

Former Eskom man to take reins at ArcelorMittal SA

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ARCELORMITTAL SA has appointed Paul O’Flaherty as CEO and executive director with effect from July 1, after the resignation of Nonkululeko Nyembezi-Heita as CEO in February.

Mr O’Flaherty will take the hot seat as the South African unit of the world’s largest steel maker gets set to release its first “Factor Report” on July 1.

The study, conducted last year in partnership with an external consultancy, quantifies the effect ArcelorMittal SA’s business has on the country’s social, environmental and economic landscape.

Mr O’Flaherty was previously the finance director and group executive of Eskom. Before this he was chief financial officer and deputy CEO at construction firm Group Five.

Since Ms Nyembezi-Heita’s departure in March, Hans Ludwig Rosenstock has been acting CEO at ArcelorMittal SA. He had previously held numerous executive positions in the global group.

Ms Nyembezi-Heita joined Berlin-listed Ichor-Coal as CE in March to head its increased South African focus. She also took up the role of chairwoman of the JSE that month.

ArcelorMittal SA chairman Mpho Makwana who was acting CEO and chairman of Eskom, said yesterday the group was “delighted” that Mr

O’Flaherty would inject new energy into its strategic turnaround.

This included a drive to restore profitability, improve business performance and also the transformation of the company in terms of broad-based black economic empowerment legislation.

Mr Makwana was sacked as Eskom chairman and acting CEO in mid-2011.

Along with its parent, ArcelorMittal SA has suffered a roller-coaster ride since the global financial crisis kicked in in late 2008. This has been made worse by administered prices in the country, especially for electricity and transport fuels.

The company’s share price jumped from about R65 in March 2009 to about R120 in August that year. It subsequently declined to about R23 this month, before climbing to about R34 now.

Mr Makwana thanked Mr Rosenstock for his contribution as acting CEO in the past three months.

Mr Rosenstock was a former CEO and chief operating officer of a range of businesses within the international group, of which he was recently appointed vice-president.

The appointment of Mr O’Flaherty as ArcelorMittal SA CEO comes as the steel maker also said yesterday that its upcoming first Factor Report “touches” on all areas of its role in the country’s “development agenda”.

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