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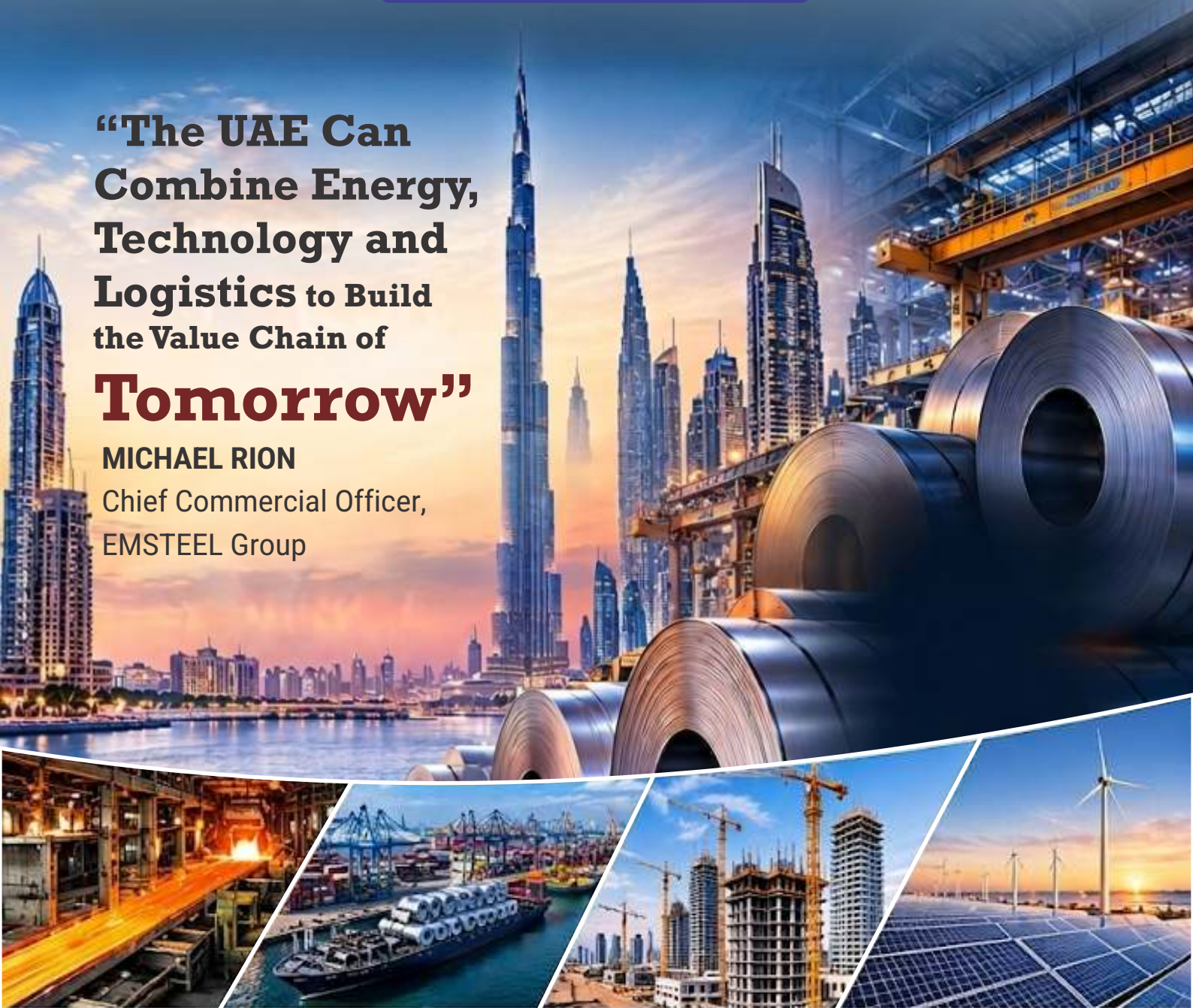
Devoted to Iron & Steel Industry

MIDDLE EAST EDITION

**“The UAE Can
Combine Energy,
Technology and
Logistics to Build
the Value Chain of
Tomorrow”**

MICHAEL RION

Chief Commercial Officer,
EMSTEEL Group



**SAUDI ARABIA:
Building a Stronger
Steel Industry**

**A Region Pulling in Two
Directions**

- Sundeep Rao
Managing Director, Sunre Industries

**Steel Recycling in the
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Dr. Salam Al Sharif
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EDITOR'S NOTE



D. A. CHANDEKAR
Editor

“

Our mission is to connect the Middle East's steel industry with insights that build strong tomorrows.

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A LONG ASSOCIATION - NEW COMMITMENT

It gives us immense pleasure to present the inaugural issue of Steelworld Middle East Edition. For over three decades, Steelworld has been chronicling the growth, the challenges and the transformations of the global steel industry through its monthly publication. Our relationship with the Middle East, however, is not new. It has been nurtured over many years through our regular readership in the region and through our B2B steel conferences and exhibitions. We have had the privilege of successfully organising more than a dozen events in the region, bringing together producers, traders, raw material suppliers, technology providers and end-users on a single platform. Further, 'Steelworld' has been 'Media Partner' for almost all the steel related events in the region. Those events taught us two things - the warmth and business acumen of this region, and the need for a dedicated, authentic, and consistent information platform for its steel fraternity. This Middle East Edition is a natural culmination of this long association.

The timing of this launch could not have been more appropriate. The Middle East today stands as one of the fastest growing regions in the world in terms of infrastructure, industrialization and urban development. From Saudi Arabia's mega-projects under Vision 2030 like NEOM, Red Sea Project and Qiddiya, to the UAE's relentless push in industrial, logistics and green energy infrastructure, and from Qatar's continued expansion post World Cup to major developments in Oman, Kuwait and Bahrain, steel is unquestionably at the centre of this transformation. The region's crude steel production has crossed 38 million tonnes, led by Iran and Saudi Arabia, while its finished steel consumption hovers around 50 to 55 million tonnes annually. With substantial reliance on imports for flat products, specialty steels and raw materials, and with over 25 million tonnes of steel imports coming into the region every year, the region is a critical hub in the global steel trade map. At the same time, ambitious investments in

low-carbon steelmaking, DRI based EAF routes leveraging natural gas advantage, and scrap recycling are reshaping its production landscape.

It is in this dynamic context that Steelworld Middle East Edition seeks to position itself. Our ambition is simple yet profound - to serve as an authentic information backbone for the regional steel industry. We want to go beyond just reporting news. We aim to provide in-depth analysis of market trends, price movements, trade flows, policy changes and technological shifts that impact business decisions. For the global technology, equipment and solution providers, this edition will serve as a direct and credible platform to reach their prospective clientele - steel mills, service centres, fabricators and project developers across the Middle East and North Africa. For the regional producers and stockists, it will be a window to global innovations, best practices in decarbonization, digitalization and value addition. We promise to uphold the same editorial integrity, neutrality and quality that Steelworld has been known for in India and across the world.

There is another dimension that makes this initiative particularly meaningful. India, the world's second largest steel producing country with over 145 million tonnes of production, is located in close proximity to the Middle East. The historical trade ties, logistical advantages and complementary strengths of both regions offer immense potential for deeper collaboration - whether in terms of steel trade, raw material sourcing, joint ventures in value added products or technology exchange. With strong maritime connectivity and long standing business relationships, India and the Middle East can create a robust regional steel ecosystem. Steelworld, with its deep roots in both markets, is uniquely positioned to act as a bridge to bring these regional steel economies closer. We invite you, our readers, advertisers, and well-wishers from the steel fraternity of the Middle East, to join us in this new journey and make this edition truly your own.

