
AISU calls for bigger steel mills in Arab region

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Arab Steel reported that Mr. Mohamed Laid Lachgar secretary general of Arab Iron & Steel Union recently emphasized the importance of having Arab companies with capacities reaching 5 million tonnes or even 10 million tonnes of finished iron and steel products, as the global trend for the expansion in this industry goes through the achievement of mergers and not through fragmentation.

On the occasion of opening the new office of the Arab Iron & Steel Union in Damascus, that was attended by many member companies of the Union, Mr Lachgar said to Tishreen, the Syrian daily newspaper, that the Arab steel industry has developed in the past years, and the Arab steel companies' output of steel increased from nearly 1.5 million tonnes in the early 1960s to reach 25 million tonnes nowadays of finished products, covering almost 54% of the overall apparent consumption of finished products that was around 46 million tonnes in 2008.

Mr Lachgar pointed out that Arab steel industry in 2009 was affected by the global crisis, so that the steel production during this year declined by 14%.

But he stressed the need of coordination between Arab steelmaking companies and achieving vertical integration that will support the development and growth factors of the industry.

Mr Lachgar also pointed out the need to focus on the quality of products, not only the quantity.

The Arab Iron and Steel Union, based in Algeria, includes 86 companies from 18 Arab states. AISU member companies represent about 90% of the overall Arab steel production.

(Sourced from Arab Steel)

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