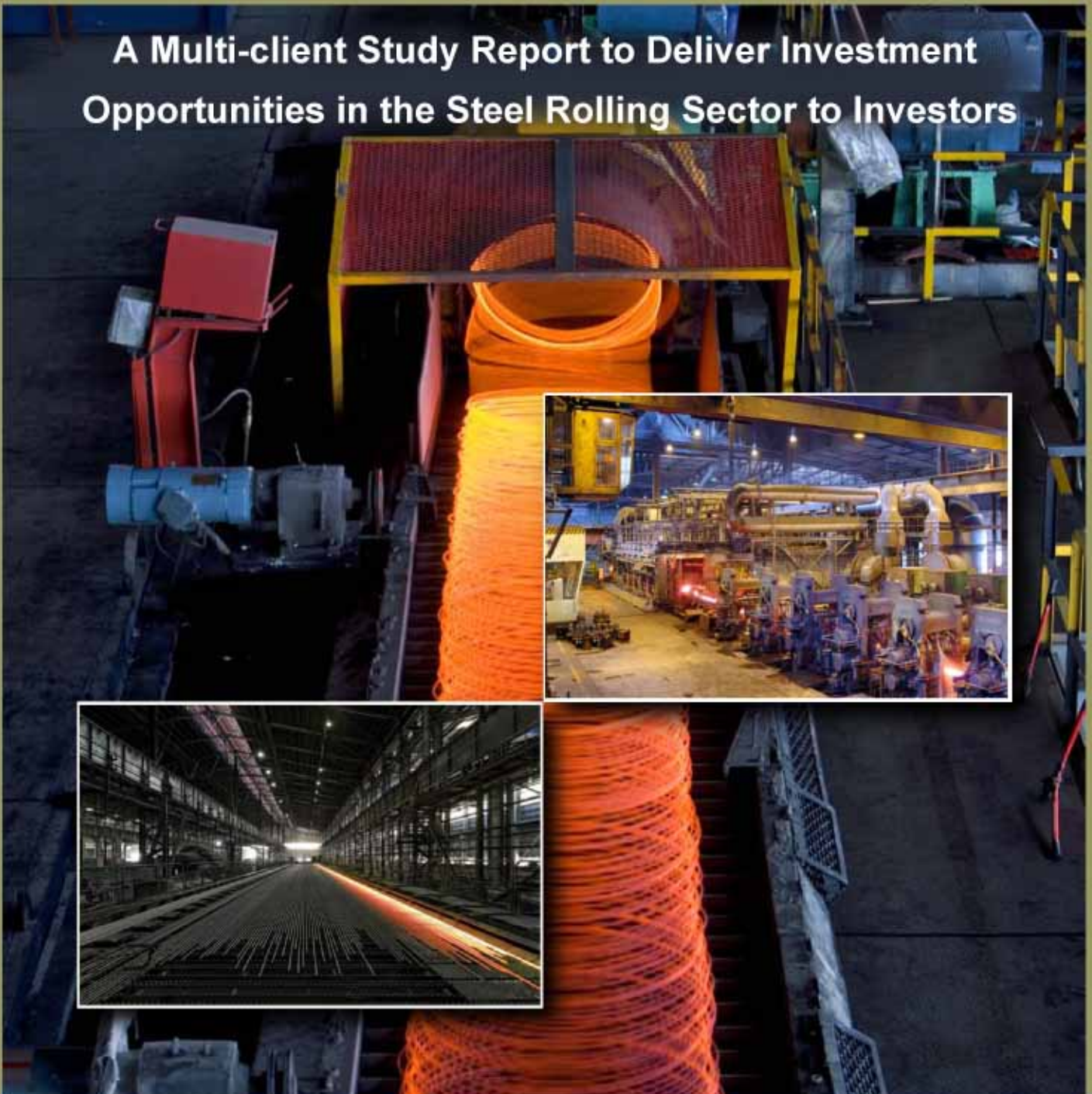


Study Report on Steel Rolling Sector in GCC

A Multi-client Study Report to Deliver Investment Opportunities in the Steel Rolling Sector to Investors



STEEL ROLLING SECTOR IN THE GCC

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1. Introduction

During the period 2001-2006, the world has seen a sustained growth in consumption of steel with an average compound annual growth rate (CAGR) of about 8%. During this same period the GCC region has seen a CAGR of about 14.5% which is much higher than the world average. The level of economic growth in the GCC region will continue to be robust based on sustained high surpluses generated by oil revenues. This economic growth will in turn continue to fuel the construction boom as money is pumped into real estate, infrastructure and tourism projects. As a result of the above factors, growth in consumption of steel will continue to be high and is expected to be above world averages.

