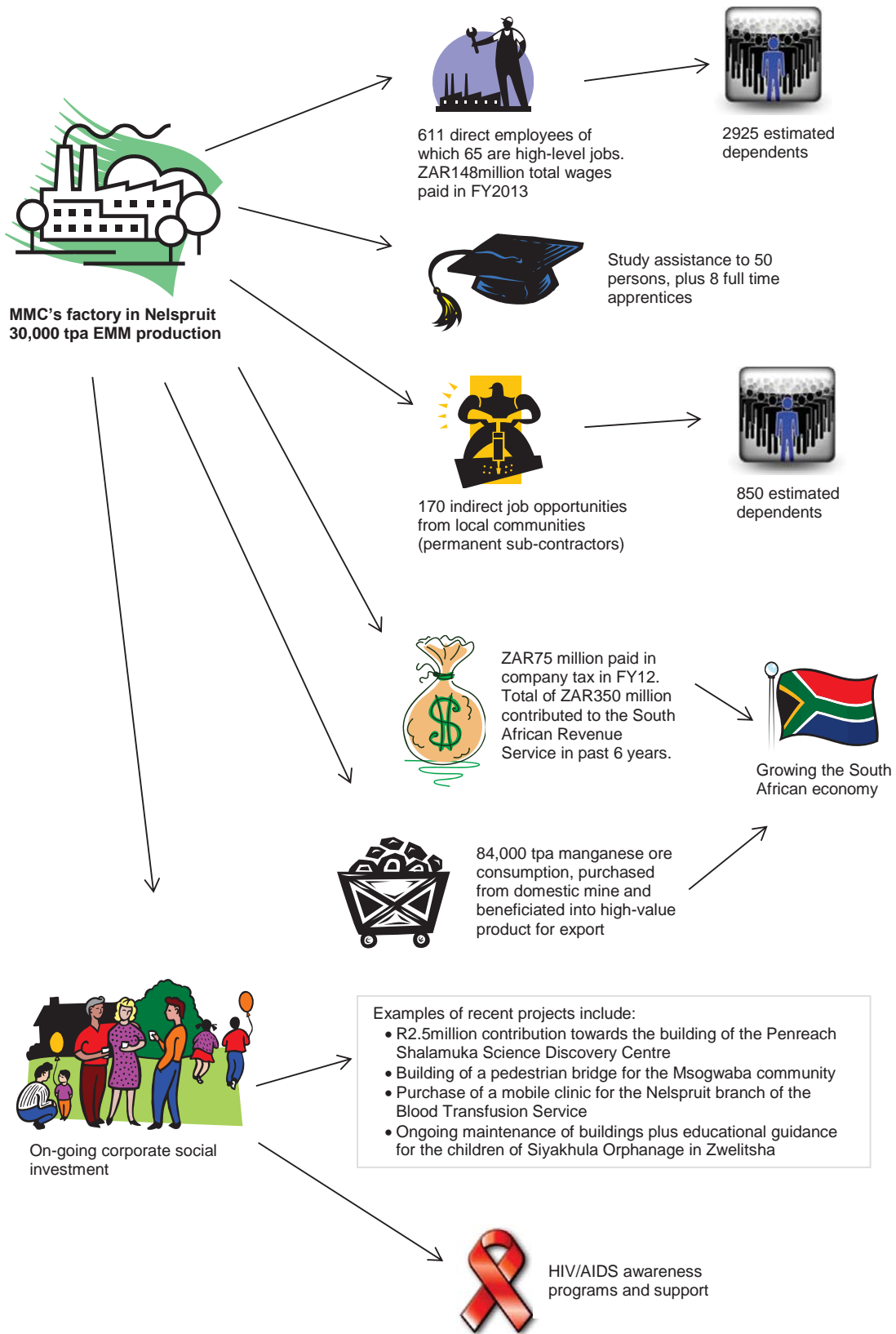
As recounted above, EMM is a key raw material for U.S. manufacturers of steel, foundry alloys, aluminium alloys, copper alloys, welding rods and chemicals. EMM is not produced in the United States, so duty-free treatment not only benefits South Africa and AGOA countries, it benefits U.S. end-users serving numerous industries.

