2024

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# Steel Market Overview and Demand Projection

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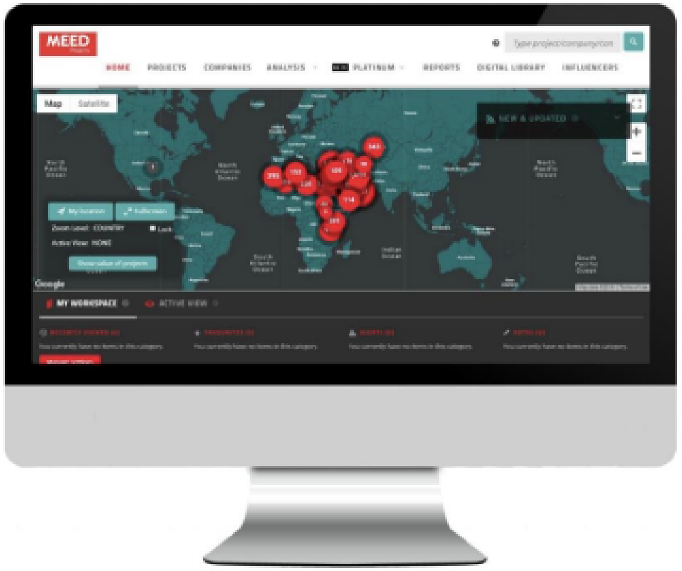
## MEED Projects

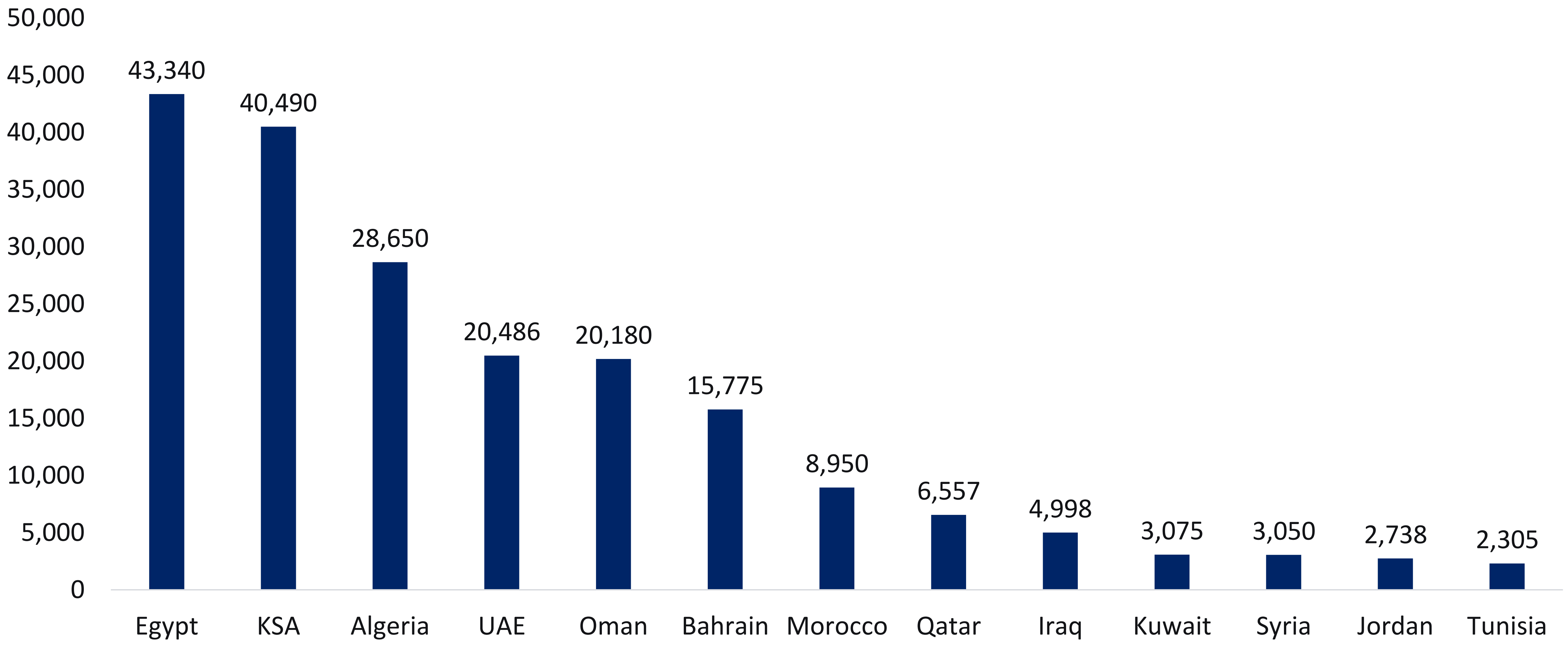


# MENA Steel Production At A Glance

## Biggest Producers

Egypt edges out Saudi Arabia as having the highest iron and steel production capacity in the MENA region, followed by Algeria, with population, access to iron ore reserves and cheap energy production being the principal underlying factors. Total production capacity in the region is about 3% of the world total