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CONTENTS

06



"The UAE Can Combine Energy, Technology and Logistics to Build the Value Chain of Tomorrow"

MICHAEL RION
Chief Commercial Officer,
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12



**SAUDI ARABIA:
Building a Stronger
Steel Industry**

18



**A Region Pulling in Two
Directions**

- Sundeep Rao
Managing Director,
Sunre Industries

20



**Steel Recycling in the
Middle East:**

Dr. Salam Al Sharif
Chairman,
Sharif Metals Group

30



Statistic

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24
to
29

Syria Reconstruction Seen Driving Steel Demand Towards 4–5 Million Tonnes

UAE's EMSTEEL Supplies Rebar for Etihad Rail Passenger Project

Al Yamamah Secures \$133 Million Financing for New Saudi Billet Plant

Vallourec Confirms OCTG Supply Agreement with Saudi Aramco

GCC Flat Steel Imports Remain Challenged by Freight and Vessel Disruptions

UAE Ramps Up Alternative Trade Routes as Hormuz Disruption Reshapes Regional Logistics

China Baowu to Draw Up Roadmap for El Hadjar Steel Complex Modernisation

Hadeed Raises September Wire Rod Prices While Keeping Rebar Unchanged

Saudi Billet Market Faces Logistics Disruptions Amid Tight Vessel Availability

Syria Moves to Revive Hama Steel Plant Under 30-Year Saudi Agreement

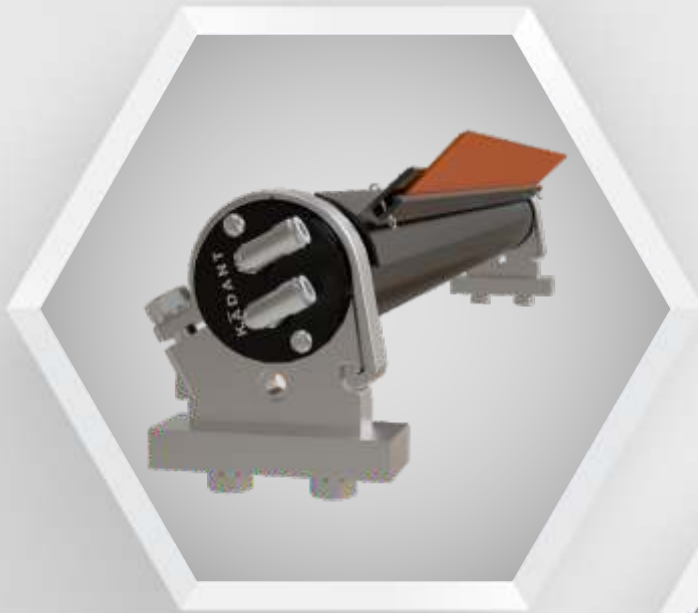
Al Jazeera Steel Expands US Footprint with Two New Subsidiaries

Middle East Steel Prices Remain Resilient Despite Supply and Logistics Risks

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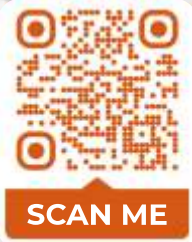
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“The UAE Can Combine Energy, Technology and Logistics to Build the Value Chain of Tomorrow”

MICHAEL RION

Chief Commercial Officer,
EMSTEEL Group

Michael Rion is the Chief Commercial Officer at Emirates Steel, part of the EMSTEEL Group. A steel industry professional with extensive commercial and strategic experience, he has previously served as Vice President of Sales and Director of Heavy Section Mill Sales at Emirates Steel. Before joining the company, he was General Manager – Commercial at Sulb and held leadership roles at ArcelorMittal. Mr. Rion holds an MBA from Vlerick Business School, along with executive certifications from leading international institutions.



What are EMSTEEL's key expansion priorities for the next three to five years?

Our ambition is not simply to produce more steel, but to create greater value from every tonne and remain relevant to the industries, infrastructure and technologies that will define the next generation. This strategic transformation has been championed by our Group CEO, Eng. Saeed Ghumran Al Remeithi, with a vision of positioning EMSTEEL as a globally competitive industrial leader built on advanced manufacturing, innovation and sustainable growth.

A major component of this strategy is our AED 625 million Asset Enhancement Programme, being implemented through 2027. It is strengthening our ability to produce advanced rebar grades, enhanced heavy sections, specialised wire rods, and high-carbon and special-alloy billets. These capabilities will allow us to serve increasingly demanding applications in construction, infrastructure, energy, petrochemicals and industrial manufacturing.

We are also developing downstream capabilities because our role should extend beyond simply supplying steel. We want to provide solutions that help customers build faster, use materials more efficiently, reduce waste and improve the economic and environmental performance of their projects.

Our growth will remain disciplined, with priorities including product mix, operational reliability, cost competitiveness, customer service and selective expansion in strategic domestic and international markets.

Could you give us an overview of EMSTEEL's current production facilities and their production capacities?

EMSTEEL operates one of the region's most advanced and integrated steel and building materials platforms, comprising 14 manufacturing facilities and serving customers across more than 70 markets. Our steel business has an annual production capacity of approximately 3.5 million tonnes, with an integrated production route based on direct reduced iron and electric arc furnace technologies.

This enables us to manufacture a diversified portfolio of products, including rebar, wire rod, rebar in coils, heavy and jumbo structural sections, hot-rolled sheet piles and steel billets. We are the only producer of hot-rolled sheet piles in the MENA region and are also one of the region's leading producers of heavy and jumbo sections. These products support complex buildings, ports, marine infrastructure, industrial facilities, energy projects and major engineering structures where quality, consistency and technical performance are critical.

Our building materials operations further strengthen the Group's industrial capabilities, with approximately 4.6 million tonnes of annual cement production capacity, supported by clinker manufacturing and the ability to produce around 85 million blocks annually.

However, our strength is not defined by capacity figures alone. It comes from the integration of our operations, the technical expertise of our people and our ability to convert raw materials into products that support economic development and national resilience. Local production also keeps greater value within the UAE economy, supports skilled employment, develops industrial knowledge and strengthens supply security.

How do you assess the current steel market in the Middle East and UAE, and what is your outlook for the coming years?

The global steel industry is operating in a difficult environment, with structural overcapacity, uneven demand, volatile raw-material and logistics costs, geopolitical disruption and increasing pressure from unfairly priced exports. However, the outlook for the UAE and wider regional market is comparatively more positive.

The UAE continues to invest in transport, housing, energy, tourism, industrial development and world-class urban infrastructure. These long-term programmes require significant volumes of high-quality steel, while the country's economic diversification and localisation strategies are creating opportunities for more sophisticated domestic manufacturing capabilities.

At the same time, a growing market does not automatically guarantee a healthy domestic industry. Local producers are increasingly expected to meet demanding standards, invest in decarbonisation and maintain strategic production capacity. It is therefore important that competition remains fair, rules-based and supported by equivalent standards.

Customer expectations are also changing. Buyers increasingly want better technical performance, shorter lead times, greater supply-chain transparency and credible information about the carbon footprint of the materials they purchase. Price will remain important, but the definition of value is becoming broader.

We are therefore cautiously optimistic about the future. Our focus will be on strengthening our domestic position, selectively expanding in priority export markets and developing products that solve genuine customer needs. Ultimately, the future will belong to producers that can combine cost competitiveness with reliability, innovation, technical service and verifiable environmental performance.

What are EMSTEEL's key priorities for scaling green steel production and accelerating decarbonisation?

Decarbonising steel is one of the most important industrial challenges of our generation. Steel is essential to the energy transition, but its own production must progressively become less carbon intensive. There is no single technology that can deliver this transformation, so our approach is based on a practical, multi-technology pathway combining clean electricity, energy and process efficiency, carbon capture, circularity, electrification and the progressive use of hydrogen in ironmaking.

We have committed to reducing absolute Scope 1 and Scope 2 emissions by 40% in our steel business and 30% in our cement business by 2030, compared with our 2019 baseline, as part of our pathway towards Net Zero by 2050. Since 2019, absolute emissions have already declined by 34% in steel and 9% in cement. In 2025, our steel emissions intensity reached 0.637 tonnes of CO₂ equivalent per tonne of steel.

Clean electricity is an important part of this progress. In 2025, approximately 88.7% of the electricity consumed by our steel operations was covered by clean-energy certificates. We are also progressing carbon capture through the ADNOC Al Reyadah facility, which has a capacity of up to 800,000 tonnes of CO₂ per year.

Hydrogen is another important element of our longer-term strategy.





Our green hydrogen pilot with Masdar successfully demonstrated the use of renewable hydrogen in iron reduction. Scaling this technology will depend on the availability of competitively priced renewable electricity and hydrogen, appropriate infrastructure, credible certification and sufficient customer demand.

Beyond production technology, we are also focused on creating greater transparency around the environmental performance of our products through initiatives such as TrueGreen™ and independently verified Environmental Product Declarations.

How is EMSTEEL using digitalisation, AI and automation to improve steelmaking and operational efficiency?

Steelmaking combines enormous physical scale with a high degree of precision. Even a small improvement in yield, energy consumption, equipment reliability or product quality, when repeated across millions of tonnes, can generate significant economic and environmental value.

At EMSTEEL, digitalisation is therefore not an isolated technology programme; it is an operational and commercial transformation. We are applying AI, advanced analytics, Industrial IoT, automation and real-time monitoring across planning, production, maintenance, sales and delivery.