If the current AGOA program is not renewed beyond September 2015, or South Africa is no longer included as a beneficiary country, it is highly likely that MMC will be driven out of the market and even cease production. In that event, U.S. buyers of EMM will be at the mercy of Chinese suppliers. This will have a negative economic impact on their businesses, as competitiveness will decrease and security of supply of a critical raw material will be under constant threat – a situation similar to that of the rare earths industry could even arise.

The role of MMC in the South African economy and the wider effects of AGOA benefits

MMC is located in the town of Nelspruit, in the Mpumalanga province of South Africa. The local economy benefits greatly from the presence of MMC as a going concern. The schematic below illustrates the scale of the impact that will be suffered by the local economy, and as a consequence, the whole province.

¹ Selenium dioxide is used in China to reduce the power consumption during the EMM process. However, selenium reports to the final product and lowers the purity from 99.9% Mn to 99.7% Mn. Selenium is an essential trace element but is also toxic, both at relatively low concentrations. The upper tolerable level for selenium intake is less than half a milligram/day. Based on the oral lethal dose of selenium, it is rated as very to extremely toxic. Selenium contamination of Chinese employees, pollution of Chinese water systems surrounding the EMM factories and selenium exposure of U.S. employees at companies where Chinese EMM is consumed, are some of the risks associated with the use of selenium in the Chinese EMM process.



In addition to the economic benefits to the local Mpumalanga community surrounding MMC, the greater region is also a key beneficiary of the Maputo Corridor Logistics Initiative (“MCLI”), of which MMC is a founder member. Much of MMC’s exports are shipped via the port of Maputo, in Mozambique, due to its close proximity. The MCLI has a strategic focus to engage with South African, Mozambican and Swaziland governments to reinforce the public-private partnerships in the arena of logistics and has been successful to make the Maputo Corridor a viable and efficient option for regional importers and exporters alike. In this context, the successful operation of the Maputo Port is also highly dependent on the continued exportation of products from companies in the region, such as MMC.

It should also be noted that MMC’s operations contribute significantly to the prevention of HIV/AIDS. The AGOA Forum Summary of Proceedings emphasized the link between economic productivity and improved health and quality of life, explicitly identifying “mining” as a sector at risk throughout the continent with respect to the “spread of epidemic such as HIV/AIDS.”² Continued AGAO treatment for MMC’s operations provides critical support to a sector that is directly involved in the battle to stop the spread of such epidemic diseases.

As discussed above, the U.S. is MMC’s largest export market and contributes over one-third of its revenues. Without the AGOA benefits of duty-free treatment for its sales to the U.S., MMC’s exports to the U.S. will face a 14% tariff and will inevitably decline in the face of import competition from China. Without AGOA, not only will MMC’s revenues sharply decline, but its return on investment will be imperiled. Should MMC cut back its operations or even cease production, the benefits to local and regional economies, both in South Africa and in other AGOA countries, will be lost entirely.

Trade in EMM between South Africa and the U.S. compared the E.U.

Despite benefits of duty-free treatment provided by the E.U.-South Africa Free Trade Agreement (“FTA”), the U.S. market is far more important to MMC. As shown by Figure 4, above, 37% of MMC’s 2013 sales were exported to the U.S. market; only 11% of MMC’s exports were destined for E.U. countries.

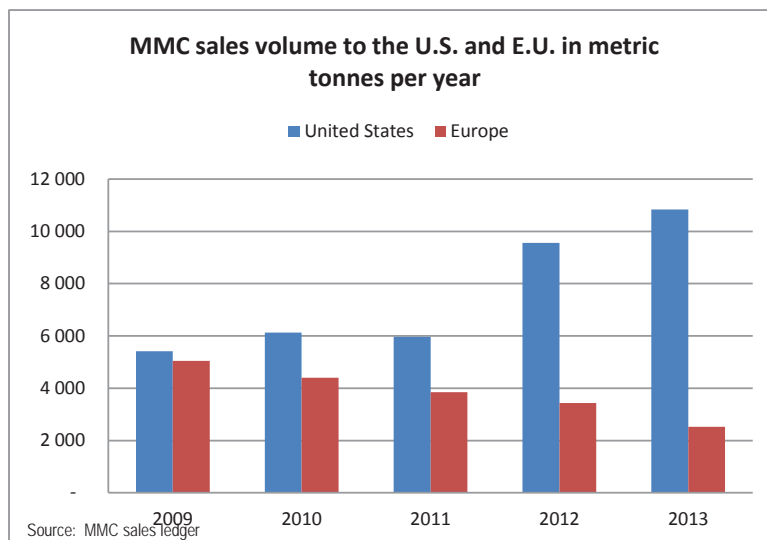


Figure 5 – MMC has been able to grow its market in the U.S. under the protection of AGOA. Over the same period, sales to the European Union have declined steadily, regardless of the FTA between South Africa and the E.U.

