



EUROPEAN COMMISSION
DG Competition

Case M.11193 - BAOSTEEL / SAUDI ARAMCO / PIF / JV

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 18/09/2023

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EUROPEAN COMMISSION

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PUBLIC VERSION

Baoshan Iron & Steel Co., Ltd.
No. 885, Fujin Road,
Baoshan District,
Shanghai
China

Saudi Arabian Oil Company
Tower Administration Building,
Dhahran 31311,
Kingdom of Saudi Arabia

Public Investment Fund of Saudi
Arabia
Public Investment Fund Tower,
King Abdullah Financial District
(KAFFD), 6789 Al Aqeeq district,
Riyadh 13519,
Kingdom of Saudi Arabia

**Subject: Case M.11193 – BAOSTEEL / SAUDI ARAMCO / PIF / JV
Commission decision pursuant to Article 6(1)(b) of Council Regulation
(EC) No 139/2004¹ and Article 57 of the Agreement on the European
Economic Area²**

Dear Sir or Madam,

1. On 16 August 2023, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation, by which Baoshan Iron & Steel Co., Ltd. ('Baosteel', China), Saudi Arabian Oil Company ('Saudi Aramco', Saudi Arabia), and Public Investment Fund ('PIF', Riyadh, Saudi Arabia) intend to acquire, within the meaning of Article 3(1)(b) and Article 3(4) of the Merger Regulation, joint control of a newly created integrated steel plate manufacturing company ('JV Company', Saudi Arabia) by way of purchase of shares.³

¹ OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

² OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

³ Publication in the Official Journal of the European Union No C 303, 28.8.2023, p. 3.

2. The business activities of the undertakings concerned are the following:
 - Baosteel mainly engages in iron and steel manufacturing, processing and distribution, information technology, the carbon industry and finance business,
 - Saudi Aramco is primarily engaged in prospecting, exploring, drilling and extracting hydrocarbon substances and processing, manufacturing, refining and marketing these substances,
 - PIF is a sovereign wealth investment fund that has direct and indirect investments in a number of sectors across Saudi Arabia and globally, including food and agriculture, energy, financial sector, manufacturing, real estate, logistics and digital sectors.
3. The business activities of the JV Company will be manufacturing and supply of Direct Reduced Iron ('DRI') and heavy steel plates to third parties and to Saudi Aramco, PIF and their affiliates under long-term supply agreements, primarily in Saudi Arabia, but also in countries in the Gulf Cooperation Council and the region of Middle East and North Africa.
4. After examination of the notification, the European Commission has concluded that the notified operation falls within the scope of the Merger Regulation and of paragraph 5(a) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004.⁴
5. For the reasons set out in the Notice on a simplified procedure, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Olivier GUERSENT
Director-General

⁴ OJ C 366, 14.12.2013, p. 5.