Our Industrial IoT environment captures more than 120,000 sensor data points, connecting operational information with enterprise data. AI-driven optimisation is being used to improve raw-material utilisation, production costs and process stability, while real-time EAF optimisation supports consistency and energy efficiency.

Our AI Manara analytics platform provides more than 30 real-time dashboards, supported by our cloud and data architecture. We are also advancing private 5G connectivity, virtual-reality training, robotics, energy-monitoring systems and AI-enabled safety solutions.

Technology, however, is an enabler rather than an objective. Its purpose is to help people make better decisions, anticipate problems and serve customers more effectively. The most successful industrial companies will be those that convert technology into safer operations, faster execution and measurable customer value.

What opportunities do you see for the UAE and the wider Middle East to become a global hub for sustainable steel production?

The global steel industry is approaching a fundamental transformation. Carbon intensity is increasingly influencing market access, competitiveness and investment decisions. This could reshape the global geography of steel production, with access to high-grade iron ore, low-carbon energy, infrastructure and end markets becoming increasingly important.

One important development could be the progressive separation of ironmaking and steelmaking. Countries with access to high-quality iron ore and competitive natural gas, renewable electricity or hydrogen could produce lower-carbon DRI or hot-briquetted iron, which could then be supplied to markets where steelmakers focus on EAF production, advanced metallurgy, rolling, fabrication, recycling and higher-value products.

The UAE does not have domestic iron ore resources, but it has significant advantages: world-class ports and logistics, access to international sources of high-grade iron ore, competitive energy infrastructure, expanding solar and nuclear capacity, carbon-capture capabilities and long-term potential for renewable hydrogen. Its established DRI-EAF production base also provides an important advantage.

This gives the UAE an opportunity to become an important link in the lower-carbon metals value chain. However, this will require competitively priced clean energy, resilient raw-material corridors, transparent carbon accounting, internationally recognised certification and policies that stimulate demand for lower-carbon materials.

EMSTEEL is already contributing through its DRI-EAF production route, industrial-scale carbon capture, clean-energy integration, green-hydrogen initiatives, ResponsibleSteel™ certification, independently verified Environmental Product Declarations and development of lower-carbon products. The opportunity is ultimately larger than decarbonising today's steel—it is about helping design the steel value chain of tomorrow.



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SAUDI ARABIA:

Building a Stronger Steel Industry

Saudi Arabia is entering a new phase of industrial development in which steel is becoming increasingly important to the Kingdom's wider economic transformation. Under Vision 2030, the country is investing heavily in infrastructure, housing, energy, logistics, manufacturing, mining and large-scale industrial projects. These developments are creating sustained demand for steel while also encouraging domestic producers to expand into higher-value and more specialised products.

Saudi Arabia is already one of the Middle East's largest steel producers. According to World Steel Association data, the Kingdom produced 10.8 million tonnes (Mt) of crude steel in 2025, compared with 9.6 Mt in 2024, representing growth of approximately 12.3%. Saudi Arabia ranked 18th among the world's steel-producing countries in 2025.

The growth, however, is not simply about increasing production volumes. A major focus of the next phase is to broaden the range of steel products manufactured domestically and strengthen links between steelmaking and downstream industries. Saudi Arabia has traditionally had a strong presence in long products such as rebar and wire rod, while some flat products, specialised grades and downstream products have continued to rely on imports.

This is changing as the Kingdom seeks to develop greater domestic manufacturing capability. Automotive, machinery, energy equipment, logistics, construction and advanced manufacturing are all creating demand for a wider range of steel products.

The scale of Saudi Arabia's project pipeline is another major driver. Mega-projects spanning urban development, tourism, transport, renewable energy, industrial zones and logistics require substantial volumes of reinforcing steel, structural sections, plate, pipe and other products. At the same time, continued investment in oil and gas infrastructure supports demand for specialised steel products.

For Saudi steelmakers, this creates an opportunity to move further along the value chain—from primary steel production towards

processing, specialised products and downstream manufacturing. As Vision 2030 progresses, the steel industry is therefore positioned to play an increasingly important role in the Kingdom's industrial and economic transformation.

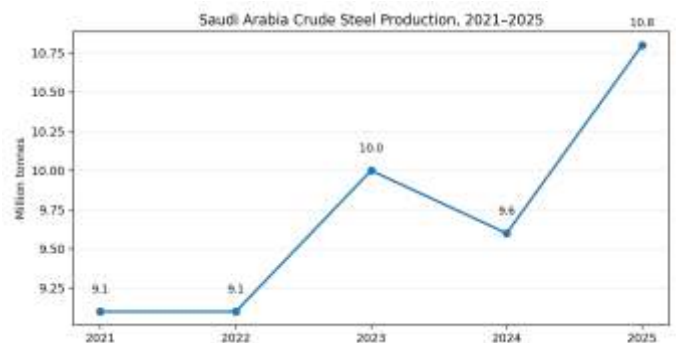


Figure 1. Saudi Arabia's crude steel production rose to 10.8 Mt in 2025.

Steel Production Continues to Grow

Saudi Arabia's crude steel production reached 10.8 Mt in 2025, up from 9.6 Mt in 2024. The increase of approximately 12.3% reflects the strength of domestic steelmaking and continuing demand from construction, infrastructure, energy and industrial projects.

The Kingdom's steelmaking base is supported by direct reduced iron (DRI), electric arc furnace (EAF) steelmaking and an established network of rolling and downstream facilities. This provides Saudi producers with a strong foundation from which to expand production and develop a broader product portfolio.

The direction of growth is increasingly shifting towards value addition. Beyond high-volume construction products, producers are looking to serve applications in energy, manufacturing, automotive, engineering and infrastructure. This transition aligns closely with Vision 2030's wider objective of developing domestic industrial capabilities and reducing reliance on imported manufactured products.



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Imports Fill Product Gaps

Despite its sizeable domestic steel production base, Saudi Arabia continues to import significant quantities of steel and steel products. Imports remain important where domestic production does not fully meet the requirements of the wider economy, particularly in certain flat products, specialised grades and downstream steel products.

This trade structure highlights an important opportunity for further investment in domestic production and processing capacity. Increasing local availability of a wider range of steel products could support Saudi manufacturers, improve supply security and reduce dependence on imported material.

At the same time, the continued presence of imports indicates that the Saudi market offers opportunities for producers capable of supplying specialised and higher-value products that complement the country's existing steelmaking capacity.

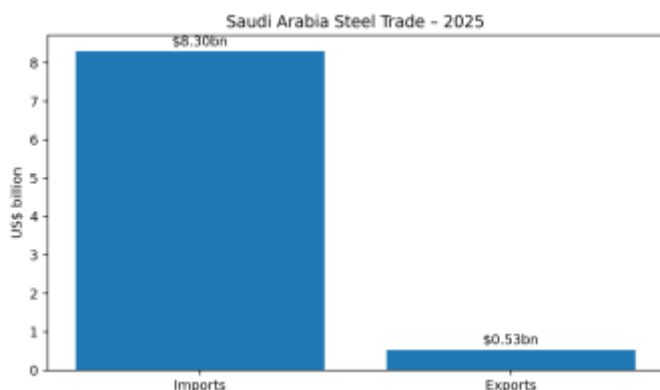


Figure 2. Indicative steel trade value comparison used in the source profile.

Construction Remains the Engine of Steel Demand

Construction and infrastructure remain the largest sources of steel demand in Saudi Arabia. The source profile places their combined share at approximately 75% of steel consumption.

Residential and commercial construction, transport infrastructure, industrial facilities and the Kingdom's large-scale development projects all require substantial volumes of reinforcing steel, structural sections, plate and other steel products.

The scale and diversity of these projects are also changing the nature of demand. While traditional construction products continue to account for a significant share of consumption, large infrastructure, energy and industrial projects increasingly require specialised grades, structural products, pipes and other higher-value steel.

This combination of traditional construction demand and expanding industrial requirements provides Saudi steelmakers with a broad and growing domestic market.

Towards a More Diversified Product Mix

Saudi Arabia has an established position in long products, particularly rebar and wire rod. However, the Kingdom's industrialisation programme is creating demand for a wider range of products.