² “2013 AGOA Forum: Summary of Proceedings,” August 12-13, Addis Ababa, at 8 (available online at <http://trade.gov/agoa/pdf/2013-AGOAForum-Summary-of-Proceedings.pdf>, last accessed January 17, 2014).

As also shown in Figure 5, the share of MMC’s sales to the European Union has declined since 2011, when duties were eliminated under the FTA. Over the recent years, the share of MMC’s sales to the U.S. has increased, at the expense of sales to European countries. This is due to the relative advantage that MMC enjoys in the U.S. market, where Chinese suppliers of EMM flake are subjected to a 14% import duty, while South African flake qualifies for AGOA duty-free treatment.

In Europe, MMC historically faced even greater competition from Chinese EMM than in the U.S. market. Thus, as shown by Exhibit 2, during the lifetime of the E.U.-South Africa FTA, China’s exports to the E.U. market were more than double the volume of China’s EMM exports to the U.S. market. Since South Africa obtained duty-free treatment for its E.U. exports in 2011, demand for EMM has declined in the European Union – resulting in a decline in E.U. imports from South Africa and China. Chinese exports have shifted to India, Russia and other countries, but the average price of China’s exports of EMM to the E.U. has been roughly equal to or less than the price of China’s exports to the U.S. market. As such, the E.U.-South Africa FTA has not insulated South Africa’s EMM exports from competition with Chinese EMM or reduced the importance of the U.S. market to MMC.

Non-ferrous metals trade balance between South Africa and the U.S.

EMM is included in the segment of non-ferrous metals, which is the second largest segment of South African exports to the U.S., after automotive. Chapters 74 to 81 of the HTS have been considered in order to prepare the trade balance depicted in Figure 6.

The AGOA benefits to South Africa enable the producers of non-ferrous metals to provide competitively priced materials to a wide range of U.S. industries. If South Africa were to be graduated from the AGOA program, the impact will be felt to a large number of companies and multiple South African communities, of which the MMC case has been highlighted in this document.

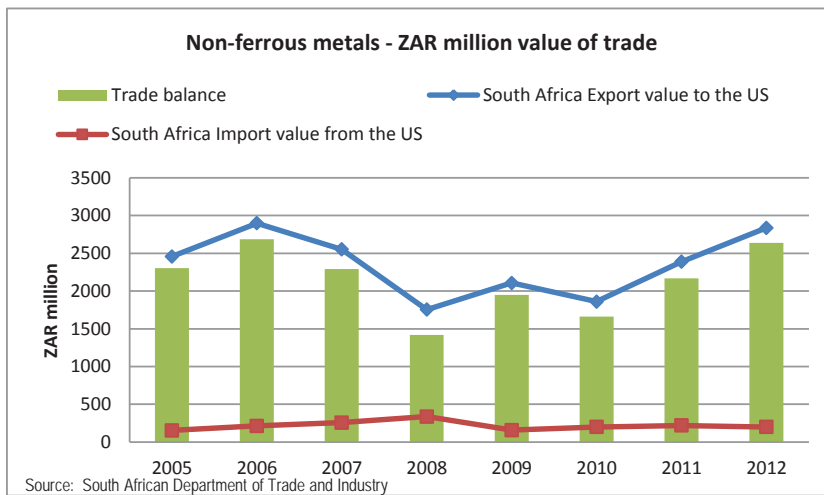


Figure 6 – South Africa holds a positive trade balance with the U.S. in the non-ferrous metals segment. During 2012, MMC’s contribution to this was approximately ZAR290million, or 11%.

Concluding remarks

We trust that this document has provided sufficient information to the members of the Committee to gain an understanding of the EMM industry and the significance of MMC's supply to the U.S., made possible by the benefits of duty-free treatment according to AGOA. The local community surrounding MMC in Mpumalanga province, South Africa, is dependent on the continuation of MMC's sales to the U.S. market. Extension of AGOA beyond September 2015 will be a key factor to provide positive impacts on the livelihood of many members of this local community.

