

Carles Rovira
Chief Executive Officer
Celsa Steel UK

31 May 2024

Dear Carles

Future of Welsh Steel

The Committee is carrying out some inquiry work on the future of Welsh Steel. This includes, but is not limited to, looking at Tata's proposals to close their blast furnaces and transition to electric arc production. The Committee is also interested in the general direction of the industry and the role it can play in a future Green Economy.

As a large player in the Welsh steel sector and a business who already operate an electric arc furnace (EAF), the Committee would be very interested in your views on the future of Welsh steel and some of the issues we have discussed. I anticipate you would not be keen to comment on the situation at Tata, and I would not expect you to, however more generally please could you let us know your views on the following:

- We have heard that the proposed shift from primary steelmaking to EAF steelmaking means there is likely to be a considerable increase in domestic demand for UK scrap steel, much of which is currently exported. Consequently, the Committee has heard widespread calls for action in this area, particularly in relation to the highest quality scrap steel. Are there any regulatory or other actions the Welsh or UK Government should take to support the development of a domestic scrap steel industry that would support an increase in UK EAF production?
- Are there any other areas where you think the UK Government or Welsh Government should act to support the future development of the Welsh steel industry?

I look forward to receiving your response.



Kind regards,

A handwritten signature in black ink that reads "Paul Davies". The signature is written in a cursive, flowing style.

Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee

