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## Venezuela may invest USD 50 million in Sidor

*Friday, 14 Aug, 2009*

Mr Hugo Chávez President of Venezuela has announced over the weekend that he will issue USD 300 million in interest free loans to stimulate state owned steelmaker Sidor as well as public aluminium companies, thus officially commencing the next stage of the nationalization of the country's steel and aluminium industries.

Mr Chávez said that the funds will come from a bi national investment fund between Venezuela and China worth USD 12 billion. He added that Sidor will receive two loans, totaling about USD 50 million.

Mr Rodolfo Sanz Venezuelan minister of basic & mining industries recently said that the sector is experiencing a chronic deficit and that the government will continue aiding the companies until prices recuperate.

It may be noted that the loans are part of Mr Chavez's plan to fully nationalize the basic metals sector over a period of 10 years. The plan is structured into two phases begins with the creation of the Socialist Corporation of Iron and Steel and the Socialist Corporation of Aluminium. Chavez announced Saturday that the program has now officially commenced with the creation of these two firms.

(Sourced from SteelOrbis)

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