Should the Committee require any additional information, please do not hesitate to contact our company.

Respectfully submitted,



Buks Botes
Marketing Manager, MMC

EXHIBIT 1

Manganese Metal: Landed Duty-Paid Value by HTS Number and Customs Value
for ALL Countries

U.S. Imports for Consumption

Annual + Year-To-Date Data from Jan - Nov

HTS Number	Country	In 1,000										Percent Change YTD2012 - YTD2013	
		2008	2009	2010	2011	2012	2012 YTD	2013 YTD					
Landed Duty-Paid Value where quantities are collected in kilograms													
8111004700	China	56,292	20,770	39,673	43,638	40,484	39,723	30,715					-22.70%
	UNWROUGHT MANGANESE FLAKE CONTAINING AT LEAST 99.5 PERCENT BY WEIGHT MANGANESE												
	South Africa	2,806	6,162	4,325	8,154	24,308	22,211	22,700					2.20%
	Vietnam	54	228	3,629	2,387	1,093	1,036	0					-100.00%
	Mexico	0	0	29	422	791	624	1,016					63.00%
	Taiwan	0	0	0	0	194	194	0					-100.00%
	Hong Kong	0	56	2,512	378	193	193	61					-68.30%
	Brazil	0	0	0	0	74	74	0					-100.00%
	Japan	0	141	48	41	54	54	741					1267.60%
	New Caledonia	415	0	0	0	0	0	0					N/A
	United Kingdom	68	0	0	0	0	0	0					N/A
	Netherlands	0	0	0	0	0	0	242					N/A
	Germany	1,761	0	0	0	0	0	0					N/A
	Subtotal - 8111004700	61,396	27,357	50,215	55,019	67,191	64,109	55,477					-13.50%
	UNWROUGHT MANGANESE FLAKE CONTAINING AT LEAST 99.5 PERCENT BY WEIGHT MANGANESE												
8111004910	South Africa	22,096	6,930	12,978	12,263	9,476	9,265	9,704					4.70%
	UNWROUGHT MANG.POWDER CONT AT LEAST 99.5% MANGANES												
	China	15,842	3,720	928	1,152	872	872	163					-81.40%
	Mexico	218	0	207	495	252	252	0					-100.00%
	United Arab Em	0	0	0	0	4	4	0					N/A
	Spain	153	0	0	0	3	3	0					-100.00%
	United Kingdom	0	0	0	3	0	0	0					N/A
	Germany	0	0	0	0	0	0	0					N/A
	Korea	164	0	0	0	0	0	0					N/A
	Subtotal 8111004910	38,472	10,650	14,112	13,913	10,607	10,393	9,866					-5.10%
	UNWROUGHT MANG.POWDER CONT AT LEAST 99.5% MANGANES												
	Subtotal kilograms	99,868	38,006	64,327	68,932	77,798	74,502	65,343					-12.30%
	Total	99,868	38,006	64,327	68,932	77,798	74,502	65,343					-12.30%

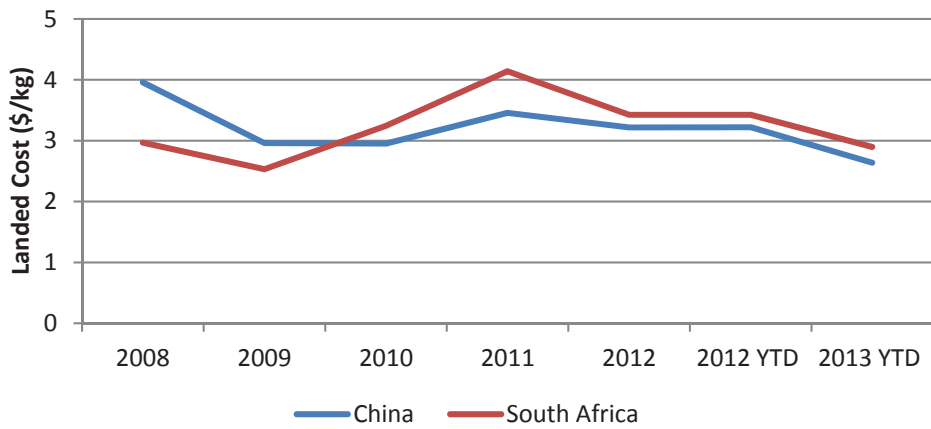
**Manganese Metal: (Landed Duty-Paid Value)/(First Unit of Quantity) by HTS Number and Customs Value
for ALL Countries
U.S. Imports for Consumption**

