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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 3922

Mr M C Masina (ANC) to ask the Minister of Trade, Industry and Competition:

(a) What (i) progress has been made with negotiations since ArcelorMittal South Africa has issued a further cautionary announcement to the Stock Exchange News Service on 3 June 2026 and (ii) information can be shared with the public and (b) where would resources to do an outright purchase come from? NW4148E

REPLY:

Progress made with negotiations following the further cautionary announcement issued by ArcelorMittal South Africa (AMSA) on 3 June 2026

(a) **(i)** Government continues to engage constructively with ArcelorMittal South Africa (AMSA), its parent company, ArcelorMittal, the Industrial Development Corporation (IDC), and other key stakeholders to identify a sustainable long-term solution for the company and the domestic steel industry. These engagements form part of a coordinated effort to preserve South Africa's primary steelmaking capability, protect strategic industrial capacity, maintain security of supply for downstream manufacturing industries, and mitigate the adverse socioeconomic consequences associated with the potential loss of domestic primary steel production.

The cautionary announcement issued by AMSA on 3 June 2026 confirms that discussions among the parties remain ongoing and that any potential transaction remains subject to the successful conclusion of negotiations, the execution of definitive agreements, and the fulfilment of the requisite conditions.

Government's objective throughout this process is to facilitate a commercially viable and sustainable outcome that strengthens the competitiveness of the domestic steel industry while safeguarding the public interest. Accordingly, discussions have focused on identifying an appropriate ownership, governance, and operating model that will secure the long-term sustainability of the business.

(ii) Information that can be shared publicly

As the negotiations involve a JSE-listed company and constitute commercially confidential and price-sensitive discussions, Government is constrained in the level of detail that can be disclosed publicly while negotiations remain underway.

At this stage, Government can confirm that engagements between ArcelorMittal South Africa (AMSA), its parent company ArcelorMittal, the Industrial Development Corporation (IDC), Government, and other stakeholders are continuing, and that all parties remain committed to pursuing a commercially viable and sustainable outcome. The finalisation of any transaction remains subject to the successful conclusion of negotiations, the execution of definitive agreements, and the fulfilment of all applicable corporate, regulatory, and governance requirements. Government is committed to ensuring that Parliament is kept appropriately informed as developments materialise, without compromising the integrity of the negotiations or the commercial interests of the parties involved.

(b) Source of funding should an outright purchase be pursued

Government has not, to date, taken any decision to pursue an outright acquisition of ArcelorMittal South Africa (AMSA). Should such an option be considered, any funding arrangements would be determined only after the completion of the necessary commercial, legal, and financial due diligence, and following the requisite Government approval processes.

Any potential transaction would be subject to applicable regulatory, legal and governance requirements, and the satisfaction of transaction-specific conditions. Implementation would depend on the confirmation of an appropriate and sustainable funding structure and the finalisation of the necessary enabling arrangements to support the transaction.

These matters are currently being progressed and remain subject to ongoing engagements between Government, ArcelorMittal South Africa, its parent company ArcelorMittal, the Industrial Development Corporation and other relevant stakeholders.

Given the commercially sensitive and price-sensitive nature of these discussions, it is not appropriate to provide further details at this stage. Further information will be communicated when appropriate.

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