

Ukraine's frontline steel industry fights to 'survive' - AFP reports from Ukraine's steel giants

AFP, a prominent French news agency, conducted on-site visits to Zaporizhstal, a joint venture of Metinvest, and ArcelorMittal in Kryvyi Rih. In their comprehensive report, the international correspondents provided a detailed account of the challenges that Ukraine's steel industry is faced with during the war and the strategies it employs to overcome them.



Wearing a heat-protective coat with hood and a visor, Serhiy peered down into a glowing orange stream of searing liquid metal at Ukraine's Zaporizhstal steel plant. The blast furnace worker was as usual testing a stream of molten crude iron at around 1,400 degrees centigrade (2,552 Fahrenheit) for impurities. And yet just 40 kilometres away, some of the fiercest fightings of Russia's invasion times are playing out as a part of Ukraine's counteroffensive.

With the outbreak of war, Ukraine's metal industry, located mainly in frontline regions, has lost factories, staff, suppliers and access to vital export hubs. Those setbacks help explain World Bank estimates that Ukraine's economy was hit with massive losses of \$411 billion in the war's first year.

Zaporizhstal is part of the Metinvest steel and mining group controlled by Rinat Akhmetov - Ukraine's richest man.

"We have a basic task - to save the company, to save our assets, to survive," Oleksandr Myronenko, chief operating officer of Metinvest, told AFP.

Steel plants such as Zaporizhstal are key to Ukraine's economy and production support. Their operation - even at lower levels - points to the sector's resilience.

But these enterprises have also become symbols of Ukraine's military resistance: the Azov battalion resisted Russian forces while defending themselves at Azovstal Steel Works, owned by Metinvest, during the siege of the port city of Mariupol.

The Zaporizhstal plant is a sprawling network of pipes, roads, rail and warehouses. In one of the buildings, a Soviet-era sign hails production records.

On a blackboard, someone has written: "Putin is a dickhead!"

"One alternative: go fight"

The plant's furnaces have cooled only twice in its history, a spokeswoman said, during World War II and when Russia invaded.

Despite the fighting nearby, Myronenko said that Zaporizhstal is operating at around 70 percent of pre-war volumes. Most production is headed for the United States or Europe.

"I expect us to produce more steel than in 2022," he said, adding: "This can be called a good result".

But exports have been hampered, he said, by Russia's blockade of Black Sea ports and shelling of the Danube port of Izmail, where port staff are afraid to work in Moscow's cross hairs.

Metinvest last month managed to send out cargo on three ships that had been stranded in Black Sea ports since the war started but Myronenko said ship owners are afraid to send in more vessels. He said he had placed his hopes on an alternative Black Sea route being tested by Ukraine.

Like the ports, the Zaporizhzhia plant is threatened by Russian strikes. It has bomb shelters, but some workers are unable to stop during air raid sirens.

"It's not possible to stop the process. It's scary but what can you do? You have to feed your family," 30-year-old Serhiy said, throwing up cascades of sparks as he tested the metal.

"There's only one alternative: go to fight" – Serhiy adds.

About 8,000 Metinvest workers have been mobilised or volunteered to fight.

"Together to victory"

At Ukraine's largest steel plant ArcelorMittal Kryvyi Rih, owned by a Luxembourg-based holding company, 2,600 staff have gone to the front and over a hundred of them have been killed. Before the war, the company employed 26,000 workers, but currently, about 12,000 full-time employees remain there.

Zaporizhstal meanwhile has lost around one third of its 10,500 workforce since the invasion. Due to production cuts, some staff have gone on compulsory downtime on 2/3 wages, joined the ranks of the Armed Forces of Ukraine or have moved from Zaporizhzhia.

A billboard at the plant's entrance reads: "Together to victory".

The plant temporarily halted its furnaces after Russia's invasion and, also temporarily, the work of water-cooled equipment this summer. It happened after a major breach in the Kakhovka dam that was blamed on Russian forces.

Going back to Kryviy Rih. The Dnipro river is located about 55 kilometres away, with Russian forces entrenched on the opposite bank.

"War dictates its own terms," said Vladyslav Tyurin, a 39-year-old senior foreman at ArcelorMittal Kryvyi Rih.

Of around 350 people in his section, 65 went to fight and four have been killed, he said. Asked what happens when air raid siren sounds mingle with the roar of machinery and clang of metal on the continuous casting line, he said simply: "We are afraid".

Vitaliy, a 33-year-old foreman at ArcelorMittal Kryvyi Rih recounted that just one week earlier Russian forces had bombarded the region with rockets and Iranian-made drones for four hours.

"We sat till 9.00 am in a bomb shelter. Shaheds were flying and rockets."

ArcelorMittal said in a statement that in "extremely difficult conditions" it has set up "alternative logistics schemes" for the plant.

Before, the plant used to export 85 percent of finished product, mainly to the Middle East and Africa, but now most goes to Europe.

Tyurin conceded that their production at ArcelorMittal Kryvyi Rih was "negligible" compared to pre-war times. But he is sure that the plant's steel would be needed for Ukraine's postwar reconstruction.

"Russians have torn down part of the country. For the restoration, for construction, we will need metal products," he said.

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