Flat steel, coated products, structural sections, pipes and specialised grades are becoming increasingly important as Saudi

Indicative Structure of Saudi Steel Consumption

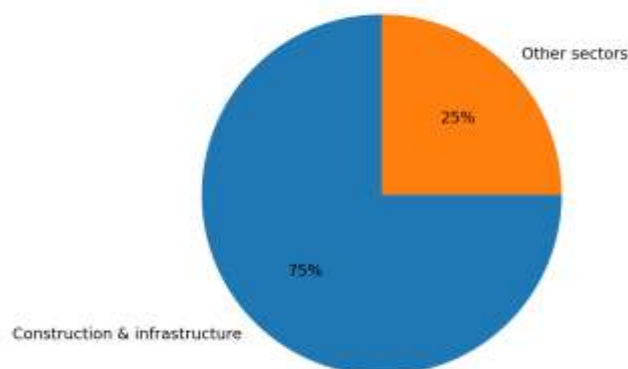


Figure 3. Indicative structure of Saudi steel consumption.

Arabia develops its manufacturing and industrial base. Expanding domestic capabilities in these areas could help bridge existing gaps between local steel production and the requirements of downstream industries.

Product diversification is therefore becoming an important part of the next stage of Saudi Arabia's steel development. It would not only broaden the domestic product offering but could also create opportunities for Saudi producers to supply specialised products to markets across the wider Middle East and North Africa region.

Key Steel Companies

Saudi Arabia has a diverse steel industry comprising integrated producers, DRI and steelmaking facilities, rolling mills and downstream manufacturers. Some of the key companies and facilities include:

Hadeed – Saudi Iron & Steel Company

Based in Jubail Industrial City, Hadeed is one of Saudi Arabia's major integrated steel producers. Its operations include DRI, steelmaking, continuous casting and rolling facilities. The company's product portfolio includes long and flat steel products such as rebar, wire rod, hot-rolled coil, cold-rolled coil, galvanized and colour-coated steel.

With capabilities across both long and flat products, Hadeed represents an important part of the Kingdom's move towards a more diversified domestic steel industry.

Saudi Steel Product Diversification

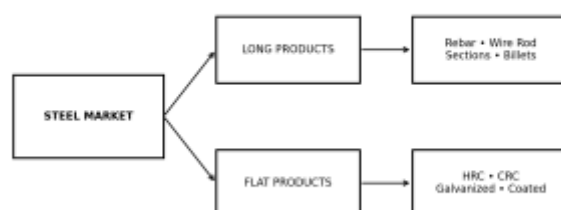


Figure 4. Simplified view of the Kingdom's steel product diversification opportunity.



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ISPC – Al Ittefaq Steel Products Company

Headquartered in Dammam, ISPC operates a range of steelmaking and rolling facilities and has developed an integrated production base covering recycling, iron ore pelletisation, DRI, steelmaking, billet production and rolling.

Its operations include the production of reinforcement bars, wire rod and other steel products, supported by facilities in Dammam and Makkah. The company is also developing further integrated steelmaking capabilities through its Arab Steel Company project.

SOLB Steel

SOLB Steel operates in Jazan Economic City and is focused primarily on long steel products. Its operations include steelmaking and rolling, with products including billets, rebar, rebar in coil and wire rod coils.

The company forms part of Saudi Arabia's established long-product manufacturing base and contributes to supplying the domestic construction and infrastructure market.

Al Rajhi Steel

Al Rajhi Steel has historically been an important Saudi producer with steelmaking, billet production and rolling capabilities. Its operations have been focused primarily on long and semi-finished steel products.

Following the acquisition of Al Rajhi Steel by the Public Investment Fund, the company has become part of Hadeed, further strengthening Hadeed's position within the Saudi steel industry.

SULB

SULB has operations in Jubail, Saudi Arabia, as well as an integrated steel complex in Hidd, Bahrain. Its Saudi operations include light- to medium-section structural steel production, while its Bahrain complex includes DRI, a melt shop, casting and medium/heavy section rolling.

The company's product portfolio includes DRI, billets, blooms and structural sections, giving it an important position in the regional structural steel market.

JESCO – Jubail Energy Services Company

JESCO is based in Jubail Industrial City and specialises in seamless steel pipes. Its facilities include seamless pipe rolling, heat treatment, finishing, threading, testing and coating.

With approximately 400,000 tonnes per year of seamless pipe capacity and additional heat-treatment capability, JESCO serves applications where specialised tubular products are required, particularly in the energy sector.

Project Driven Demand

The Kingdom's mega-project pipeline is one of the most important drivers of future steel consumption. Large-scale urban, tourism, transport, logistics, renewable-energy and industrial developments create demand across the steel value chain. Projects linked to new cities and economic zones require reinforcing steel and structural products, while energy developments create opportunities for pipes, plate and specialised grades.

Localization: The Next Growth Opportunity

For the Saudi steel industry, the next stage of development is likely to extend beyond crude steel production towards deeper localisation and downstream integration.

Vision 2030 places strong emphasis on developing domestic manufacturing capabilities, and steel is an important enabling industry in this process. Opportunities extend across rolling, coating, fabrication, pipe manufacturing and the production of specialised steel grades.

Greater domestic availability of higher-value steel products can help Saudi manufacturers secure local supplies while reducing dependence on imports. At the same time, expanding downstream capabilities could allow Saudi producers to compete more effectively in regional markets.

The opportunity is therefore not simply to produce more steel, but to manufacture a wider range of products and capture a greater share of the value chain within the Kingdom.

Key Drivers of Saudi Steel Demand

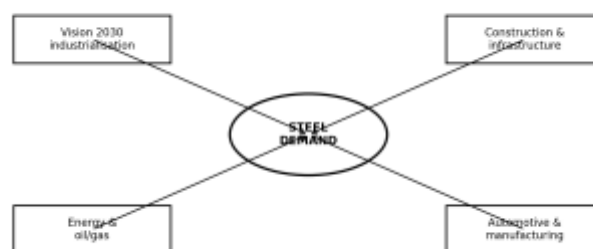


Figure 5. Major structural drivers supporting Saudi steel demand.

Outlook: Towards a Regional Steel Hub

Saudi Arabia enters the next phase of its steel development from a position of strength. The Kingdom has a large domestic market, established steelmaking capacity, extensive industrial infrastructure, significant investment capability and an ambitious national industrial strategy.

The challenge-and opportunity-now lies in combining these strengths with greater product diversification and downstream integration. Continued investment in flat steel, specialised products, pipes, structural sections and other higher-value capabilities could help reduce import dependence while strengthening Saudi Arabia's position in regional steel trade.

With Vision 2030 continuing to drive industrialisation, steel is positioned not only to benefit from the Kingdom's economic transformation but also to play an important role in enabling it.

Saudi Steel in Numbers

Indicator	Figure
Crude steel production, 2025	10.8 Mt
Crude steel production, 2024	9.6 Mt
2025 production growth	12.3%
Global production rank, 2025	18th
Construction & infrastructure share of consumption	~75%*

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A Region Pulling in Two Directions

Strong fundamentals and ambitious steel plans meet import pressure, softer construction demand and geopolitical uncertainty.



- Sundeep Rao
Managing Director,
Sunre Industries

Halfway through 2026, steel in the Gulf and wider Middle East and North Africa is a story of two forces working against each other. On one side sits a region with genuine structural advantages: cheap natural gas, a near-total commitment to lower-carbon electric-arc-furnace (EAF) steelmaking, and a wave of national industrial strategies — Saudi Vision 2030, the UAE's net-zero push, Iraqi reconstruction and Egyptian import substitution — that all lean on domestic steel. On the other side sits a global market drowning in capacity, led by a Chinese industry exporting at prices few producers anywhere can match, arriving just as some of the Gulf's flagship construction programmes are being trimmed back.

The result is a market that looks strong on paper — low emissions intensity, ambitious expansion plans and a genuine claim to future "green steel" leadership — but is under real and immediate margin pressure from imports and a softer-than-expected construction pipeline in its largest market, Saudi Arabia.

The regional production numbers for 2026 capture that tension. The Middle East produced 19.9 million tonnes of crude steel in the first five months of 2026, down 14.6% on the same period in 2025, while monthly output in May was down 19.4% year-on-year, according to World Steel Association data. That is a sharper contraction than almost anywhere else in the world at a time when global crude steel output was roughly flat. It reflects both the region's exposure to a slowing Saudi construction cycle and the direct competitive pressure from cheap imports displacing local mills' order books, rather than any collapse in underlying demand for finished steel products.

The China Problem

The single biggest disruptive force in the region's steel market in 2026 is Chinese export volume. With domestic Chinese demand falling roughly 6.5–6.9% in 2025 against a backdrop of global steelmaking capacity near 2.45 billion tonnes and excess capacity already at about 640 million tonnes — a figure the OECD expects to reach 745 million tonnes by 2028 — Chinese mills exported a record 131 million tonnes in 2025, and the GCC has become one of the destinations absorbing that surplus.