Annual + Year-To-Date Data from Jan - Nov

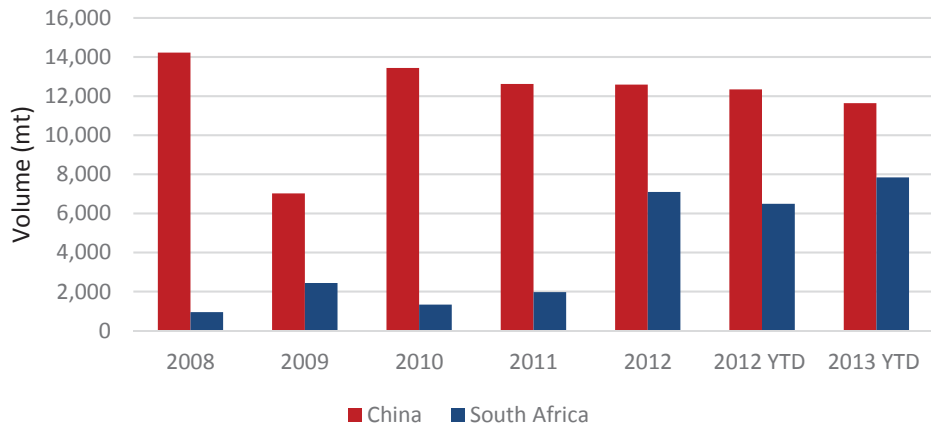
HTS Number	Country	In Actual Dollars/Unit of Quantity											Percent Change YTD2012 - YTD2013
		2008	2009	2010	2011	2012	2012 YTD	2013 YTD					
(Landed Duty-Paid Value)/(First Unit of Quantity) where quantities are collected in kilograms													
8111004700	China	3.958	2.959	2.952	3.458	3.217	3.22	2.639					-18.00%
	South Africa	2.967	2.531	3.244	4.141	3.425	3.425	2.897					-15.40%
	Vietnam	2.704	2.957	2.958	3.51	3.344	3.376	N/A					N/A
	Mexico	N/A	N/A	3.958	4.387	4.395	4.355	4.227					-3.00%
	Taiwan	N/A	N/A	N/A	N/A	3.238	3.238	N/A					N/A
	Hong Kong	N/A	2.805	3.202	3.775	3.223	3.223	2.45					-24.00%
	Brazil	N/A	N/A	N/A	N/A	3.501	3.501	N/A					N/A
	Japan	N/A	3.093	1.599	2.04	3.995	3.995	3.904					-2.30%
	New Caledonia	3.456	N/A	N/A	N/A	N/A	N/A	N/A					N/A
	United Kingdom	3.407	N/A	N/A	N/A	N/A	N/A	N/A					N/A
	Netherlands	N/A	N/A	N/A	N/A	N/A	N/A	3.195					N/A
	Germany	3.522	N/A	N/A	N/A	N/A	N/A	N/A					N/A
8111004910	South Africa	5.189	3.685	4.005	4.492	4.786	4.774	4.655					-2.50%
	China	4.896	3.661	3.563	3.803	3.381	3.381	2.66					-21.30%
	Mexico	5.362	N/A	5.304	4.602	4.797	4.797	N/A					N/A

Sources: Data on this site have been compiled from tariff and trade data from the U.S. Department of Commerce and the U.S. International Trade Commission.