### Total Iron and Steel Products Production Capacity by Country, 2022 ('000/tonnes)

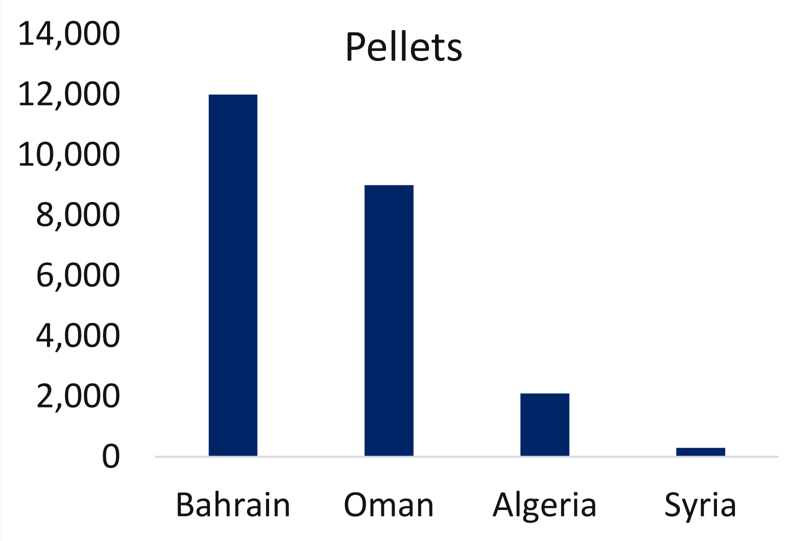


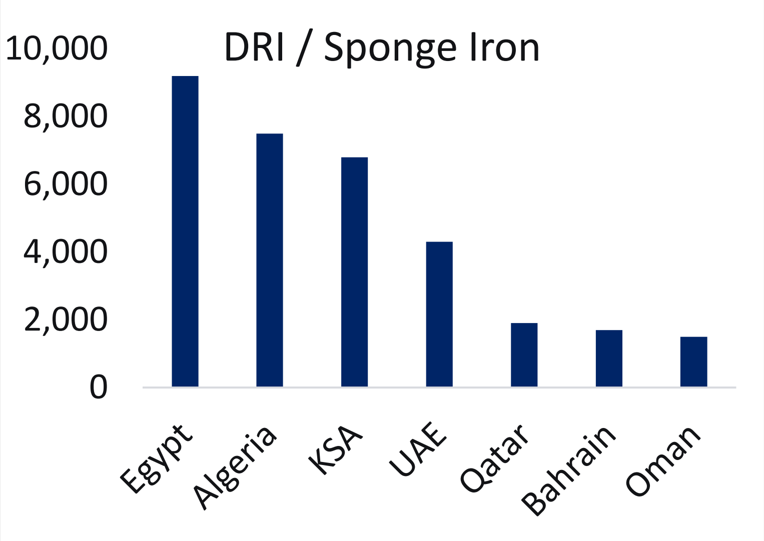

Source: World Steel Association

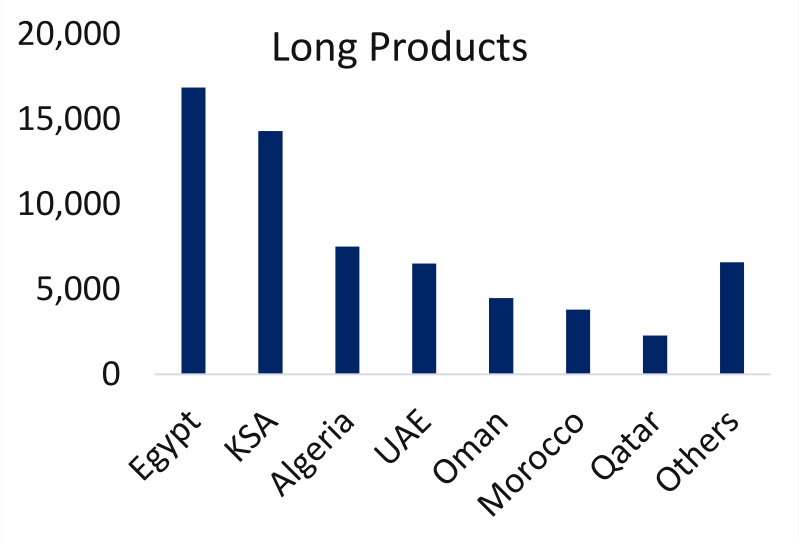
# Products

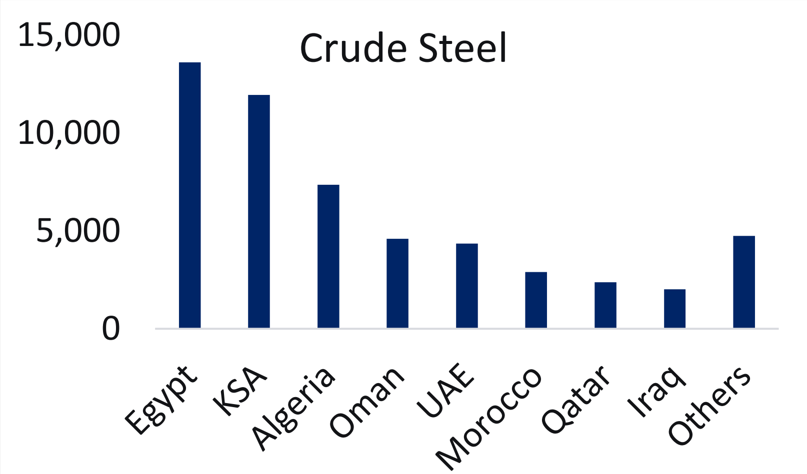
Only two MENA states – Bahrain and Oman – have significant pelletising capacity. On the other hand, thanks to its plentiful gas reserves, the region produces about 46% of the world's DRI. For most finished or intermediate products, Egypt, Saudi Arabia and Algeria are the main producers, themselves having some of the most significant demand as well as iron ore reserves

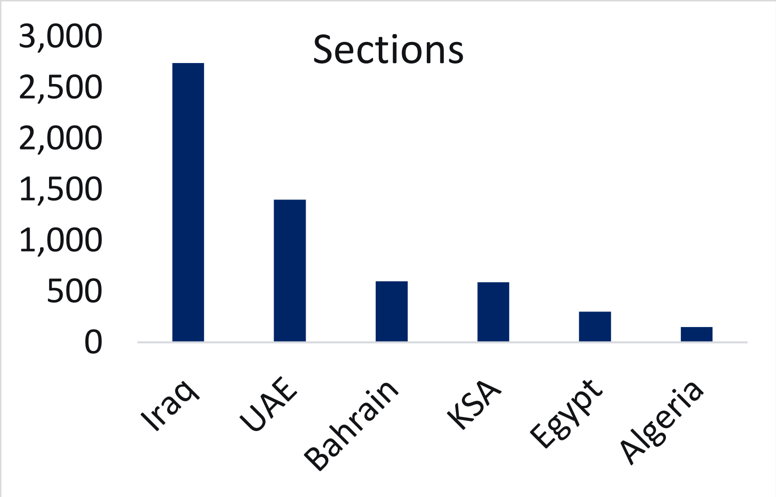
## MENA Total Iron and Steel Products Production Capacity by Type, 2022 ('000 tonnes)

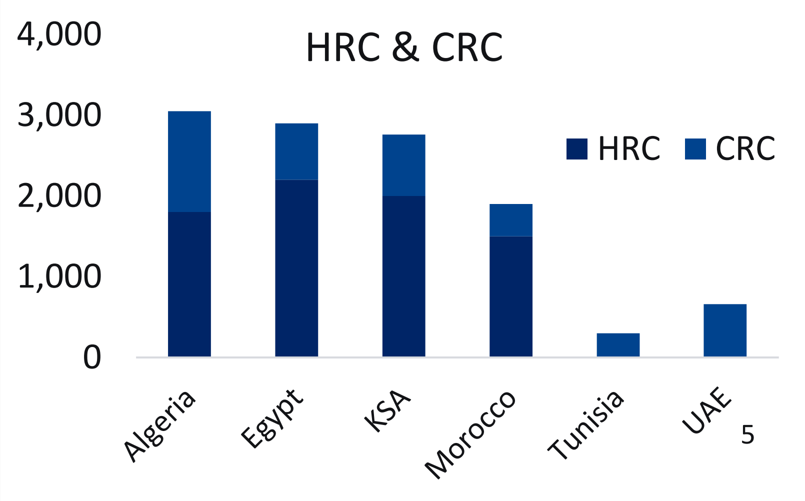



Source: NCSI

# Products

SABIC and EZZ Steel vie for first place in terms of total production capacity across the production value chain, although Turkey's Tosyali is catching up thanks to its investments in Algeria which are set to go further over the next 2 years. ESI and Qatar Steel are other notable producers

## MENA Total Iron and Steel Manufacturers by Product, 2022 ('000 tonnes)

### Top Crude Steel Producers

| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| KSA | SABIC | 5,800 |
| Egypt | EZZ Steel | 5,300 |
| Algeria | Tosyali Holding | 3,800 |
| Egypt | Beshay Steel | 3,800 |
| UAE | Emirates Steel Industries | 3,600 |
| Qatar | Qatar Steel | 2,265 |
| Algeria | Algerian Qatari Steel | 2,200 |
| Egypt | Suiz Steel Co. (Solb Misr) | 2,100 |
| KSA | Al Tuwairqi Holding Group | 2,000 |
| Oman | Jindal Shadeed Iron & Steel | 2,000 |
| Egypt | Egyptian Steel Group | 1,700 |
| Bahrain | United Sulb Company | 1,200 |
| Kuwait | KWTSTEEL | 1,200 |
| Oman | Moon Iron & Steel Company | 1,200 |
| Morocco | Maghreb Steel | 1,200 |
| KSA | Al Rajhi Steel Industries | 1,000 |
| KSA | Solb Steel | 1,000 |

### Top DRI/Sponge Iron Producers

| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| KSA | Saudi Basic Industries Corporation (SABIC) | 5,300 |
| Egypt | EZZ Steel | 5,100 |
| Algeria | Tosyali Holding | 5,000 |
| UAE | Emirates Steel Industries | 4,300 |
| Algeria | Algerian Qatari Steel | 2,500 |
| Egypt | Suiz Steel Co. (Solb Misr) | 2,100 |
| Egypt | Beshay Steel | 2,000 |
| Qatar | Qatar Steel | 1,900 |
| Bahrain | United Sulb Company | 1,700 |
| KSA | Al Tuwairqi Holding Group | 1,500 |
| Oman | Jindal Shadeed Iron & Steel | 1,500 |

### Top Long Products Manufacturers

| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| Egypt | EZZ Steel | 4,700 |
| KSA | Saudi Basic Industries Corporation (SABIC) | 4,000 |
| Algeria | Tosyali Holding | 3,200 |
| KSA | Al Tuwairqi Holding Group | 3,000 |
| UAE | Emirates Steel Industries | 2,610 |
| Egypt | Suiz Steel Co. (Solb Misr) | 2,200 |
| Algeria | Algerian Qatari Steel | 2,000 |
| Egypt | Beshay Steel | 2,000 |
| KSA | Al Rajhi Steel Industries | 2,000 |
| KSA | Other Producers (KSA) | 2,000 |
| Egypt | Egyptian Steel Group | 1,750 |
| Egypt | Other Producers (Egypt) | 1,500 |
| Qatar | Qatar Steel | 1,400 |
| Oman | Jindal Shadeed Iron & Steel | 1,400 |

### Top Pelletizers

| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| Bahrain | Bahrain Steel | 12,000 |
| Oman | Vale Oman | 9,000 |
| Algeria | Le Group IMETAL | 2,100 |
| Syria | EMAAR Industries (Hmisho Steel) | 300 |

### Top Sections Manufacturers

| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| Iraq | Mass Global Investment | 1,250 |
| UAE | Emirates Steel Industries | 1,000 |
| Bahrain | United Sulb Company | 600 |
| Iraq | FF Steel | 500 |
| KSA | United Sulb Company (SULB) | 450 |