Chinese steel exports to the UAE rose 10.7% in the first half of 2025, while exports to Saudi Arabia rose 17.4% over the same period. The price gap is stark: Chinese rebar has been landing FOB at roughly \$480–\$485 per tonne against ex-works prices of around \$741 per tonne for UAE-produced rebar, a spread that no efficiency gain by a Gulf mill can close on its own.

Much of this volume is not straightforward direct shipment either — semi-finished Chinese steel routed through Southeast Asian intermediaries such as Indonesia, Malaysia and Thailand grew nearly fourfold in the first nine months of 2025, a pattern regional trade bodies read as tariff circumvention rather than genuine third-country production.

The effect is uneven across the value chain. Large integrated primary producers — EMSTEEL in the UAE, Bahrain's Foulath/SULB group, Jindal in Oman and Saudi Arabia — have scale, government relationships and the option of pursuing anti-dumping cases. The real pain is concentrated among downstream fabricators and smaller manufacturers, who pay full price for locally sourced billet and rebar while competing for contracts against



finished products embedding cheap imported steel, in an environment where non-oil GDP growth in parts of the Gulf is projected at under 1% for 2026.

Industry voices are increasingly calling for a unified GCC-wide trade-defence mechanism, stronger scrap-recycling and domestic-content rules, and carbon-intensity criteria in public procurement – partly as protection, and partly because those same criteria would favour the region's own low-carbon gas-based production over Chinese coal-based steel.

The UAE: From Boom to Shock

The UAE presented a more straightforwardly positive picture through early 2026, driven by an unusually strong property and construction cycle rather than giga-project megaprojects. Dubai's real estate market recorded roughly \$75 billion (about AED 275 billion) in new project launches in the first half of 2026 alone, with Abu Dhabi and Sharjah also posting strong transaction growth, sustaining robust demand for rebar and structural steel even as national producers absorbed Chinese import pressure.

That picture has since been upended by the ongoing US–Iran conflict, which has made for a turbulent stretch across the GCC.

In the run-up to the conflict, 2025 was, for the most part, an unremarkable year across GCC markets – with the exception of the UAE. In Saudi Arabia, despite the announcement of numerous large projects, most failed to translate into actual work on the ground. Kuwait, Bahrain, Qatar and Oman were similarly subdued, with demand and pricing broadly reflecting a normal year.

The UAE, and Dubai in particular, told a different story: construction was booming. Housing prices were climbing on the back of rising demand, driven both by an influx of people relocating to the UAE and by expectations of strong investment returns. A

large number of projects were launched and sold, and construction activity rose in step with sales. This momentum carried into the first two months of 2026, with rebar demand climbing from around 400,000 tonnes per month at the start of 2025 to approximately 600,000 tonnes per month in January and February 2026.

Then came the conflict, and the impact was immediate. The housing market froze, and developers paused construction – even on units that had already been sold – as uncertainty took hold. Work on ongoing projects slowed but did not stop entirely. We estimate that rebar demand fell by 20–25% in the first couple of months of the conflict.

The effect on raw-material sourcing for GCC producers was just as immediate. With most producers based within the Gulf and shipping into the Gulf largely halted, producers had to find new routes for sourcing raw materials, which drove costs up. Fortunately, the same shipping restrictions also affected their biggest competitor, China, so for the most part producers have been able to pass these cost increases through to the market – and distributors have likewise been able to pass the pressure on to their customers.

Importers manufacturing downstream products in the GCC for export to international markets were harder hit: limited capacity at operating ports has meant long delays in berthing and, as a result, demurrage costs. Fortunately, the export markets these producers serve also carry protection against Chinese imports and command better pricing, which has allowed them to pass on some of the additional cost.

On the other hand, housing sales in the UAE have slumped, driving rebar demand back down to around 350,000 tonnes per month. Pricing pressure is now evident in this and other GCC markets, and where things go from here remains to be seen.

Steel Recycling in the Middle East: From Scrap Trade to Strategic Circularity, From Brown to Green & From Waste to Wealth.



Dr. Salam Al Sharif

Chairman,
Sharif Metals Group
Founding President,
Chairman of Advisory Council &
Advocacy Committee, BMR
Founding Chairman,
Recycling Association of Africa (RAA)
Former:
Chairman, BIR, and Ambassador to
the Middle East
Founder & Director of Advocacy, DRBG

The Middle East's steel recycling industry is at an inflection point. Scrap is no longer just a commodity traded between yards and mills; it is becoming a strategic raw material for the region's low-carbon steel ambitions. Gulf states are pushing electric-arc-furnace (EAF) capacity, renewable power, and green industrial value chains to meet the green steel, decarbonisation & sustainability trend.

The region benefits from abundant energy resources, strong logistics, and growing industrial sectors. But local ferrous scrap availability and quality have lagged behind steelmaking capacity, creating a defining challenge for the next decade – and a defining opportunity for the recyclers positioned to solve it. That opportunity lies in developing integrated recycling parks, strategically located collection and processing centres, and the infrastructure needed to improve both the volume and quality of locally recovered scrap.

Developing scrap market for big steel base

Worldsteel data show the Middle East produced roughly 25.9 million tonnes of crude steel in H1 2026, down 7.3% year-on-year. The UAE, Saudi Arabia, Oman, and Qatar are linked to major infrastructure and industrial diversification. Yet local ferrous scrap availability hasn't kept pace. The region's steel stock is relatively young, collection remains fragmented, and quality is inconsistent. Closing that gap will define the next decade.

The Scrap Challenge

The key question is not how much scrap the region has, but how much high-quality, processed scrap it can supply at competitive prices.

Many markets still rely on informal collection, while mills increasingly need consistent specifications. This creates an opportunity for recyclers to invest in shredding, sorting, and digital traceability.

The next generation of facilities must look less like traditional yards and more like secondary raw-material plants, treating scrap as a manufacturing input rather than waste.



Material once simply exported in raw form is now processed locally into high-value input for EAF steelmaking.



SMG shredding system converting bulk scrap metal into uniform fragments optimized for EAF steelmaking.

From Scrap to Steel: An Integrated Recycling Approach

The transition towards a more integrated recycling ecosystem can already be seen in operations that connect scrap collection, processing and steel production. Sharif Metals Group (SMG) provides one example of this approach, with end-of-life vehicles (ELVs),

Heavy Melting Scrap (HMS) and Light Melting Scrap (LMS) collected and processed through its facilities. Shredding, baling and upgrading technologies help transform mixed and recovered scrap into cleaner, more consistent, furnace-ready feedstock for EAF steelmaking.

By combining ELV-derived shredded steel with locally sourced HMS and LMS, SMG produces steel billets within the GCC and through its associates. The model illustrates how greater integration between recyclers and steel producers can help convert locally recovered scrap into a higher-value secondary raw material, supporting the production of rebars and sections used across the region's infrastructure and construction sectors.

Sharif Metals Group: Transforms waste to wealth, brown to green & scrap to steel.

Sharif Metals Group's own operations illustrate this shift to close the loop — and it's worth walking through what that journey actually looks like on the ground, because it is the clearest proof point for the region's circular-steel ambition

It starts at collection: end-of-life vehicles (ELVs) and Heavy Melting Scrap (HMS) and Light Melting Scrap (LMS) arriving at SMG's yards — material that was once simply exported in raw form. From there, our advanced shredding, baling and upgrading technology takes over, breaking down ELVs and mixed scrap into clean, sorted, furnace-ready feedstock.

Combining this ELV-derived shredded steel with locally sourced HMS/LMS, we produce around 25,000 tonnes of high-quality steel billets annually within the GCC and through our associates. This is finished, refined products that steel bars producers melt down and roll into the rebars and sections that build the region's cities — essential inputs for infrastructure and development.



End-of-life vehicles at SMG's yards



Light Melting Scrap (LMS)



Heavy Melting Scrap (HMS)

Green steel at Sharif Metals Group

Every tonne of scrap Sharif Metals Group processes contributes to reducing carbon emissions by approximately 75%, supporting the goal of greener steel and creating a meaningful footprint in decarbonization and sustainability. It also directly supports the region's low-carbon production goals, making our shredding and processing footprint as much a decarbonization asset as an industrial one. Which also serves well with CBAM objectives.



SMG's recycling yard — where scrap is collected and sorted Green-coated rebar, ready to reinforce the region's next generation of construction.

The EAF advantage

The region's strong electric-arc-furnace (EAF) ecosystem is a major advantage, using scrap and low-carbon electricity to produce lower-emission steel.