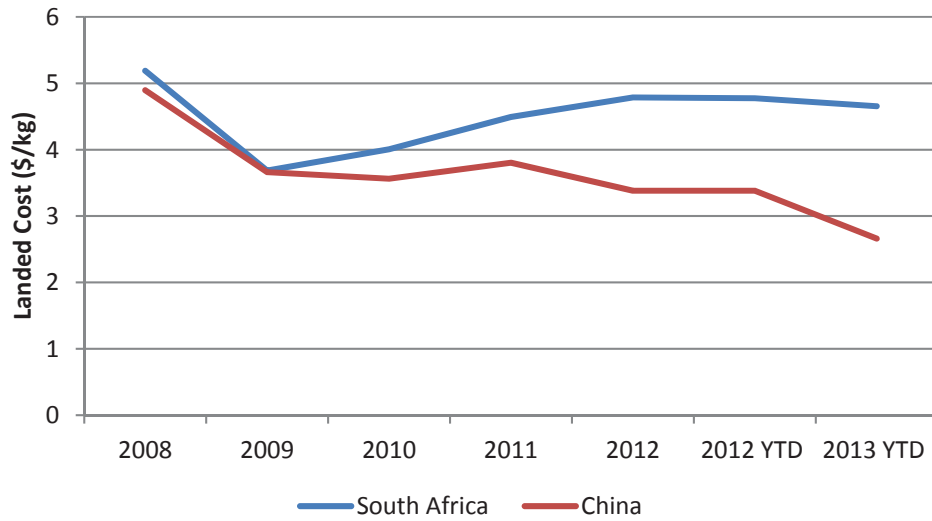
Manganese Metal Flake: U.S. Imports
Landed Cost per KG, 2008-2012 and Jan-Nov 2013



Manganese Metal Flake: U.S. Imports
8111.00.4700, HTSUS, 2008-2012 and Jan-Nov 2013



Manganese Metal Powder: U.S. Imports
Landed Cost per KG, 2008-2012 and Jan-Nov 2013



Manganese Metal Powder: U.S. Imports
8111.00.4910, HTSUS, 2008-2012 and Jan-Nov 2013