### Top HRC and CRC Manufacturers

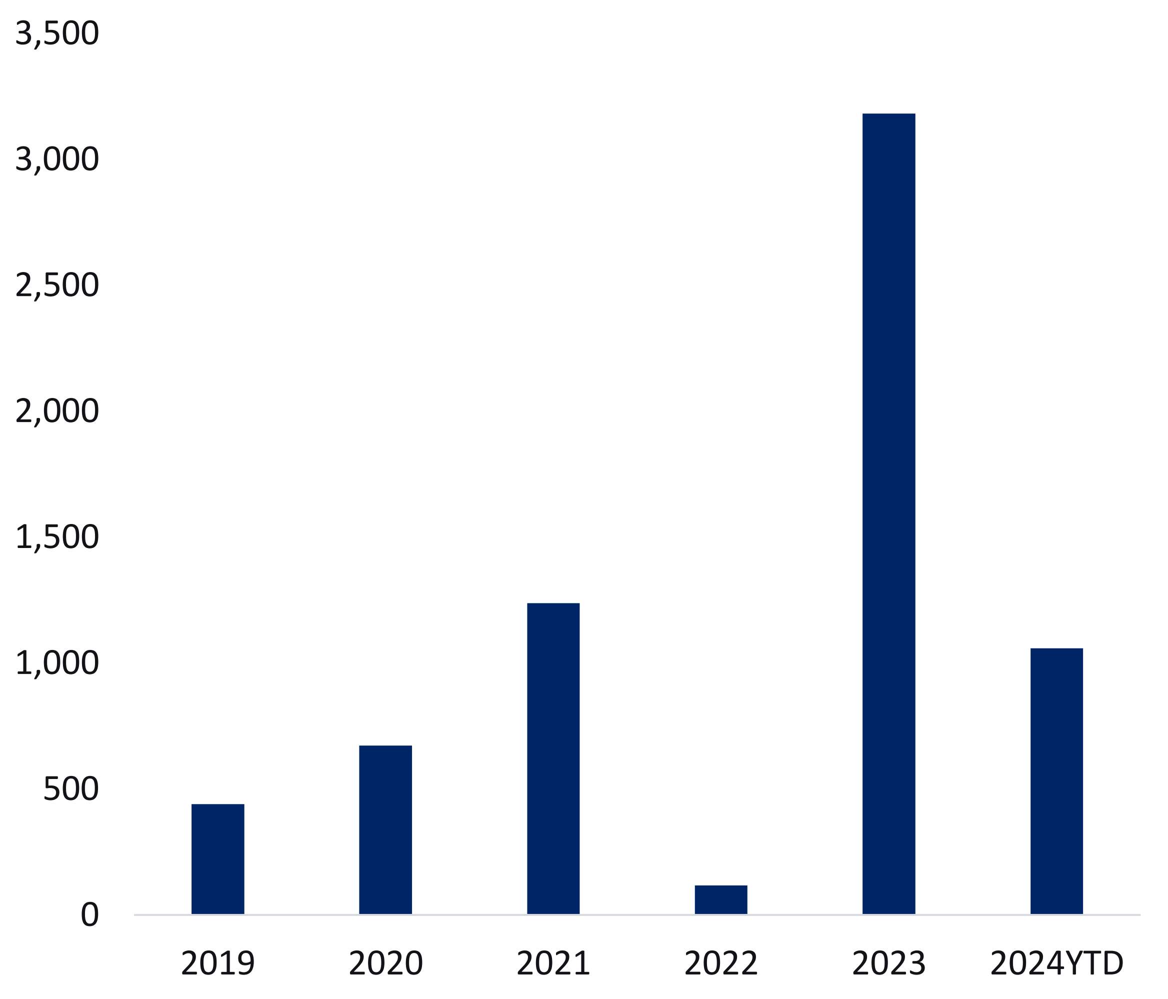
| Country | Company | Capacity ('000 t/y) |
|---|---|---|
| Algeria | Le Group IMETAL | 3,050 |
| KSA | Saudi Basic Industries Corporation (SABIC) | 2,420 |
| Egypt | EZZ Steel | 2,200 |
| Morocco | Maghreb Steel | 1,900 |

Source: NCSI

# Capital Investment

The past five years have seen some notable investments in new steel production capacity across MENA, including the first green steel plant in Oman, with a second coming soon in Abu Dhabi. Also notable to the large Chinese investment coming into the region

## MENA Investment in New Steel Production Capacity 2019-2024YTD ($m)




Source: MEED Projects

## Selected MENA New Steel Production Capacity Completed or Under Construction 2019-24

| Project | Country | Capacity | Output |
|---|---|---|---|
| Vulcan Pelletizing - Green Steel Plant | Oman | 3 million t/y | Plate, HRC, CRC |
| Tosyali Algeria - Integrated Steel Plant Phase IV | Algeria | 4 million t/y | Flat products |
| Dana Steel - Hot and Cold Rolling Steel Complex (Plot No : KHIA418E) | UAE | 500,000 t/y | HRC, CRC |
| DSM - Cast Iron and Steel Cast Foundry | Egypt | 10,000 t/y | Cast iron |
| SCZONE - Hot-Rolled Coil Plant | Egypt | 2 million t/y | HRC |
| Kurdistan Regional Government - Erbil Steel Factory | Iraq | 750,000 t/y | Structural steel |
| Al Douh Iraqi - Thermo-Mechanical Treated (TMT) Rebars Rolling Mill | Iraq | 500,000 t/y | Rebar |
| Xinxing DIPC - Production Facility for Cast Iron and Steel Products: Phase 1 | Egypt | 250,000 t/y | Pipes |
| Dussur/SeAH - Stainless Steamless Pipe and Tube Production Plant | Saudi Arabia | 20,000 t/y | Seamless pipe |
| Embosal - Steel Pipe Plant in Ras Al Khaimah Economic Zone | UAE | 1.5 million t/y | Pipe and Tubes |

## Selected Planned MENA New Steel Production Projects

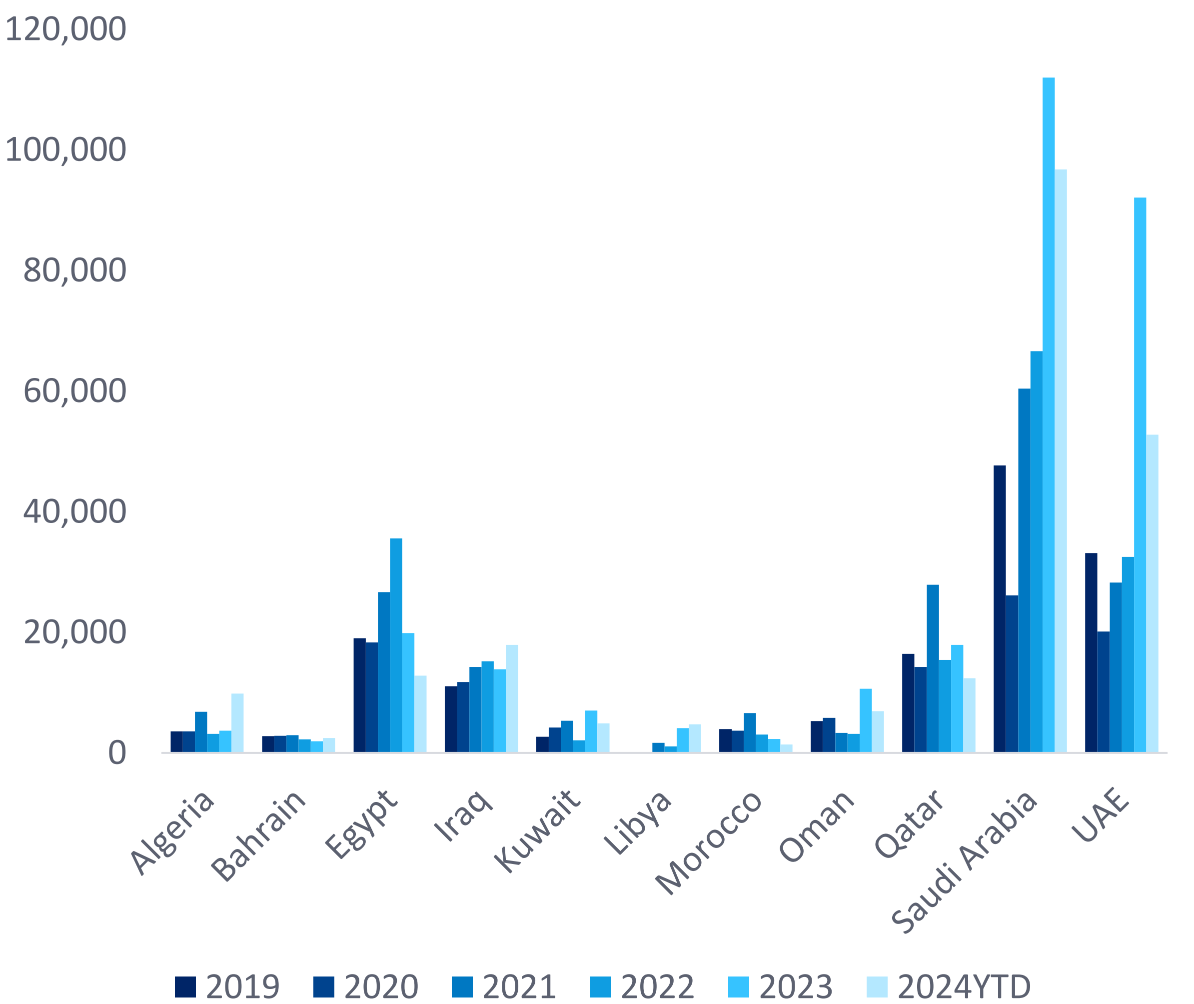
| Project | Country | Capacity | Output |
|---|---|---|---|
| Essar - Integrated Flat Steel Complex in Ras Al-Khair | Saudi Arabia | 7.5 million t/y | HRC, CRC, DRI |
| Saudi Aramco/Baosteel/ PIF - Integrated Steel Plate Manufacturing Facility | Saudi Arabia | 1.5 million t/y | Plate |
| TAQA/ESI - Green Steel Manufacturing Plant | UAE | TBC | TBC |
| Xinxing Ductile Iron Pipe Company - Production Facility for Steel Products | Egypt | 250,000 | Pipes |
| JO Steel Holdings PLC - Steel Billets Manufacturing Plant | Saudi Arabia | 1.8 million t/y | Billets |
| Delong - Steel Manufacturing Facilities | Saudi Arabia | 10 million t/y | TBC |
| Shumookh Investment and Services - Oman Steel Plant Development | Oman | 400,000 t/y | Billets |