This gives the Middle East a potentially powerful combination: scrap, EAF capacity, renewable electricity, direct reduced iron and natural gas or green hydrogen, together forming a competitive low-carbon steel platform. The region's future steel model is unlikely to depend exclusively on scrap, however. Direct reduced iron (DRI) and hot-briquetted iron (HBI) will remain important because the region does not yet generate enough high-quality scrap to meet all its potential EAF requirements, pointing to a hybrid metallics model that combines scrap with DRI/HBI.

Regional dynamics, risk and the road ahead

The UAE is best positioned as a regional trading and processing hub, connecting global suppliers with Middle East and South Asian mills. Saudi Arabia's opportunity lies in scale, with construction and industrial growth pointing to large, integrated collection-to-EAF value chains. Oman and Qatar hold niche potential in logistics, export platforms, and low-carbon metals. However, the shift toward local mills has become inevitable given rising raw-material demand — a trend reinforced by recent geopolitical tensions and logistics challenges in the region. This has positioned the region to pursue self-sufficiency in local production rather than relying on imports.

That geographic spread exists within a shifting trade environment. Hormuz-adjacent shipping risk makes domestic scrap availability a resilience issue, not just a cost one. The EU's September 2026 move to restrict waste exports, including scrap, to non-OECD countries signals that secondary raw materials are increasingly treated as strategic assets.



Steel scrap is already considered as green raw material, since carbon emission was already released during initial production. Hence reusing its end-of-life material, is already 75% carbon free "green raw material" — its footprint depends on quality and the EAF's power source. But high-quality scrap paired with low-carbon

electricity is a genuine decarbonization lever, and Europe's (CBAM) is pushing exporters to prove low-embedded-carbon production.

Taken together, these pressures point to one conclusion: the region needs a coordinated strategy that builds domestic scrap supply, invests in processing and traceability, and integrates recyclers with steelmakers through long-term supply deals, UAE-led regional trading hubs, and a supportive circular-steel policy framework.

Sharif Metals Group's own collection, processing, production-to-billet model shows that this strategy is not aspirational — it is already operating in "close the loop" model, through its 4 generations hard working family business.

Who diversified in to nonferrous metals production of Aluminium alloys including Aluminium diox used for steel production carbon reduction. Lead production, processing of Copper, Brass, Zinc and full range of non-ferrous metals line, through its various facilities in the GCC. (www.sharifmetalsgroup.com.)

BIR Global voice of the Recycling industry



@BIR, has its Global Standards, green-steel policy, free and fair trade. Its recognition to recycled steel as a strategic raw material, meets the green industry with its environmental, social and economic terms.

The Bureau of International Recycling (BIR) represents more than 30,000 recycling companies worldwide through a network of over 1,000 direct corporate members and national recycling associations across roughly 73 countries, and includes a dedicated Ferrous Division, as one of its vital commodities divisions.

BMR Middle East voice of the Recycling industry.

The practical regional industry perspective: GCC steelmaking, EAFs, scrap availability, trade, VAT, export restrictions, logistics, ESG and the region's opportunity to become a circular-steel hub

@Bureau of Middle East Recycling (BMR) believes the region is entering a decisive period in which recycling should be treated as an essential component of industrial policy. Enriched with its veterans members.

RAA - African voice of the Recycling industry.

Africa's resource-recovery potential, development of domestic



recycling infrastructure, urban mining, investment and the integration of African recycled materials into global circular supply chains.

@Recycling Association of Africa was founded in 2021 to connect the missing dots amongst recycling associations, as its region's wealth in abundant resources and human capital, makes it reservoir of raw material in addition to rare earth minerals which is in world scarcity.

It is my aspiration that the knowledge, experience and international industry perspective accumulated over these four decades can continue to serve the wider industrial fraternity—supporting collaboration, encouraging innovation and contributing to a more competitive, sustainable and truly circular future for the steel and recycling industries.

I would like to conclude with my special thanks to Mr. D. A. Chandekar, Chief Editor of Steelworld, for their great contribution to our industry and for giving me the opportunity to share my insights.



Syria Reconstruction Seen Driving Steel Demand Towards 4-5 Million Tonnes



Syria's steel consumption could eventually rise to between 4 million and 5 million tonnes annually as reconstruction and urban development accelerate, according to Anas Joud, chairman of Syrian steel producer Joud Steel.

Speaking to the Arab Iron and Steel Union, Joud said steel demand is expected to increase substantially as rebuilding activity gathers pace. Syria consumed around 2 million tonnes of steel annually before 2011, while domestic production capacity is estimated at approximately 2–2.5 million tonnes per year.

The reconstruction of housing, roads, bridges, industrial facilities, power infrastructure and other essential assets could create a major requirement for long steel products, reinforcing bars

and other construction materials.

However, the domestic steel industry currently operates well below its installed capacity. Syrian steel mills are reportedly running at only 20–30 percent capacity, largely because of limited electricity supplies and high energy costs.

Joud Steel has restarted one of its plants following an 11-year shutdown, although operations remain limited to three days per week. Current production from the facility is reported at approximately 5,000–6,000 tonnes.

The gap between existing consumption, available production and potential reconstruction demand suggests significant opportunities for investment in Syria's steel industry. New and rehabilitated plants could become necessary to meet future requirements and reduce reliance on imported material.

The expected growth in steel demand is closely linked to the broader pace of Syria's reconstruction. If major infrastructure and urban projects move forward, steel consumption could rise from its historical levels to several million tonnes annually.

For regional steel producers, suppliers and investors, Syria could therefore become an increasingly important market as reconstruction moves from planning toward implementation.

UAE's EMSTEEL Supplies Rebar for Etihad Rail Passenger Project

UAE-based EMSTEEL Group has supplied locally manufactured reinforcing steel and more than 80,000 tonnes of cement for passenger stations being developed as part of the Etihad Rail passenger network.

The materials have been supplied for stations in the Al Dhafra Region and the Emirate of Abu Dhabi, supporting one of the UAE's major strategic infrastructure projects. EMSTEEL's participation highlights the growing role of domestic manufacturers in supplying materials for large-scale national developments.

The cement supplied by the group is being used in the production of concrete for passenger stations, while locally manufactured rebar is being used in station construction. The project therefore provides a direct link between the UAE's industrial manufacturing base and its expanding transport infrastructure.

The use of locally produced materials is also aligned with efforts to strengthen domestic supply chains and reduce dependence on imported construction inputs. For steel producers, strategic infrastructure projects such as Etihad Rail provide



opportunities to demonstrate the ability of local manufacturing to meet demanding technical and quality requirements.

EMSTEEL has previously supplied materials for several major UAE projects, including the Barakah Nuclear Energy Plant, Burj Khalifa, Dubai Metro stations, the Sheikh Zayed Grand Mosque, Louvre Abu Dhabi and the Zayed National Museum.

The company operates 16 plants with annual production capacity of approximately 3.5 million tonnes of steel and 4.6 million tonnes of cement.

As railway, infrastructure and urban-development investments continue across the UAE, projects such as Etihad Rail are expected to remain important drivers of demand for construction steel and building materials.

Al Yamamah Secures \$133 Million Financing for New Saudi Billet Plant



Saudi Arabia-based Al Yamamah Steel Industries has secured SAR 500 million (\$133 million) in financing to support the development of its planned steel billet production facility. The financing was secured by its subsidiary, Al Yamamah Company for Reinforcing Steel Bars, from Arab National Bank on 24 August.

The funding represents a major step forward for the project, which is part of Al Yamamah's strategy to expand its steelmaking capabilities and strengthen vertical integration. The company had previously increased the capital of its reinforcing steel subsidiary and committed SAR 75.6 million of its own funds to the investment.

In July, Al Yamamah also signed a SAR 270 million agreement with Italian plantmaker Danieli for the manufacture, supply and installation of equipment for the billet production facility. The contract is expected to be implemented over approximately two and a half years.

Earlier project information identified

Yanbu as the proposed location and indicated a planned billet production capacity of around 1 million tonnes per year, although the latest financing announcement did not restate the plant's capacity.

The move is significant for Saudi Arabia's steel sector as the Kingdom continues to expand domestic manufacturing under its industrial-development agenda. Increasing local billet production can provide reinforcing-steel manufacturers with a more integrated supply base and reduce dependence on external semi-finished material.

Al Yamamah's investment also comes at a time when Saudi Arabia is pursuing major infrastructure, construction and industrial projects that are expected to sustain demand for long steel products.