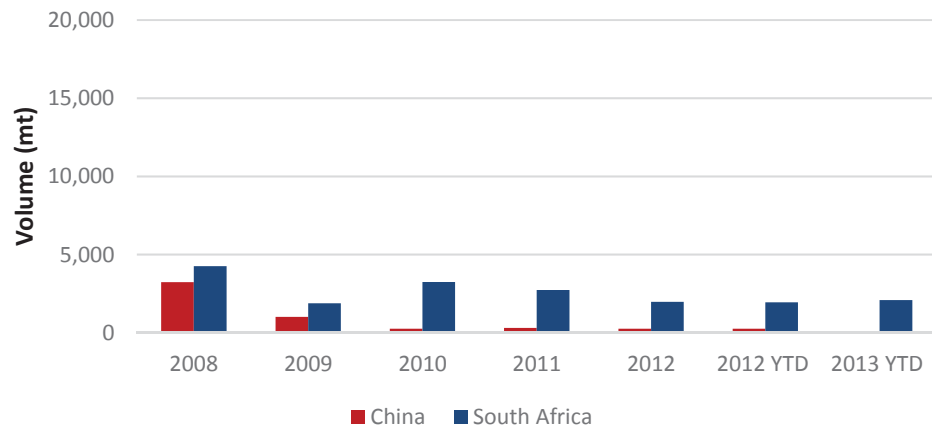


EXHIBIT 2

China Export Statistics

Commodity: 811100, Manganese And Articles Thereof, Including Waste And Scrap

Calendar Year: 2008 - 2012

Partner Country	Unit	2008		2009		2010		2011		2012	
		USD	Quantity	USD	Quantity	USD	Quantity	USD	Quantity	USD	Quantity
World	KG	1064491733	305346025	386307957	160552040	604765130	223603706	531647911	162016456	3432215750	130452196
Korea South	KG	245917132	70677607	112078371	48518036	174825467	66679080	207611738	65706580	84970185	34476800
Japan	KG	211797491	58668100	56963071	22680710	168219249	59021690	133504202	37715000	90358524	31955700
India	KG	24845852	7363010	19696539	8573641	14225908	5145500	27810895	8844186	34776828	13940000
United States	KG	63836211	18395854	22804366	9277651	36637245	13733819	28624332	9028389	35680010	13568196
European Union	KG	302133189	88690364	92802302	38178130	93512994	34871276	48094431	14285001	34457992	12930000
Netherlands	KG	252297802	74178610	78727446	32338946	82277744	30466873	40079315	11762000	27135816	10160000
Russia	KG	115505597	33327000	45081017	18043725	85284348	31951540	51011202	15649700	26063060	9443700
Brazil	KG	19284510	5404000	6884603	3012000	15315072	6252000	12560511	4168000	23824915	9149000
Vietnam	KG	1145400	300000	27500	10000	1285080	509000	2886470	892000	3047170	1252000
Italy	KG	9439310	2803336	2375906	1080000	3580593	1464000	3413558	1073000	3108997	1197000
Saudi Arabia	KG	3671780	1020000	12000	5000	27848	11484	6740	2000	2519519	1012000
Ukraine	KG	14378574	4056000	12869177	4981000	3193450	1050000	8961202	2690000	1840865	689000
Sweden	KG	1288300	443000	917175	347000	972531	343904	1739462	550000	1358848	500000
Finland	KG	603722	170000	0	0	161191	60000	26932	10000	1397389	482000
Canada	KG	10292584	2872206	1080699	449014	2555936	806000	606275	177000	1115575	440000
Spain	KG	15439022	4638272	8096934	3302679	4362973	1797559	73391	24000	1019210	417000
Mexico	KG	11384510	2986000	333780	134000	1398612	454200	0	0	832000	302000
Taiwan	KG	24064455	6928692	11221245	4828320	2683549	1020656	5238580	1458000	815159	296000
Chile	KG	22000	10000	132000	48000	447630	154000	0	0	697908	233000
Hong Kong	KG	711125	217000	0	0	50200	20000	0	0	532950	179000
Iran	KG	285533	74760	337124	140000	68247	23080	17028	4000	363120	120000
Germany	KG	467657	123500	1405594	539055	443091	163940	1006039	293001	250156	100000
Turkey	KG	697927	202000	668020	280500	493375	208800	928420	302000	221340	70000
Thailand	KG	637266	180168	509340	193100	558124	206000	587308	166000	190034	61000
Australia	KG	614020	202200	467036	197440	501329	186000	414235	120700	186446	60000
Kazakhstan	KG	687657	180000	283500	120000	492000	180000	1589100	480000	133800	60000
United Kingdom	KG	11136537	3248000	1116320	490050	1299430	410000	364295	153000	134699	50000
New Zealand	KG	572	260	56895	24000	127824	44000	192922	54800	145926	48800
South Africa	KG	3611678	975000	43404	18000	850778	267000	26860	7000	110800	40000
Bahrain	KG	1791161	489314	320446	164863	402489	202464	0	0	68750	25000
Slovenia	KG	0	0	0	0	0	0	0	0	64100	25000
United Arab Emirates	KG	424568	139590	37691	20000	75960	36617	66062	21000	63618	25000
Belgium	KG	10486189	2783646	0	0	0	0	79750	25000	52877	24000
Malaysia	KG	2113992	571000	509223	213225	272059	96500	224041	65000	47901	20000
Argentina	KG	61625	20000	88130	37000	100500	37000	0	0	35705	13000
Peru	KG	626093	204000	73600	30000	74940	27000	82920	24000	33240	12000
Ethiopia	KG	0	0	0	0	0	0	0	0	18310	6000
Austria	KG	0	0	807	300	0	0	148779	48000	0	0
Norway	KG	241445	84000	115100	60000	413413	164000	1162910	347000	0	0
Poland	KG	44990	18000	0	0	2028	1000	0	0	0	0
Bulgaria	KG	342000	100000	0	0	0	0	10120	3000	0	0

China Export Statistics													
Commodity: 811100, Manganese And Articles Thereof, Including Waste And Scrap													
Calendar Year: 2008 - 2012													
Partner Country	Unit	2008		2009		2010		2011		2012		Quantity	Quantity
		USD	Quantity	USD	Quantity	USD	Quantity	USD	Quantity	USD	Quantity		
Colombia	KG	164734	52000	0	0	34250	15000	29589	10000	0	0	0	0
Indonesia	KG	297512	107900	74514	30605	137780	44000	450154	115000	0	0	0	0
Israel	KG	0	0	0	0	60000	20000	0	0	0	0	0	0
Korea North	KG	20575	5000	10400	4000	14060	5000	90254	23100	0	0	0	0
Latvia	KG	35770	14000	0	0	559200	240000	0	0	0	0	0	0
Philippines	KG	133162	30000	50224	20000	29641	9000	22320	5000	0	0	0	0
Qatar	KG	0	0	0	0	245818	75000	0	0	0	0	0	0
Singapore	KG	2990	1000	21770	8000	4168	1000	0	0	0	0	0	0
France	KG	688215	200000	47020	20100	0	0	0	0	0	0	0	0
Luxembourg	KG	0	0	0	0	0	0	0	0	0	0	0	0
Czech Republic	KG	90000	25000	0	0	0	0	0	0	0	0	0	0
Egypt	KG	1078160	400000	0	0	0	0	0	0	0	0	0	0
Estonia	KG	854316	236000	769552	312000	0	0	0	0	0	0	0	0
Guinea	KG	0	0	0	0	0	0	0	0	0	0	0	0
Nigeria	KG	15393	6000	0	0	0	0	0	0	0	0	0	0
Pakistan	KG	140745	35000	418	80	0	0	0	0	0	0	0	0
Romania	KG	773874	180000	0	0	0	0	0	0	0	0	0	0
Venezuela	KG	0	0	0	0	0	0	0	0	0	0	0	0