# Recent Market Performance

# 2024 Performance

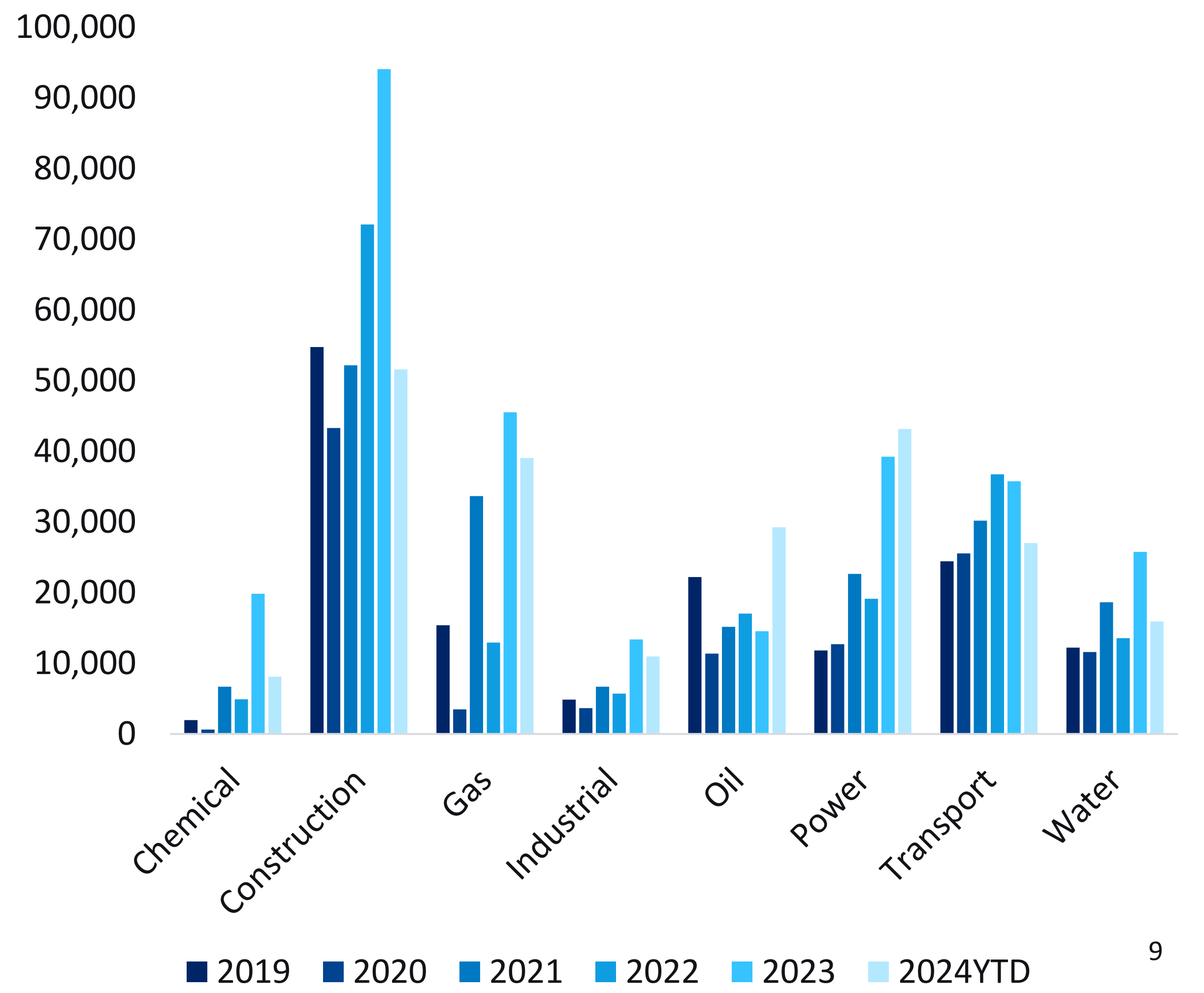
Last year's projects market blew everything out of the water, with the highest annual value of project contracts ever awarded and far in excess of the previous 2014 record and more than double the previous year. Data for this year suggests this trend is likely to continue

**MENA Contract Awards, 2019-2024 YTD ($m)**




Source: MEED Projects

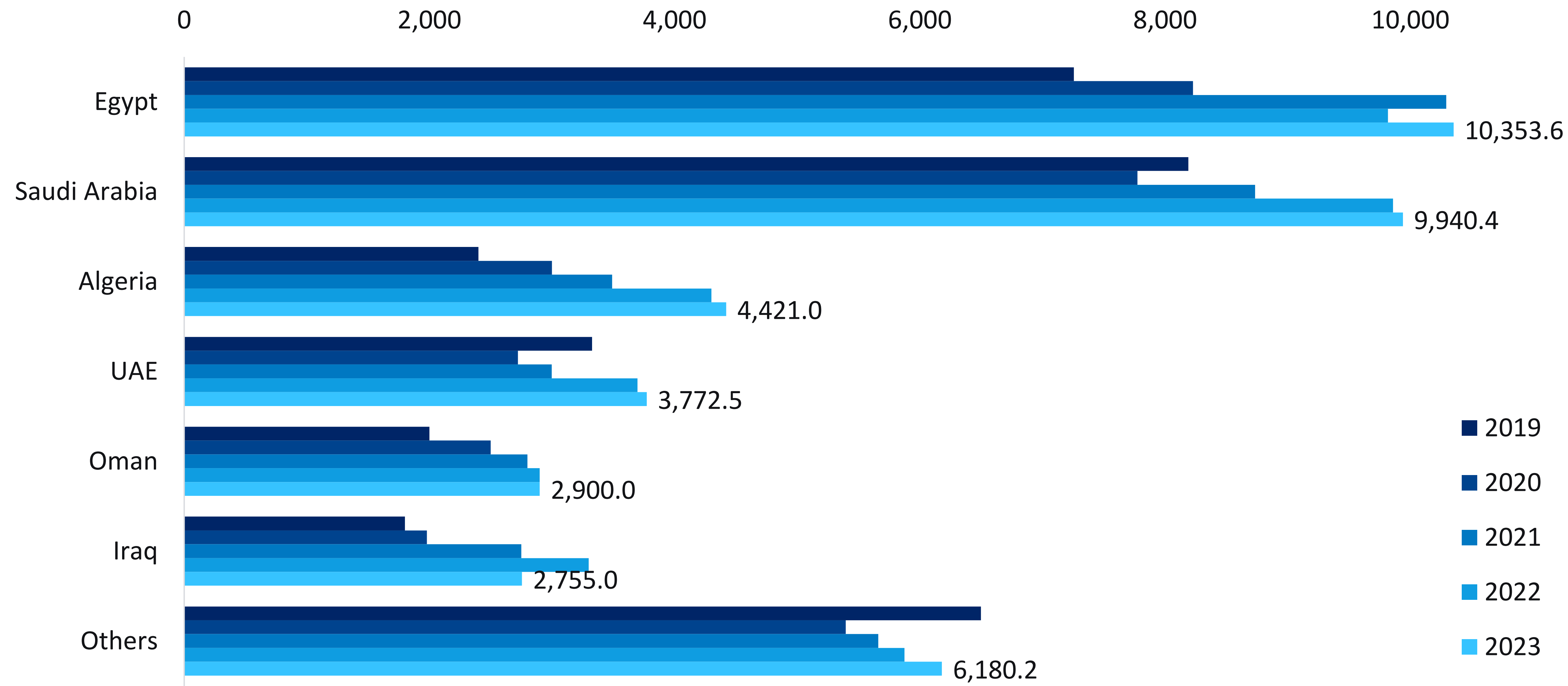
**MENA Contract Awards, 2019-2024 YTD by Sector ($m)**



# Production

Actual output has been growing since 2019 in line with robust economic growth and higher oil prices which have stimulated infrastructure spending. However, at about 40 million tonnes, actual crude steel production is some below the region’s 54 million tonnes capacity.

