
Sidor urges Venezuela to wrap up negotiations with Ternium

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BNamericas reported that class B shareholders of steelmaker Sidor and all employees have asked the Venezuelan government to wrap up negotiations with the Ternium steel group regarding Sidor's nationalization to avoid protests.

Mr Pedro Rondón a Sidor board member said that "We are going to have to move forward with several steps, including issuing an appeal to the country's Supreme Court so it will order an asset valuation for Sidor. You can't seize the company and justify your actions later. First you need the supreme court's ruling that establishes the company's worth and the reasons for expropriation."

Mr Rondón said that workers should protest what he described as the damage that the government and Ternium are causing the steelmaker by not making a decision. He added that "If they don't reach an agreement, Sidor's 15,000 shareholders will. We will take protests to the streets and to the courts to make the companies accountable."

In April 2008, Venezuelan President Mr Hugo Chávez announced his decision to nationalize the steelmaker, previously controlled by Ternium, and pay the company a sum to be agreed upon as an indemnity. But there is still no sign of an agreement.

Techint controlled Sidor with a 59.7% share through Ternium. Located in Ciudad Guayana, Sidor has liquid steel capacity of 4.2 million tonnes per annum.

(Sourced from www.bnamericas.com)

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