

Tata Steel urges UK government to safeguard investment in Port Talbot amid policy concerns

Our Bureau
Mumbai

Tata Steel expressed concern over UK media reports that suggest the £1.25-billion investment will be put in peril due to policy differences between the Conservative and Labour parties during the ongoing election period.

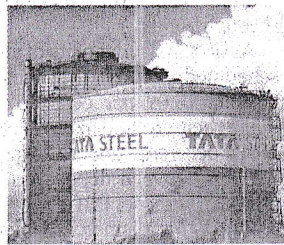
Tata Steel said in a statement on Tuesday that the company has urged the current and incoming government post-elections to adhere to and safeguard the agreed terms of the £500-million package of support for the 'electric arc furnace' project announced last Septem-

ber. The company confirmed it will continue with the announced closure of the heavy-end assets and restructuring programme at Port Talbot.

The current heavy-end assets of Port Talbot are nearing their end of life, are operationally unstable and are resulting in unsustainable financial losses.

The coke ovens, a critical facility for steelmaking, had to be closed in March 2024 as operations became infeasible and unsafe.

Therefore, the company is compelled to continue with its plans to decommission Blast Furnace 5 by June-end, followed by the decommissioning of Blast Furnace 4 by



AT RISK. Over the last three years, Tata Steel and the UK government have worked to develop a sustainable future for Tata Steel UK and the Port Talbot plant. BLOOMBERG

September-end. The downstream assets will continue to service customers by utilising imported semi-finished steel

till the new EAF is built and commissioned.

SUSTAINABLE FUTURE

Over the last three years, Tata Steel and the UK government have worked to develop a sustainable future for Tata Steel UK and the Port Talbot plant.

The project has been developed to ensure the production of low-emission, high-quality steel in Port Talbot, preserve primary steelmaking in Britain, and create the potential for a future green manufacturing cluster in South Wales.

In April, the company completed a seven-month process to conclude that the continuity of Blast Furnace 4 through

the transition is not viable. This puts the EAF build at risk and delays the transition by at least two years.

The proposed grant funding from the UK government is ring-fenced for building the new EAF, which is critical to securing a long-term supply of steel for Tata Steel's UK downstream assets and protecting 5,000 jobs.

"We are therefore concerned with the UK media reports since yesterday, as further political uncertainty on the timing and form of the grant will place the EAF project and the long-term future of steelmaking at Port Talbot at significant risk," said the company.