## MENA Crude Steel Production, 2019-23 (‘000 tonnes)

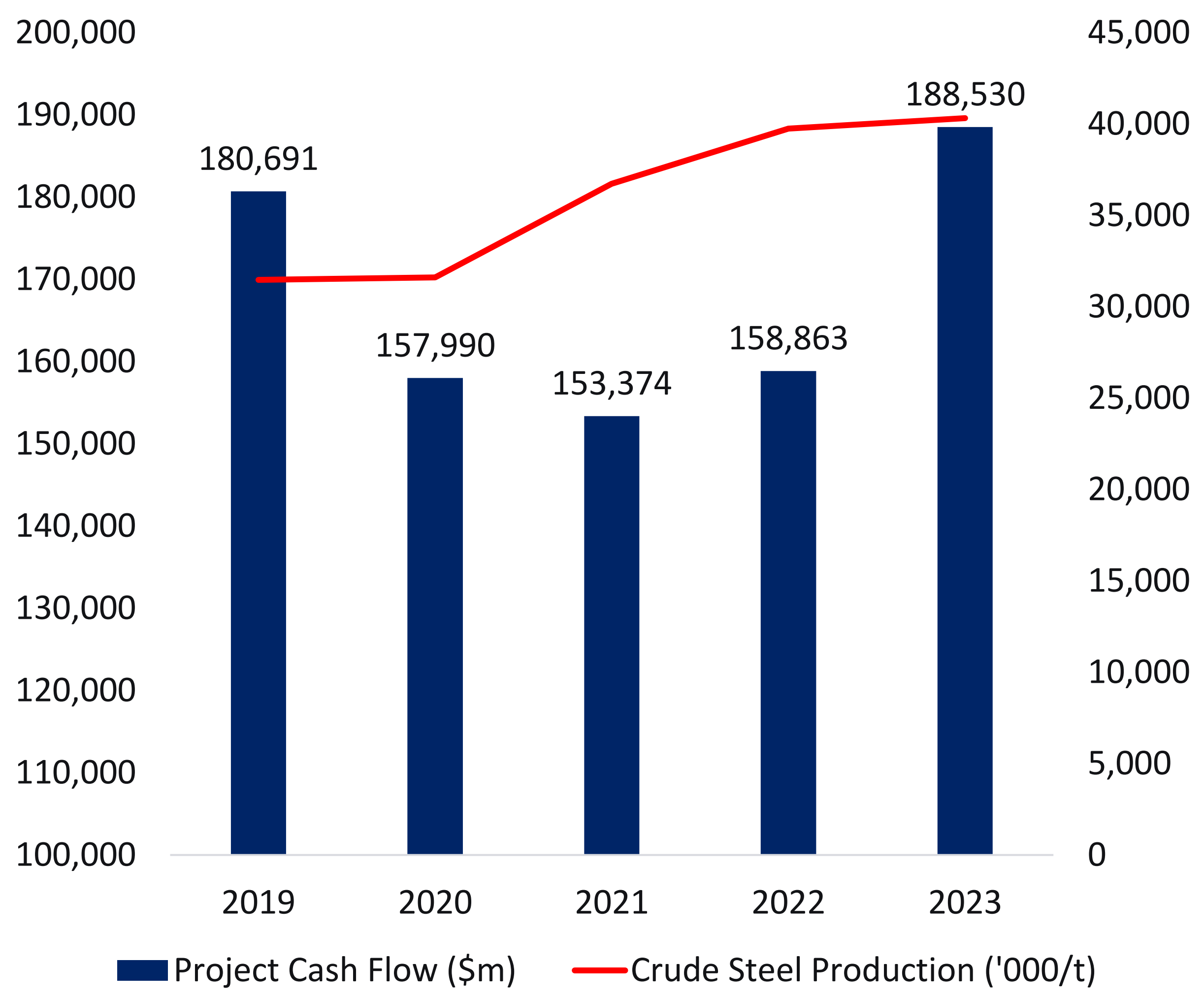



Source: World Steel Association

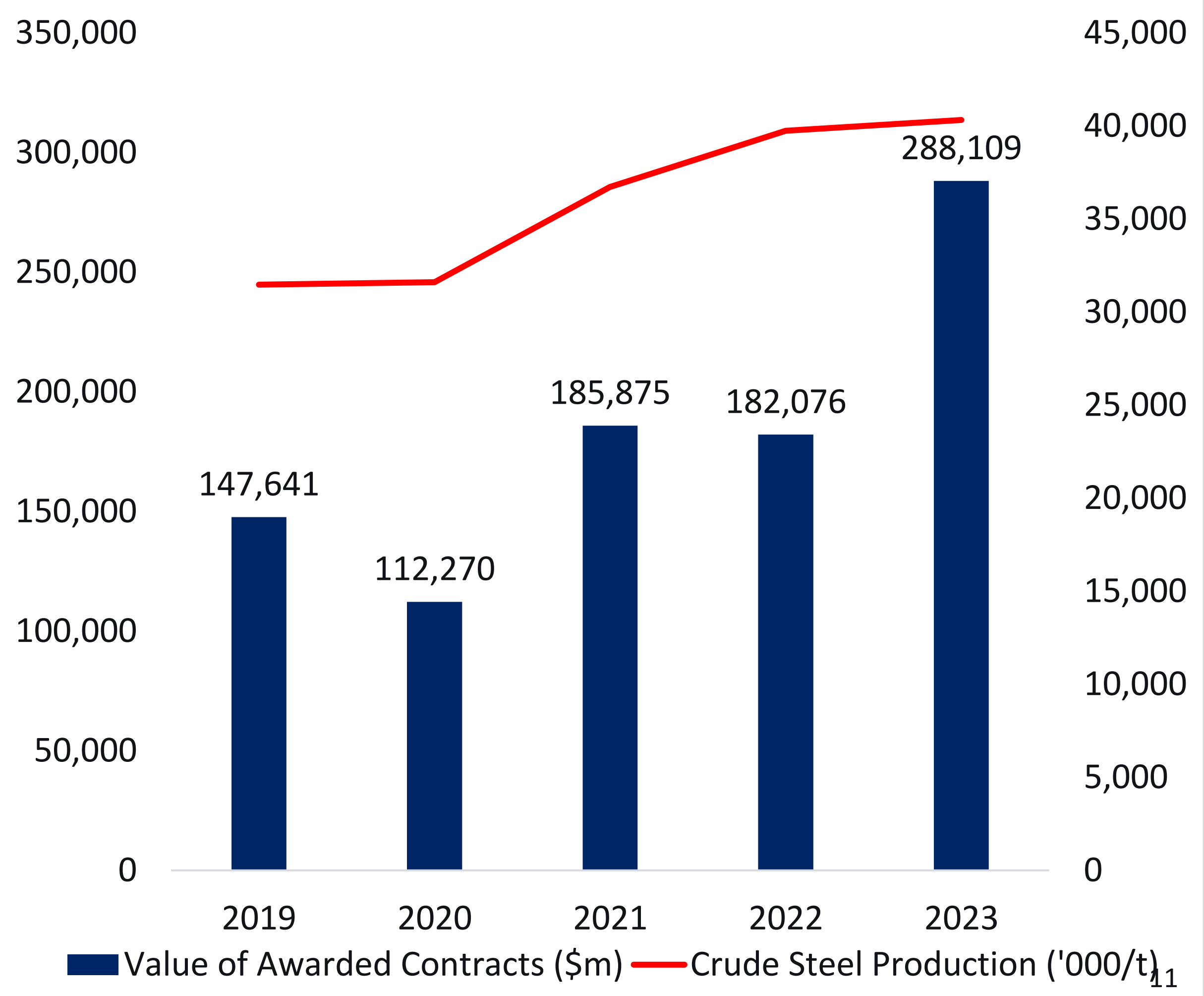
# MENA Steel Demand

While there is a natural link between projects activity and steel production in the region, it is hard to correlate. There tends to be a lag between contract awards and steel requirements on projects, typically 6-18 months which would indicate that full impact of last year's record numbers will only be felt this year and next