With financing secured and equipment procurement already underway, the billet project is emerging as an important addition to Saudi Arabia's growing domestic steel production base.

Vallourec Confirms OCTG Supply Agreement with Saudi Aramco

Vallourec has confirmed a new agreement with Saudi Aramco for the supply of oil country tubular goods (OCTG), strengthening the long-standing commercial and industrial relationship between the two companies.

The confirmation follows an announcement by Aramco on 26 August that did not initially identify the supplier. Vallourec subsequently confirmed on 9 September that it had signed the agreement and said the partnership would further strengthen its commercial, industrial and technological ties with Aramco.

Vallourec and Aramco have maintained a business relationship since 1962. Vallourec established its Saudi subsidiary and industrial facility in Dammam in 2011, enabling local heat treatment and threading of premium VAM connections. In 2022, the two companies also entered into a long-term agreement covering locally manufactured premium OCTG pipes.

The latest agreement comes as Saudi Arabia continues to develop its oil and gas resources and expand local manufacturing capabilities. OCTG products are critical to drilling and well-completion operations, making reliable domestic supply an important element of energy-sector supply security.

Vallourec said it continues to invest in Saudi Arabia through research and development initiatives and efforts to expand production capabilities and locally manufacture products required for new developments, including unconventional resources.

The company's local industrial presence is expected to support Aramco's supply security while strengthening Vallourec's position in the Saudi market.

The agreement also reflects Saudi Arabia's wider drive to increase localisation across its energy and industrial supply chains, creating opportunities for advanced steel and tubular-product manufacturers within the Kingdom.

GCC Flat Steel Imports Remain Challenged by Freight and Vessel Disruptions



Steel buyers across the Gulf Cooperation Council (GCC) continue to face uncertainty over imported flat steel supplies as freight costs, vessel availability and disruptions around major shipping routes complicate procurement, according to MESTEEL.

The challenges are affecting the reliability and economics of imported material reaching Gulf markets. Limited vessel availability has made shipment schedules more difficult to predict, while higher freight costs are increasing the

delivered price of imported steel.

For GCC buyers of products such as hot-rolled coil and other flat steel grades, logistics have become an increasingly important consideration alongside mill offers and international benchmark prices.

The uncertainty is particularly significant for markets that depend on imported flat steel to supplement domestic production. Buyers may have to place orders earlier, maintain higher inventories or consider alternative origins to reduce the risk of supply interruptions.

Shipping disruptions can also influence the competitiveness of suppliers from different regions. Even when steel prices at the mill are attractive, increased freight costs can reduce the advantage of imported material and support domestic or regional suppliers.

The situation underscores the importance of the GCC's strategic location within global steel trade. The region connects major producers in Asia, Europe and the Middle East with downstream industries in construction, infrastructure, energy and manufacturing.

With logistics conditions still fluid, market participants are expected to remain cautious about purchasing and delivery commitments. Any improvement in vessel availability or freight conditions could ease pressure on imported supply, while further disruptions may result in higher delivered costs and longer lead times.

For Middle East steel consumers, transport resilience is increasingly becoming as important as price when planning procurement.

UAE Ramps Up Alternative Trade Routes as Hormuz Disruption Reshapes Regional Logistics

The United Arab Emirates is accelerating efforts to develop alternative trade and energy routes as disruption around the Strait of Hormuz creates growing risks for regional supply chains. The UAE is expanding the use of eastern ports, pipelines and alternative trade corridors to reduce dependence on the strategically important waterway, according to Reuters.

The developments come amid heightened tensions between the United States and Iran, which have affected shipping activity through Hormuz. The strait is a critical route for global energy and commodity flows, and any prolonged disruption can have wider consequences for freight costs, insurance premiums and delivery schedules.

For the Middle East steel industry, the logistics challenge is particularly significant. Steelmakers and fabricators depend on the movement of iron ore, direct reduced iron (DRI), scrap, coal, billets,

finished steel and other industrial inputs. Higher shipping costs or delays could put pressure on production economics, especially for businesses that rely heavily on imported raw materials.

The UAE has been working to strengthen its logistics infrastructure and diversify export routes. The strategy reflects a broader regional effort to improve supply-chain resilience and reduce exposure to single transport corridors. Continued disruption could also influence steel trade flows between the Gulf, Asia, Africa and Europe. Producers may seek alternative shipping routes, while buyers could reassess inventories and sourcing strategies.

For the UAE and the wider GCC, the immediate priority is maintaining uninterrupted industrial activity. As regional infrastructure investments continue, resilient logistics networks are becoming increasingly important to the competitiveness of Middle East steel producers.

China Baowu to Draw Up Roadmap for El Hadjar Steel Complex Modernisation



Algeria is moving ahead with plans to modernise the El Hadjar steel complex in Annaba, with China Baowu Steel Group expected to submit a technological design and detailed development roadmap by the end of September 2026.

The latest discussions between Algeria's Industry Minister Yahia Bachir and a delegation from China Baowu have focused on the technical and economic aspects of the proposed modernisation. The initiative goes beyond simply rehabilitating existing equipment and is

intended to define a new industrial configuration for the complex.

Potential areas of development include advanced steelmaking technologies, direct reduction, DRI and hot-briquetted iron production, as well as industrial digitalisation. These technologies could help improve productivity, reduce operating costs and increase the production of higher-value steel products.

The modernisation of El Hadjar is strategically important for Algeria because the country aims to make better use of its domestic iron ore resources and strengthen the integration between mining and steel production.

The complex has long been an important part of Algeria's industrial base, but its performance has faced operational and technological challenges. A comprehensive modernisation programme could help improve competitiveness while strengthening domestic steel supply.

The involvement of Baowu, one of the world's major steel groups, also highlights the increasing importance of technology partnerships in the transformation of North African steelmaking.

With the roadmap expected later this month, the next stage will provide greater clarity on the technologies, investment requirements and future production structure of the complex. For Algeria, the objective is not only to restore El Hadjar but to reposition it as a more modern and competitive steelmaking centre.

Hadeed Raises September Wire Rod Prices While Keeping Rebar Unchanged

Saudi Arabia's Saudi Iron and Steel Company (Hadeed) has kept its domestic rebar prices unchanged for September production while increasing prices for wire rod, according to MESTEEL.

The producer is offering 12–32 mm rebar at SAR 2,800 per tonne, equivalent to approximately \$746 per tonne, on a CPT Riyadh basis excluding 15 percent VAT.

For wire rod, Hadeed increased prices by SAR 100 per tonne for 7–12 mm material to SAR 2,950 per tonne, or around \$787 per tonne. The company raised prices for 5.5–6.5 mm wire rod by SAR 125 per tonne to SAR 3,025 per tonne, equivalent to approximately \$807 per tonne.

The pricing decision comes against a backdrop of tight billet availability in Saudi Arabia. Buyers have reportedly faced difficulties securing imported billet because of vessel availability



issues, higher freight costs and delivery disruptions. Some locally available billet has therefore attracted premiums for immediate requirements.

Market participants described Saudi rebar demand as normal, while tight billet supply continued to provide cost support to producers. Hadeed's decision to leave rebar prices unchanged

suggests that higher input costs have not been fully transferred to finished long-steel prices.

Hadeed is the largest steel producer in the GCC, with annual production capacity of around 3.8 million tonnes of long products and 2.2 million tonnes of flat products. The company has been owned by Saudi Arabia's Public Investment Fund since May 2024.

The September pricing move provides an important indication of current cost and demand conditions in the Saudi long-steel market.

Saudi Billet Market Faces Logistics Disruptions Amid Tight Vessel Availability



Saudi Arabia's billet market is facing growing logistical challenges, with tight vessel availability, elevated freight costs and lengthy berthing delays complicating the movement of imported material, according to MESTEEL.

The disruptions are affecting buyers' ability to secure imported billet in a timely manner. With fewer vessels available and shipping costs remaining high, delivery schedules have become less predictable, increasing pressure on buyers that require material for immediate production requirements.

The situation is particularly relevant for Saudi rebar producers

that rely on billet as an important input. Market participants have reported difficulties in securing imported material, while some locally available billet has been offered at a premium for immediate requirements.

At the same time, rebar demand in Saudi Arabia has been described as relatively weak or normal, limiting producers' ability to fully pass higher input costs on to customers. This has created a challenging environment in which logistics costs are rising even as finished-steel demand remains cautious.

The disruption demonstrates the growing influence of transportation conditions on Middle East steel pricing. Even when underlying demand remains stable, shipping availability, freight rates and port congestion can have a direct effect on the delivered cost of steel.

