



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1770

Mr M M Mdluli (DA) to ask the Minister of Trade, Industry and Competition:

Whether, given that industry experts have repeatedly cited the Price Preference System and export duties on scrap metal as major structural impediments to the viability of ArcelorMittal South Africa (AMSA), the specified issues will be addressed as part of a rescue package to AMSA; if not, what are the reasons that the Government is injecting funds into a failing model without removing the known obstacles to competitiveness; if so, what are the relevant details? NW1983E

REPLY:

The South African government, led by the Minister of Trade, Industry and Competition (**the dtic**), has effectively assisted AMSA to defer the planned closure of its long steel plants for an additional six months, preserving 3,500 direct jobs and thousands in the steel industry value chain, which includes downstream mining, construction, and automotive industries.

These interventions are part of a comprehensive package of intended initiatives aimed at positioning the Longs steel business for future sustainability and profitability in South Africa.

The Government will use the Deferral Period (April -August 2025) to urgently address the structural problems previously identified including:

- (a) Preference Pricing System and scrap export tax
- (b) Safeguards on Steel products
- (c) Electricity and Rail tariffs review

Similarly, AMSA will continue operations under a recovery plan; which will focus on implementing further improvements to optimise the Longs business operations, enhance product offering and supply chain reliability for customers, and advance its commitment to localisation.

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