## MENA Projects Expenditure ($m) vs Crude Steel Production 2019-23 ('000/t)




## MENA Project Awards ($m) vs Crude Steel Production 2019-23 ('000/t)

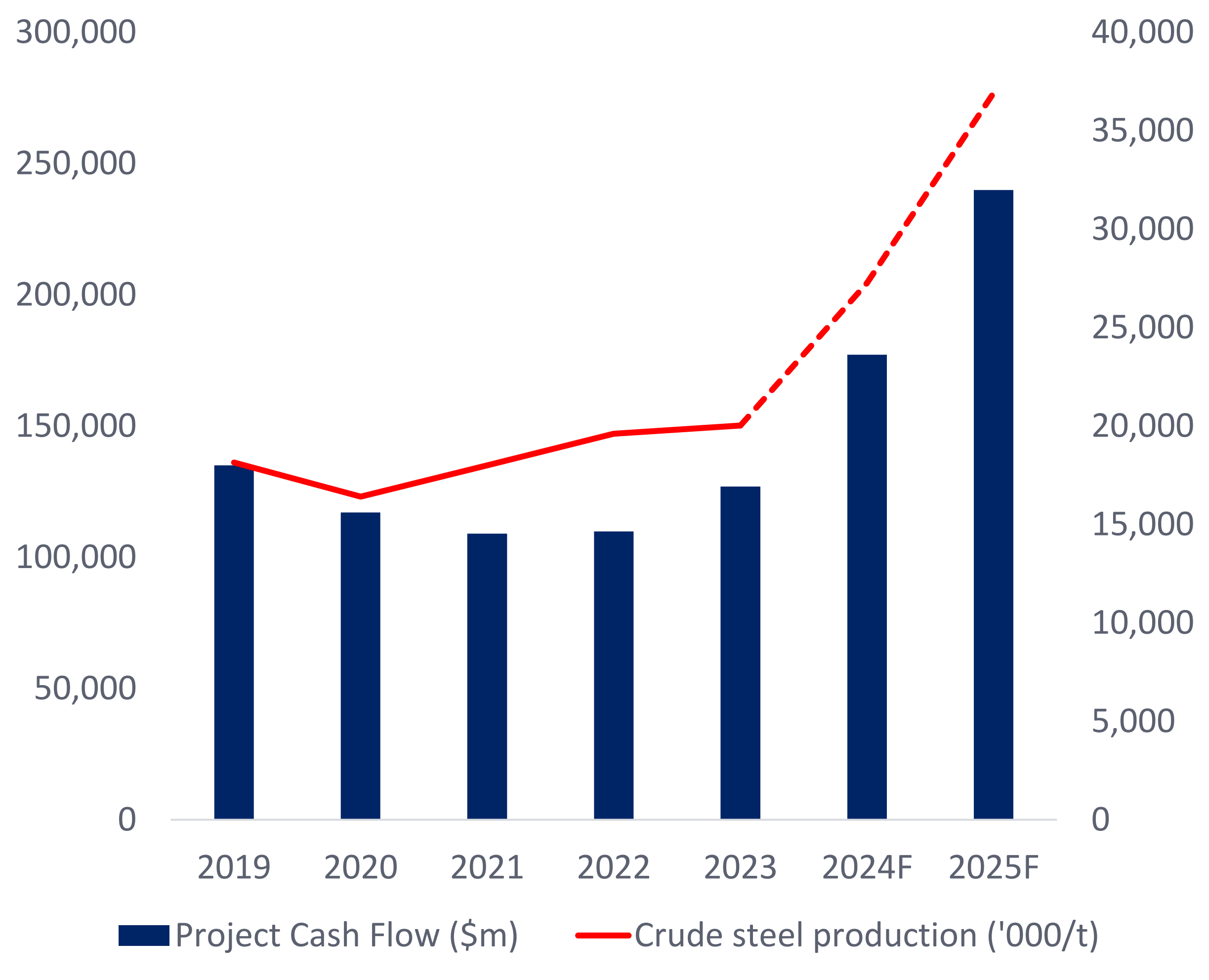



Source: MEED Projects

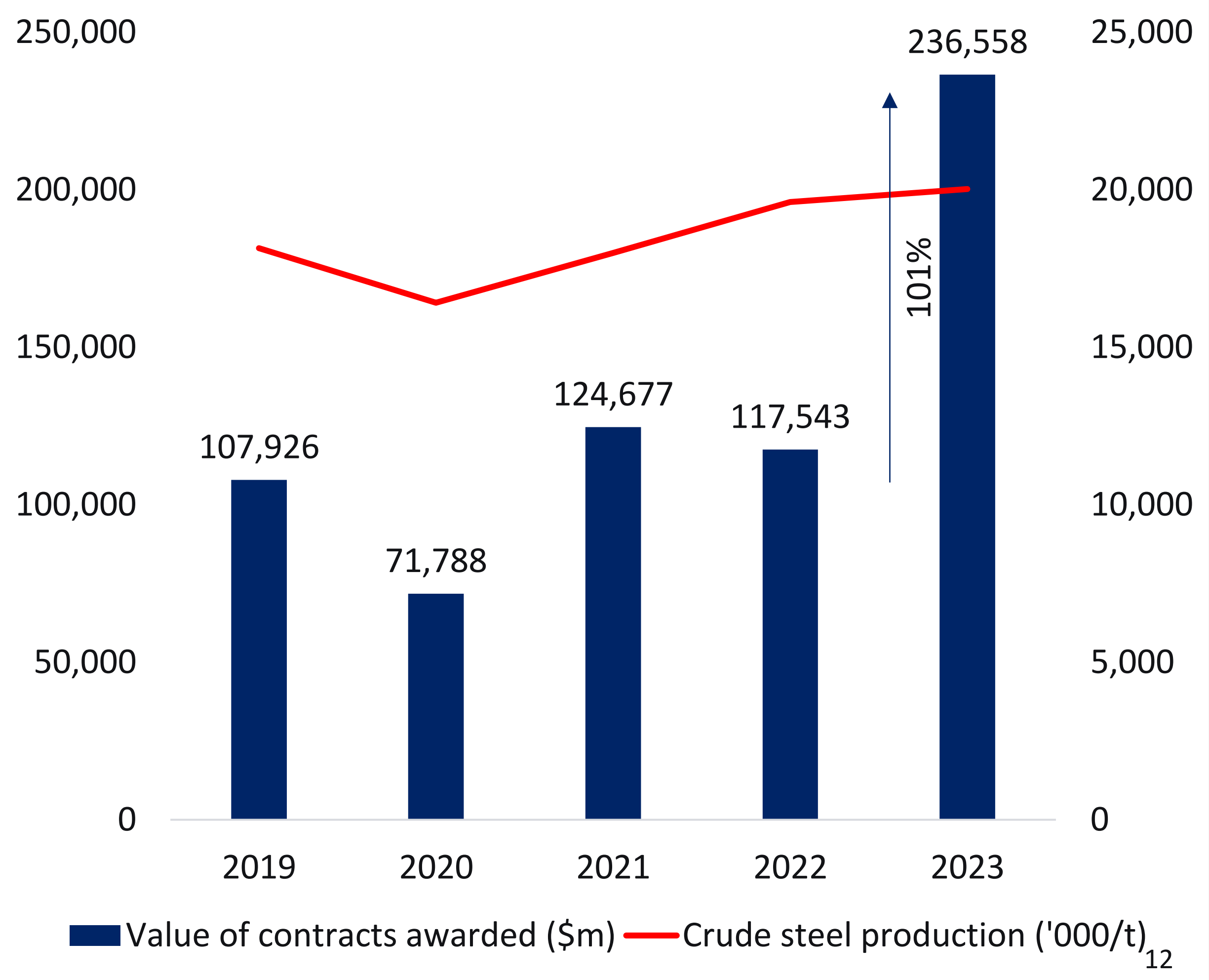
# GCC Steel Demand

Based on historical ratios between project spending and crude steel production, there is the potential for a near doubling in demand over the next two years in the GCC in particular where capital expenditure growth has been strongest