For Saudi steelmakers and buyers, the immediate focus is likely to remain on securing reliable supply and managing inventory. Prolonged logistics constraints could provide additional cost support to locally available billet and potentially influence long-steel pricing in the coming weeks.

The development also highlights the importance of resilient regional supply chains as Gulf steel markets navigate continuing uncertainty around international shipping routes.

Syria Moves to Revive Hama Steel Plant Under 30-Year Saudi Agreement

Syria has signed a 30-year agreement with Saudi Arabia-based Ithraa to rehabilitate, modernise and operate the General Company for Iron and Steel Products in Hama, marking a significant development for the country's industrial reconstruction.

The agreement, announced by Syria's Ministry of Economy and Industry on 1 September, provides for the installation of new and modern production lines at the Hama steel plant. Production capacity is expected to be increased gradually, with the facility targeting a minimum annual capacity of 750,000 tonnes within four years.

The project is part of Syria's broader efforts to restore industrial capacity, attract investment and modernise its manufacturing base. Reviving steel



production could play an important role in reconstruction because steel is essential for housing, infrastructure, industrial facilities, transport networks and energy projects.

The agreement also reflects growing interest from regional investors in Syria's industrial recovery. By bringing new investment and production technology into the Hama facility, the project could help rebuild domestic steelmaking capabilities while generating wider economic activity.

Syria's steel industry currently faces major operational challenges. Producers have been affected by limited electricity availability and high energy costs, which have restricted output from existing facilities.

Nevertheless, the Hama project creates the potential for a significant increase in domestic supply. A modernised plant operating closer to its targeted capacity could reduce dependence on imported steel products and support reconstruction-related demand.

The investment will therefore be closely watched not only within Syria but across the regional steel market. If successfully implemented, Hama could become one of the important industrial assets supporting Syria's long-term reconstruction and economic recovery.

Al Jazeera Steel Expands US Footprint with Two New Subsidiaries



Oman-based steel pipes and tubes producer Al Jazeera Steel Products has strengthened its presence in the United States with the establishment of two wholly owned subsidiaries, marking a new step in its international expansion strategy.

The new entities are Jazz Steel Holding Inc., established in the US with initial capital of \$2 million, and Jazz Steel Products LLC, which has been established with capital of \$1.5 million under the holding company. The move follows approval from Al Jazeera Steel's board in February 2026.

According to the company, the subsidiaries are intended to support and facilitate its international operations and ongoing business activities in the United States. The US is already an important export market for Al Jazeera Steel, which supplies tubular and other steel products to more than 25 countries.

The company operates a 600,000-tonne-per-year tubes and merchant bar production complex at Sohar Industrial City in Oman. The facility comprises approximately 300,000 tonnes of tube capacity and 300,000 tonnes of merchant bar capacity.

The creation of a direct corporate structure in the US could provide Al Jazeera Steel with greater flexibility in managing its business in the market, while supporting customer relationships and future international growth.

The move also highlights the increasingly global nature of Middle East-based steel producers. Manufacturers in the Gulf are not only focusing on domestic infrastructure demand but are also seeking stronger positions in international markets.

For Oman's steel industry, Al Jazeera Steel's expansion demonstrates how domestic producers are using their production bases and export capabilities to build international market access.

Middle East Steel Prices Remain Resilient Despite Supply and Logistics Risks

Steel prices across the Middle East and surrounding markets remained broadly stable in late August, despite continued uncertainty surrounding regional trade, logistics and supply conditions, according to SteelRadar.

Producers in Iran and Iraq were largely maintaining prevailing price levels, while activity in several regional markets remained cautious. In Iraq, rebar offers varied between producers, with many offers concentrated around \$515 per tonne on an EXW basis.

The regional market is also being influenced by international supply. Chinese billet and wire rod offers to Djibouti indicate that Asian-origin steel continues to participate in trade along the East African and Red Sea routes, adding another dimension to competition in regional markets.

SteelRadar's regional price data also showed differences across Middle Eastern markets. Around the time of the report, indicative rebar prices were approximately \$650 per tonne in the UAE, \$625 per tonne in Saudi Arabia, \$606.67 per tonne in Qatar, \$550 per tonne in Oman and Yemen, and \$520.83 per tonne in Iraq.

The relative price stability suggests that buyers and producers were adopting a cautious approach rather than making aggressive moves. However, logistics remain an important variable. Changes in freight costs, shipping availability and regional security conditions can quickly affect delivered steel prices.

For Middle East steel producers, maintaining competitiveness will depend not only on domestic demand but also on raw-material costs, logistics efficiency and the ability to respond to changes in import competition.

The regional steel market is therefore entering September with prices relatively stable but with considerable uncertainty surrounding trade flows and transportation conditions.

Major Steel Producing Countries in the Middle East

Country	2025 Rank	2025 Production (Mt)	2024 Rank	2025 Production (Mt)
Iran	10	32.0	10	31.4
Saudi Arabia	18	10.8	20	9.6
United Arab Emirates	35	3.8	38	3.7
Iraq	39	3.0	41	3.0
Oman	40	3.0	40	3.0
Qatar	48	1.7	58	1.2

Crude Steel Production MIDDLE EAST



Jul 2026
 -13.4%
3.8 Mt

Jan-Jul 2026
 -8.1%
29.6 Mt

The latest figures point to a softer year for Middle East steelmaking. Both monthly and year-to-date crude steel production are below the corresponding periods of 2025, suggesting that the decline extends beyond a single month's performance. With the region continuing to invest heavily in infrastructure, energy and industrial projects, the direction of steel production in the coming months will be an important indicator to watch.

Crude Steel Production

y-o-y growth rates (%) million tonnes

Regions	July 2026	Jan-July 2026
Africa	2.0	14.6
Asia and Oceania	109.4	799.6
European Union (27)	10.5	76.0
Other Europ	3.7	25.7
Middle East	3.8	29.6
North America	9.6	65.9
Russia & Other CIS (4) + Ukraine	6.7	45.5
South America	3.6	24.1
World	149.2	1081.2

STEEL MARKET & PRICE SNAPSHOT

Global benchmarks | First week of September 2026

Market prices across key steel products and raw materials moved higher during the first week of September, according to the Arab Iron and Steel Union (AISU). The strongest weekly increase among the reported benchmarks was recorded in CIS billet delivered to Turkey, while Russian HRC prices remained unchanged.

01 | RAW MATERIALS

Material	Market/ Basis	Price	WoW
HMS 1 & 2 Scrap (80:20)	USA -> Turkey, CFR	\$ 380/t	+ \$ 5
Iron Ore, 62% Fe	Australia, CFR	\$ 100/t	+ \$ 1

02 | SEMI- FINISHED STEEL

Product	Market/ Basis	Price	WoW
Billet	Russia, FOB	\$ 460-470/t	+ \$ 3
Billet	China, FOB	\$ 465-475/t	+ \$ 8
Billet	CIS -> Turkey, CFR	\$ 510-520/t	+ \$ 13

CIS billet delivered to Turkey recorded the largest weekly increase among the benchmarks tracked by AISU, rising by \$13/t to \$510–520/t. Chinese billet increased by \$8/t, while Russian billet rose by \$3/t.

03 | FINISHED STEEL

Product	Market/ Basis	Price	WoW
Rebar	Turkey, FOB	\$ 595-610/t	+ \$ 5
Wire Rod	Turkey, FOB	\$ 600-625/t	+ \$ 5
HR Coil	Russia, FOB	\$ 500-510/t	No Change
CR Coil, 1mm	China, FOB	\$ 545-555/t	+ \$ 5

AISU reports that Turkish rebar and wire rod prices each increased by \$5/t during the week. Russian HRC was the only benchmark in the table with no week-on-week movement, while Chinese 1 mm CR coil increased by \$5/t.

WHAT THE NUMBERS TELL US

The first week of September points to a broad-based upward movement across the steel value chain. Scrap and iron ore prices edged higher, while billet markets recorded more pronounced gains, particularly CIS billet supplied into Turkey. Finished long products also strengthened, with Turkish rebar and wire rod both moving up by \$5/t. Flat steel markets were more mixed, with Russian HRC unchanged while Chinese CR coil increased

REGIONAL REFERENCE FOR MIDDLE EAST STEEL

While AISU's September 5 price table does not provide a comparable set of domestic Middle East prices, its benchmarks offer useful reference points for steelmakers, traders and buyers across the region. Turkey's rebar, wire rod and billet markets are particularly relevant as regional trading indicators, while iron ore and scrap provide upstream reference points.

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