The steel industry in GCC has taken note of the continued growth in steel imports and a number of projects have been planned and are under implementation. It is estimated that in the next 2-3 years about 10 million ton of new steel capacity will be created in the GCC region. These new projects include a number of new rolling mills which are being set up on a stand-alone basis or part of steel making complexes. The new projects in the steel rolling sector have been driven by the boom in steel consumption and have been mainly focused on the production of reinforcing steel. Given that the drivers for production of steel in the GCC region are very positive and that the market is likely to mature, giving rise to demands for other categories of steel, it is appropriate at this time to take stock of the situation and chart out the products to be made in future rolling mills.

The objective of the study is to assess the present status of steel rolling industry in the GCC and identify further opportunities considering the demand of rolled steel products in the GCC and export possibilities in the neighboring market. The report provides a valuable aid for strategic planning purposes, at a time of immense opportunities in the steel rolling sector.

2. Objective

The objective of the study is to assess the present status of steel rolling industry in the GCC and identify further opportunities considering the demand of rolled steel

products in the GCC and export possibilities in the neighboring market. The key issues addressed include:

- ◆ Global trend in the steel rolling field
- ◆ Finished rolled products being manufactured in the GCC
- ◆ Status of steel rolling industries in the GCC
- ◆ Finished rolled products imported into the GCC
- ◆ Identifying rolled steel products that are not manufactured in the GCC
- ◆ Identify rolled steel products that have good export possibilities
- ◆ Identify opportunities for investment in steel rolling sector and formulate guidelines for planned growth.

3. Coverage

3.1 Geographic coverage

The report covers the dynamics of the steel sector and consumption of finished steel products within the following GCC States:

- ◆ Bahrain
- ◆ Kuwait
- ◆ Oman
- ◆ Qatar
- ◆ Saudi Arabia
- ◆ United Arab Emirates

3.2 Product coverage

The report will review the steel sector and on the basis of its growth, will examine the demand of various categories of finished steel products. The status of existing steel producing units as well as those under implementation will be taken into account along with the foreign trade in rolled steel products to identify the gap in demand and availability. The main categories of rolled mild steel products covered are given below:

- Bars and rods
- Light & medium sections.

- Heavy sections
- Rails
- Seamless tubes
- Hot rolled flat steel
- Cold rolled flat steel

3.3 Time period

Historical data has been analyzed for the period 2002 to 2006. The report makes forecasts for various categories of rolled steel products by the terminal years 2010 and 2015.

4. Methodology

The Report has been prepared using a conventional mix of both desk and field research. The data base of GOIC has been used extensively to establish the trade in steel products and the net imports of steel in the various GCC states. Data on production has been collected from various published sources including company reports and web sites. Information on new projects has been gathered from publications dealing with steel, from company releases as well as from discussions with industry professionals and site visits. The considerable in-house expertise available in GOIC in the steel sector has been used to analyze all the relevant information, arrive at conclusions and make recommendations on the rolling mill configurations which have a promising future.

5. Content

EXECUTIVE SUMMARY

1. INTRODUCTION

2. OVERVIEW OF WORLD TRENDS IN STEEL ROLLING SECTOR

- 2.1 Introduction to Rolling Mills
- 2.2 Developments in Flat Product Mills
- 2.3 Developments in Long Product Mills

3. OVERVIEW OF STEEL ROLLING SECTOR IN GCC

- 3.1 Bahrain
- 3.2 Kuwait
- 3.3 Oman
- 3.4 Qatar
- 3.5 Saudi Arabia
- 3.6 United Arab Emirates

4. DEMAND OF FINISHED STEEL PRODUCTS IN GCC

- 4.1 Introduction
- 4.2 Bahrain
- 4.3 Kuwait
- 4.4 Oman
- 4.5 Qatar
- 4.6 Saudi Arabia
- 4.7 United Arab Emirates
- 4.8 GCC Region

5. EXPORT POSSIBILITIES FOR ROLLED PRODUCTS

- 5.1 Regional Macro-Economics
- 5.2 Regional Demand-Supply Scenario
- 5.3 Export Target Countries
- 5.4 Products for Exports

6. POTENTIAL DOWNSTREAM PROJECTS IN GCC

- 6.1 Key Products
- 6.2 New Steel Products
- 6.3 Synergy with Existing Units

7. CONCLUSIONS AND RECOMMENDATIONS

- 7.1 Conclusions
- 7.2 Recommendations

6. GOIC Credentials

Gulf Organization for Industrial consulting is an intergovernmental industrial development organization, funded by the six Arab Gulf Cooperation Council (GCC) states:

- ✓ Bahrain
- ✓ Kuwait
- ✓ Oman
- ✓ Qatar
- ✓ Saudi Arabia
- ✓ UAE

Relevant Project Experience

The following lists of study reports and project profiles in metal sector indicate the depth and breadth of GOIC's work experience in the metals and steel sector.