## GCC Projects Expenditure ($m) vs GCC Crude Steel Production 2019-23 ($m)




## GCC Project Awards ($m) vs GCC Crude Steel Production 2019-23 ($m)

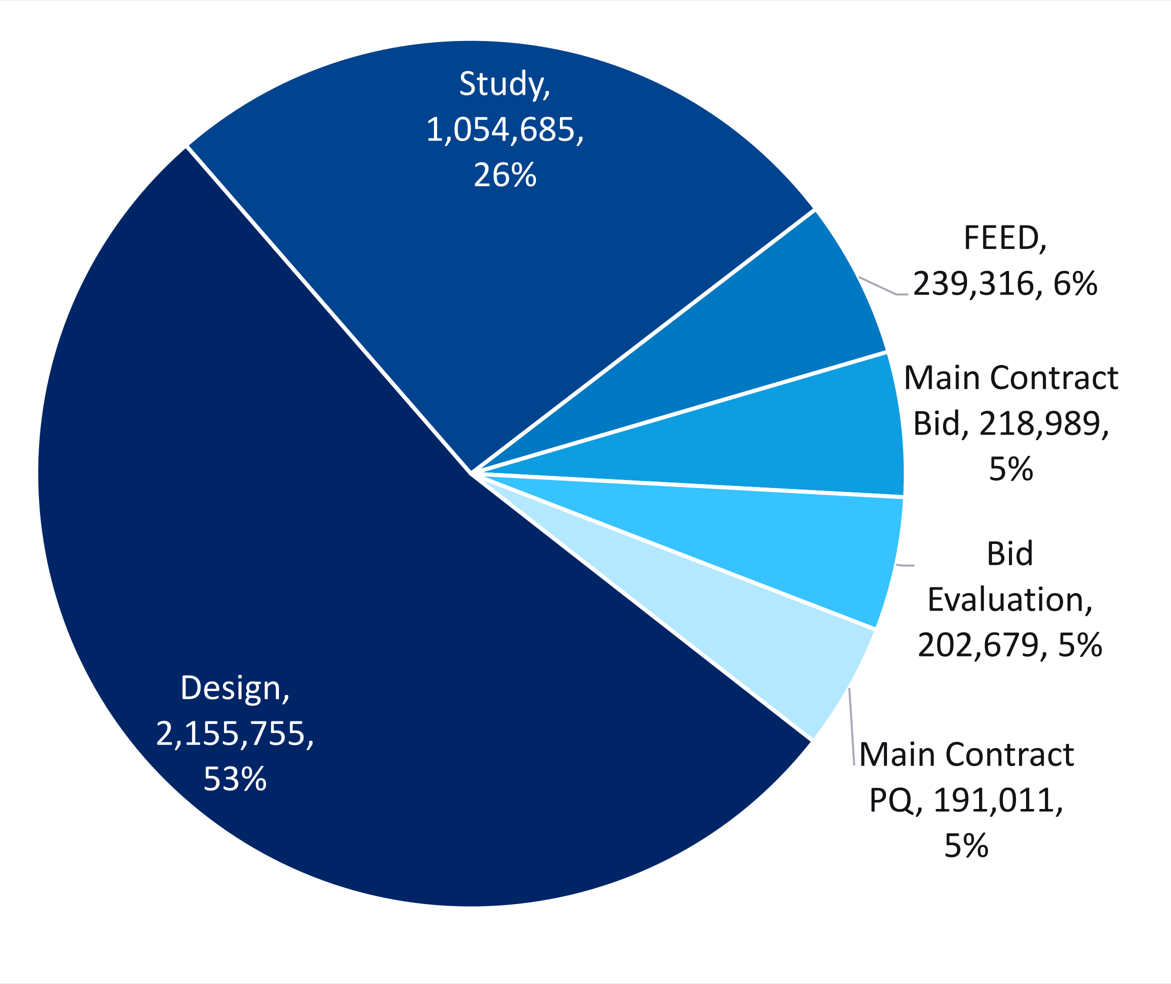



Source: MEED Projects

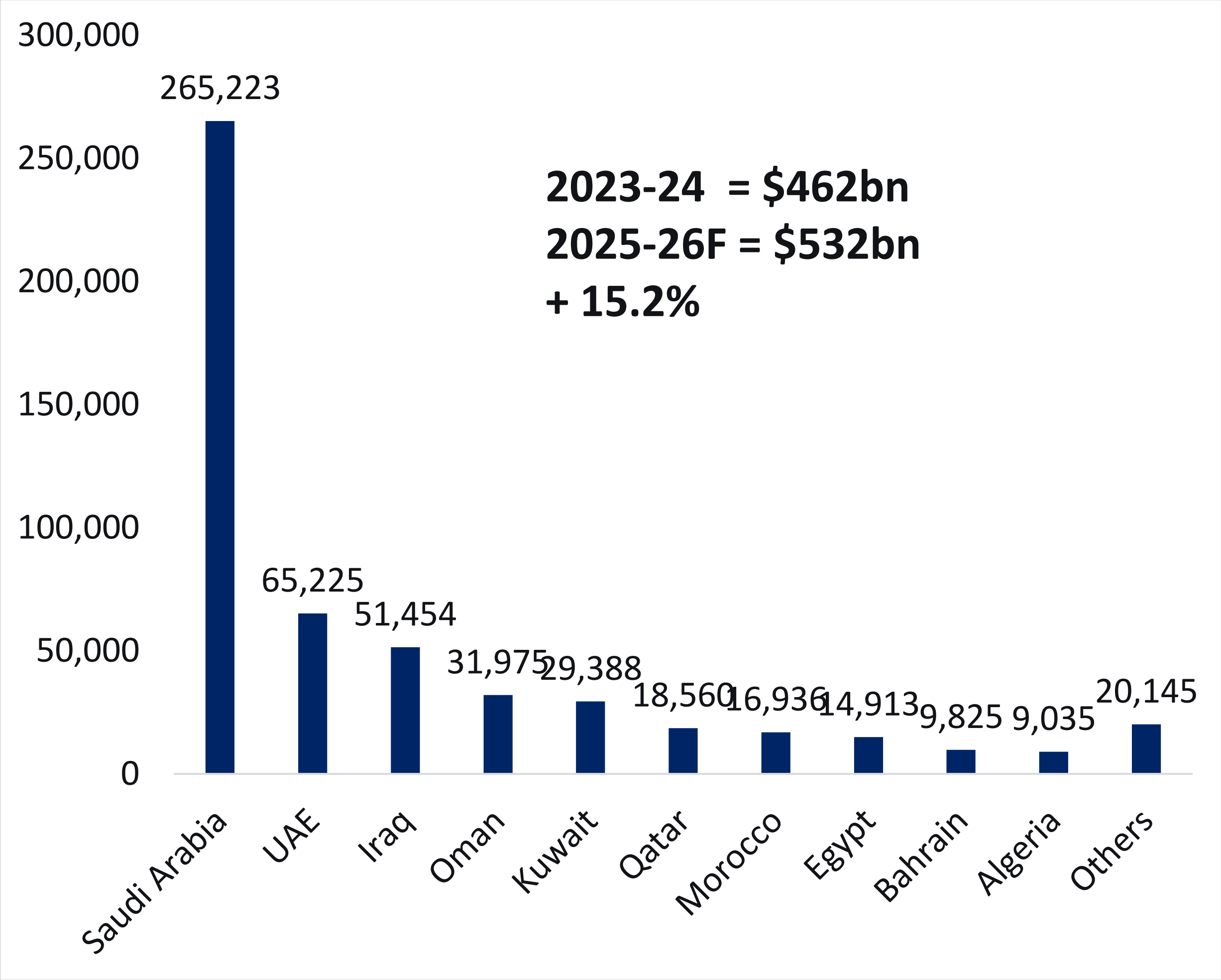
# Short-Term Outlook

There are approximately $530bn worth of project contracts out in the market today, which would be typically expected to be awarded over the next 18 months. If so, this would mark an increase of 15% on the on $462bn of work awarded in 2023-24

