

# ArcelorMittal tipped to take over Italy's Ilva

A consortium led by global steel giant ArcelorMittal is tipped to take over Italy's troubled Ilva steelworks, one of the most polluting industrial sites in Europe, a source told AFP Friday, 26 May.



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The choice made by the administrators in charge of Ilva must still be approved by the government's economic development ministry.

Ilva was nationalised and placed under special administration in 2015 after the Riva family, which owned it, was accused of failing to prevent toxic emissions from spewing out across the southern city of Taranto.

The government quickly opened a tender for the steelworks which used to produce a third of the nation's output, wanting to keep the facility open in an area that suffers from high unemployment.

ArcelorMittal, allied with Italian steelmaker Marcegaglia, was up against a consortium made up of the Indian group Jindal South West Steel, Italian specialist steelmaker Arvedi, the Italian state's CDP investment bank and Delfin, the holding company of Italian businessman Leonardo Del Vecchio.

The ArcelorMittal-led offer was nearly €2bn, according to Italian media.

ArcelorMittal and Marcegaglia have an agreement with the Italian bank Intesa Sanpaolo that it will join the consortium if their offer is approved.

ArcelorMittal has promised to invest €2.3bn into Ilva in addition to the purchase price. Some €1.1bn will go towards environmental cleanup while €1.2bn will go into production improvements.

*Source: AFP*

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