SI No	Study Reports
1	Oman Steel Sector Study
2	Status and prospects of the Building Materials Industries in the GCC
3	Road Map for Aluminium Industry in Bahrain
4	Metallic Pipes and Tubes-Vision Report
5	Automotive and Ancillary Industries –Vision Report
6	Road Map for Engineering & Electrical Industries in Bahrain
7	Mapping of Refrigeration & Cooling Sector Industries in GCC
8	Study Report on Possibilities of Establishing Industries in Non-Ferrous Metal (Excluding aluminium) Sector in GCC.
9	Aluminium Downstream Industries Market Study
10	Investment Opportunities in Major Industrial Sectors in Kuwait
11	Industrial strategy for United Arab Emirates
12	Pre-Feasibility Report- Manufacture of Aluminium Die-Cast Parts for Automotive Industry
13	Option Study for Aluminium Downstream Industry
14	Feasibility Report for Aluminium Rod Project

Project Profiles	
1.	Alloy and Special Steel Plant
2.	Seamless Steel Tube
3.	Continuous Coil Coating Line Project
4.	Narrow Cold Rolling plant
5.	Stainless Steel Cold Rolling Complex
6.	Hot Briquetted Iron (HBI)
7.	Light Sections Steel Mill
8.	Micro Steel Mill (2 Concepts)
9.	Steel Sections & Rebars
10.	Stainless Steel Long Products
11.	Galvanized Rebars
12.	Submerged Arc Welded (SAW) Pipes
13.	ERW Steel Pipes
14.	Stainless Steel Cladded Steel Pipes
15.	Stainless Steel Precision Tubes
16.	Steel Foundry (2 Concepts)
17.	Manhole Covers
18.	Spin-Cast Metal Parts
19.	Silicon Steel Finishing
20.	Stainless Steel Wire Mesh
21.	Steel Wire Rope
22.	Steel Profiles Accessories, Windows & Door Frames
23.	Welding Electrodes
24.	Castings for the Cement Industry
25.	Aluminium Alloy Ingots
26.	High Integrity (HI) Aluminium Castings
27.	Aluminium Slugs Manufacturing Plant
28.	Aluminium Strip Caster Project
29.	Aluminium Die-Casting
30.	Recycled Aluminium Alloys
31.	Aluminium Dross recycling & Refining
32.	Aluminium Foundry for Vehicle Wheels
33.	Light Aluminium Extrusions (CONFORM)

Project Profiles

34. Ultra Thin Aluminium Foil
35. Aluminium Clad Steel Wire
36. Precision Welded Aluminium Tube for Radiators
37. Solder Electroplated Copper Wire
38. Copper and Copper Alloys from Scrap
39. Seamless Copper Tube
40. Enameled Copper Winding Wire
41. Production of Magnesium
42. Zinc Smelter
43. Zinc Sherardized Components
44. Leaf Springs
45. Titanium Tubes
46. Seafood Cans
47. Rolled Finned Tubes
48. Powder Injection Moulding
49. Ferrochrome

Range of Services

Numerous studies and services have been requested from GOIC over the years, ranging from major industrial policy studies to reports on specific industries and products. In addition GOIC has served the private sector through its MIOP program, consultancy services and other programs and activities. These services include expert opinion on industrial matters, data provision, project evaluation and various studies.

INDUSTRIAL INVESTMENT PROMOTIONS SECTOR
<ul style="list-style-type: none"> ❖ Investment Opportunities ❖ Project Identification ❖ Feasibility Studies ❖ Multi-Client Study Reports ❖ Sectoral Studies ❖ Consultancy Assignments ❖ Technical Training ❖ Technical Assistance ❖ Industrial Coordination ❖ Industry Conferences & Workshops ❖ Subcontracting & Partnership Exchange

INDUSTRIAL & ECONOMIC INTELLIGENCE SECTOR
<ul style="list-style-type: none"> ❖ Data Collection & Processing ❖ Databases Development & Management ❖ Strategy & Policy Studies ❖ Sectoral Overviews ❖ Consultancy Assignments ❖ Regional Policies ❖ Country Programs ❖ Trade Support ❖ Publications ❖ Library resources

Through its work, GOIC has built-up unrivalled knowledge and contact networks covering the GCC region, and industrial sectors. GOIC has become an established source of information on the GCC countries. This has been achieved through maintaining good contacts and effective institutional relationships with ministries, official bodies and organizations, existing industrial establishments as well as other regional Arab and international organizations.

Consultancy assignments are tackled by specially created task forces drawn from the various technical departments, as needed, in order to provide the most comprehensive reports and appropriate advice; in-house task forces often work in conjunction with outside expert organizations.

From its inception, many specialized assignments have been completed.

GOIC is well-equipped and experienced to conduct this important multi-client study.

7. Questions regarding this Proposal

Any question regarding the proposal or for further information please contact the following personnel:

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مجلس الخليج للاستشارات الصناعية
Gulf Organization for Industrial Consulting

**A knowledge-hub
and an industrial
investment promotion
catalyst**

Gateway to Industrial & Socioeconomic Data in the GCC



Developing Entrepreneurship for SMEs



Comprehensive Industrial Technical Support for SMEs



Macroeconomic Research & Financial Analysis for Sound Investment Decisions



Identifying & Advancing Industrial Enterprise



Solutions for Industrial Outsourcing & Partnership