**MENA Projects Pipeline by Project Status ($m)**




**Implied 18-24 Month Contract Award Pipeline ($m)**




Source: MEED Projects

# Top Contracts Under Bid

There are thousands of projects currently out to bid in the market across a range of sectors and countries all requiring various amounts of steel

| Top Selected MEED Projects at Tender or Bid Evaluation Stage | | |
|---|---|---|
| **Project** | **Country** | **Estimated Value ($m)** |
| KSIAD - King Salman International Airport in Riyadh | Saudi Arabia | 24,100 |
| TotalEnergies/QatarEnergy/National Oil Company/BOC - Gas Growth Integrated Project (GGIP) | Iraq | 20,500 |
| Grand Blue City Development - Al Madina Al Zarqa (Blue City): Phase 1 | Oman | 14,869 |
| Diriyah Company - Boulevard Community | Saudi Arabia | 10,860 |
| NEOM - NEOM City: Community Villages: Wave 2 | Saudi Arabia | 8,000 |
| DAL Group/AD Ports - New Red Sea Port | Sudan | 6,000 |
| MoO - Nasiriya Integrated Project: Refinery Package | Iraq | 6,000 |
| KA-CARE - Nuclear Power Reactor: 2800MW Package 1 | Saudi Arabia | 6,000 |
| MOT - Bahrain Integrated Public Transport Network | Bahrain | 5,900 |
| ONCF - Marrakech-Agadir High Speed Railway Line | Morocco | 5,600 |
| Taziz - Taziz Industrial Chemicals Zone - Phase II | UAE | 5,000 |
| RTA - Dubai Metro: Blue Line | UAE | 4,900 |
| SWPC - Jizan Water Transmission Line and IWP | Saudi Arabia | 4,597 |
| MWI - Aqaba-Amman Water Desalination and Conveyance (AAWDCP) | Jordan | 4,200 |
| KAPP/ MEW, Kuwait - Al Zour North IWPP: Phase 2 and 3: Power and Water Desalination Plant | Kuwait | 4,000 |
| Saudi MOT/Ministry of Transportation, Bahrain - King Hamad Causeway | Saudi Arabia | 4,000 |
| QatarEnergy LNG - North Field Production Sustainability: Phase 2: Scope D | Qatar | 4,000 |
| National Grid - Battery Energy Storage Systems 2500 MW | Saudi Arabia | 3,700 |
| Saudi Aramco/Baosteel/ PIF - Integrated Steel Plate Manufacturing Facility | Saudi Arabia | 3,185 |
| EWEC - Taweelah C Combined Cycle Gas Turbine (CCGT) IPP 2500 MW | UAE | 3,000 |
| RCRC - Riyadh Metro: Line 7: Phase 1 | Saudi Arabia | 3,000 |
| SPPC - Renewable Energy Program: Round V 3700MW | Saudi Arabia | 3,000 |
| Kahramaa - Facility E IWPP 2300 MW | Qatar | 3,000 |
| NEOM - Renewable Energy Programme Phase 1: Solar Power Plant 3,000MW | Saudi Arabia | 3,000 |

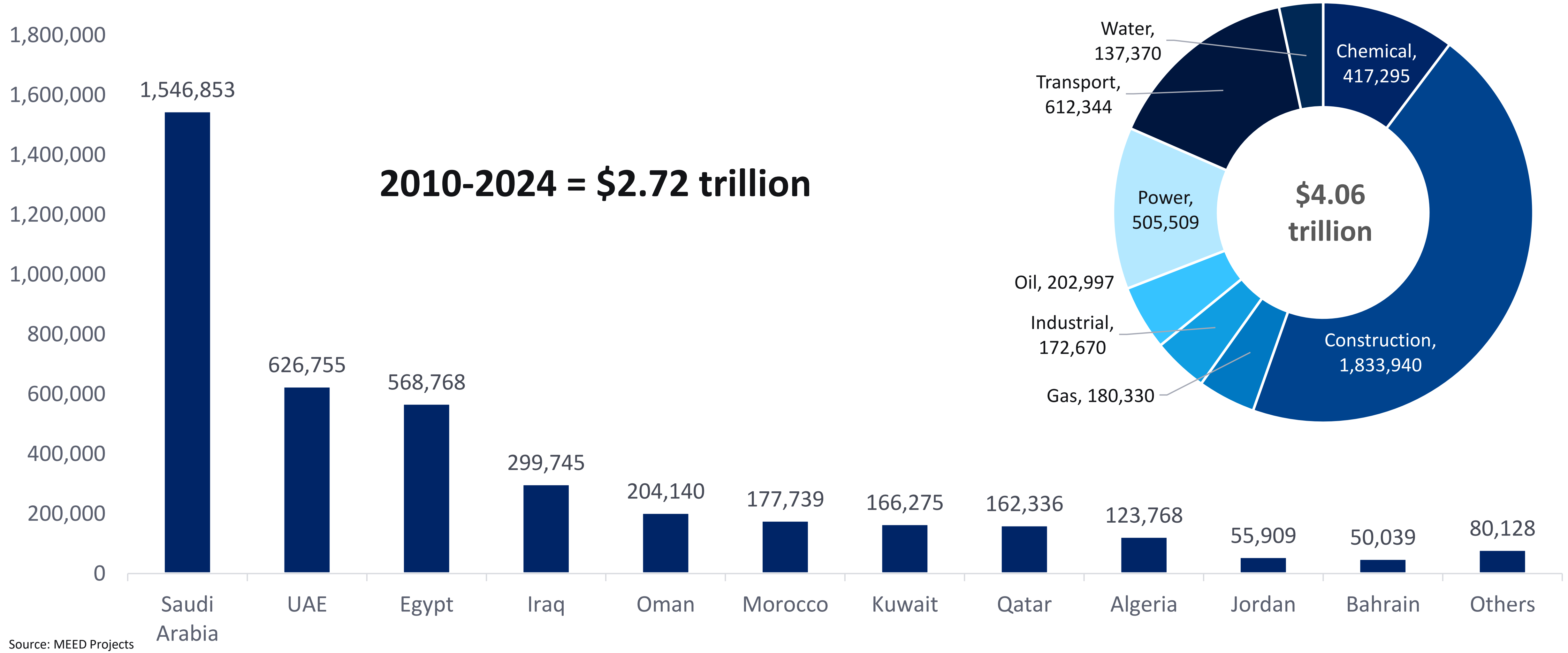
Source: MEED Projects

# Long-Term Outlook

# Longer-Term Projects Pipeline

There are just over $4 trillion of known, planned and un-awarded projects in the MENA region likely to be awarded over the next 10-15 years. This number compares favourably to the $2.72 trillion worth of work awarded over the previous 15 years

**Value of known, planned and un-awarded MENA projects ($m)**




Source: MEED Projects

# Top Longer-Term Projects

A skim of the longer-term projects in the region highlights some very significant opportunities across the board. Most notably is the emergence of a green hydrogen industry which is expected to energise the steel sector

**Top Selected Longer-Term MENA Projects**

| Project | Country | Estimated Value ($m) |
|---|---|---|
| NEOM - NEOM City | Saudi Arabia | 417,964 |
| New Murabba Development Co - The New Murabba | Saudi Arabia | 33,560 |
| SHAEMS - Renewable Energy Program 22,000 MW | Algeria | 26,996 |
| AtomStroyExport - El Dabaa Nuclear Power Plant 4,800 MW | Egypt | 26,248 |
| MoT, Iraq - High Speed Railway Network: Eastern Route | Iraq | 18,600 |
| ADNOC Offshore - Upper Zakum Full Field Development | UAE | 15,677 |
| QatarEnergy LNG - NFED: LNG Processing Trains (EPC 1) | Qatar | 15,500 |
| MIEM - Tunisia Green Hydrogen Program 12,000 MW | Tunisia | 15,000 |
| MoE, Iraq - Gas-Fired Power Plants Program 11 GW | Iraq | 13,820 |
| Sonatrach/NNPC - Trans Saharan Gas Pipeline | Algeria | 13,000 |
| BP/Hassan Allam/Infinity Power/Masdar - Green Hydrogen and Ammonia Plant in Ain Sokhna: Phase 1 | Egypt | 12,900 |
| ONHYM/NNPC - Nigeria Morocco Gas Pipeline: Onshore | Morocco | 12,500 |
| ONHYM/NNPC - Nigeria Morocco Gas Pipeline: Offshore | Morocco | 12,500 |
| Xlinks - Morocco-UK Power Interconnection: 7,000 MW Solar Power Plant | Morocco | 12,000 |
| QatarEnergy - North Field West Development | Qatar | 12,000 |
| ACME Cleantech - Ain El Sokhna Hydrogen Project | Egypt | 12,000 |
| DGCA - North Kuwait Airport | Kuwait | 12,000 |
| DAI Infrastructure - Ra Project: Green Ammonia Facility | Egypt | 11,000 |
| Globaleq - Green Fuel Production Plant | Egypt | 11,000 |
| MoT, Iraq - High Speed Railway Network: Western Route | Iraq | 10,800 |
| Total Eren - Hydrogen & Green Ammonia Plant in Guelmim | Morocco | 10,690 |
| Jedco - King Abdulaziz International Airport: New Passenger Terminal (Terminal 2) | Saudi Arabia | 10,000 |
| Feraal - Gara Djebilet Mine | Algeria | 10,000 |
| RCJY - Smelting and Rolling Aluminium factory | Saudi Arabia | 10,000 |
| Anesrif - Algeria Railway New Lines/ Doubling /Electrification | Algeria | 10,000 |

Source: MEED Projects

# Thank You

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