Considering its potential contribution, Astra Industrial Group (AIG) in 2009 acquired a fifty one (51%) percent stake of Al Tanmiyah Company, a Jordanian offshore holding company, that owns Al Anma’a, an Iraqi-registered company that is building a steel factory in Iraq to produce steel billets and rebar that are used in the construction industry.

As part of AIG’s expansion and growth strategy, the Group acquired a 51% stake of Al Tanmiya Company which is a Jordanian-based company that owns a steel mill in Al Basrah, Iraq.

The company’s wholly owned subsidiary, Al Anma’a Steel, is currently constructing a modern steel smelting plant equipped with the latest European technology in the south of Iraq. The plant will have a melt shop with 435,000 tons with an annual capacity which can be increased to 560,000 tons per year with a limited incremental investment. The plant will be able to produce construction steel bars to be mainly sold in the local market, with the possibility of export to the Gulf region or Iran as warranted by market considerations.

As mentioned before, the plant intends to mainly serve the Iraqi market, given the substantial investment plans to rehabilitate and build new infrastructure in the country. The plant feedstock will be mainly steel scrap.

The plant is scheduled to commence production towards the end of 2011 and it will be the first steel mill of its size in Iraq.

The strategic location of the factory provides key logistical advantage since it is linked by railway to the nearby Basrah seaports. This will facilitate the efficient raw material imports and finished products exports.
"The plant is scheduled to commence production towards the end of 2011 and it will be the first steel mill of its size in Iraq."