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Global approach for steel to address climate change

***Berlin 9 October 2007* – Following on from the seven Climate Change Policy Commitments made this March, leaders of the world steel industry have endorsed a global approach as the best way for steel to help address climate change. At the annual meeting of the International Iron and Steel Institute (IISI) in Berlin, the Board of Directors approved the next stage in the establishment of a Global Sectoral Approach for steel.**

This involves the collection and reporting of carbon dioxide emissions data by steel plants in all the major steel producing countries. Establishment of the data on a common and consistent basis is the starting point for the setting of commitments post-2012 on a national or regional basis.

Through major advancements in technology the steel industry in North America, Western Europe and Japan has reduced energy consumption per unit of production by 49% in the last 25 years. However, at the same time there has been a dramatic expansion in global steel production. The steel industry now accounts for only 3-4% of global man-made greenhouse gas emissions. Over 90% of steel industry emissions come from iron production in nine countries or regions: Brazil, China, EU-27, India, Japan, Korea, Russia, Ukraine and the USA.

Philippe Varin, IISI Executive Committee Member and CEO, Corus said: “Cap and trade regional policies such as those currently used in the EU are not effective in reducing carbon dioxide emissions. Constraining production from the best emission performing plants is not the solution for a globally competitive industry such as steel. An effective approach for the steel industry requires the participation of all major steel producing countries and a focus on improving emissions per unit of production”.

“In the near term the steel industry’s main contribution will be in the wider application of current best practice and technology”, he continued.” For the longer-term the steel industry is investing in research on the development of breakthrough new steelmaking technologies. This is all in the context of the essential contribution that steel, the most recycled modern material, now makes in sustainable housing and construction, clean energy and transportation”.

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Notes to Editors:

- The International Iron and Steel Institute (IISI) is one of the largest and most dynamic industry associations in the world. IISI represents approximately 180 steel producers (including 19 of the world's 20 largest steel companies), national and regional steel industry associations, and steel research institutes. IISI members produce around 75% of the world's steel (excluding China) and the growing membership in China now accounts for over 20% of Chinese production.
- For more information on the 7 Climate Change Policy commitments please go to www.worldsteel.org