Source of Data: Global Trade Atlas (China Customs)

China Export Statistics						
Commodity: 811100, Manganese And Artcles Thereof, Including Waste And Scrap						
Calendar Year: 2008 - 2012						
Partner Country	Unit	2008	2009	2010	2011	2012
		USD	USD	USD	USD	USD
World	USD	1064491733	386307957	604765130	531647911	343215750
Korea South	USD	245917132	112078371	174825467	207611738	84970185
Japan	USD	211797491	56963071	168219249	133504202	90358524
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United States	USD	63836211	22804366	36637245	28624332	35680010
European Union	USD	302133189	92802302	93512994	48094431	34457992
Russia	USD	115505597	45081017	85284348	51011202	26063060
Brazil	USD	19284510	6884603	15315072	12560511	23824915
Vietnam	USD	1145400	27500	1285080	2886470	3047170
Saudi Arabia	USD	3671780	12000	27848	6740	2519519
Ukraine	USD	14378574	12869177	3193450	8961202	1840865

Source of Data: Global Trade Atlas (China Customs)

China Export Statistics						
Commodity: 811100, Manganese And Artcles Thereof, Including Waste And Scrap						
Calendar Year: 2008 - 2012						
Partner Country	Unit	2008	2009	2010	2011	2012
		Quantity	Quantity	Quantity	Quantity	Quantity
World	KG	305346025	160552040	223603706	162016456	130452196
Korea South	KG	70677607	48518036	66679080	65706580	34476800
Japan	KG	58668100	22680710	59021690	37715000	31955700
India	KG	7363010	8573641	5145500	8844186	13940000
United States	KG	18395854	9277651	13733819	9028389	13568196
European Union	KG	88690364	38178130	34871276	14285001	12930000
Russia	KG	33327000	18043725	31951540	15649700	9443700
Brazil	KG	5404000	3012000	6252000	4168000	9149000
Vietnam	KG	300000	10000	509000	892000	1252000
Saudi Arabia	KG	1020000	5000	11484	2000	1012000
Ukraine	KG	4056000	4981000	1050000	2690000	689000

Source of Data: Global Trade Atlas (China Customs)

China Export Statistics						
Commodity: 811100, Manganese And Artcles Thereof, Including Waste And Scrap						
Calendar Year: 2008 - 2012						
Partner Country	Unit	2008	2009	2010	2011	2012
		USD/KG	USD/KG	USD/KG	USD/KG	USD/KG
World	\$/KG	3.49	2.41	2.70	3.28	2.63
Korea South	\$/KG	3.48	2.31	2.62	3.16	2.46
Japan	\$/KG	3.61	2.51	2.85	3.54	2.83
India	\$/KG	3.37	2.30	2.76	3.14	2.49
United States	\$/KG	3.47	2.46	2.67	3.17	2.63
European Union	\$/KG	3.41	2.43	2.68	3.37	2.66
Russia	\$/KG	3.47	2.50	2.67	3.26	2.76
Brazil	\$/KG	3.57	2.29	2.45	3.01	2.60
Vietnam	\$/KG	3.82	2.75	2.52	3.24	2.43
Saudi Arabia	\$/KG	3.60	2.40	2.42	3.37	2.49
Ukraine	\$/KG	3.55	2.58	3.04	3.33	2.67

Source of Data: Global Trade Atlas (China Customs)