

Agora
Industry

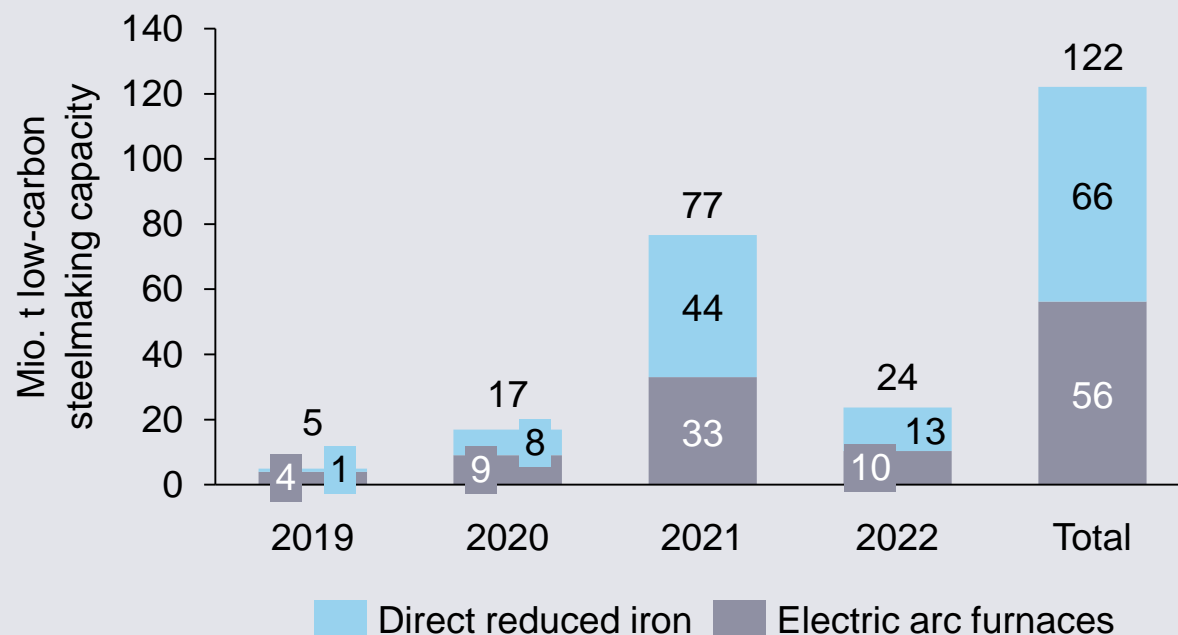
The background of the slide is a composite image. On the left, there are stacks of steel pipes in various colors (grey, blue, green). On the right, there is a dark background with a grid of circular patterns, resembling a honeycomb or a mesh of pipes. The text is overlaid on the left side of this background.

Improving data availability in the steel sector

Thomas Kouroughli
PARIS, 21.09.2022

The low carbon steel announcement tracker

Global low-carbon steel announcements to be built before 2030

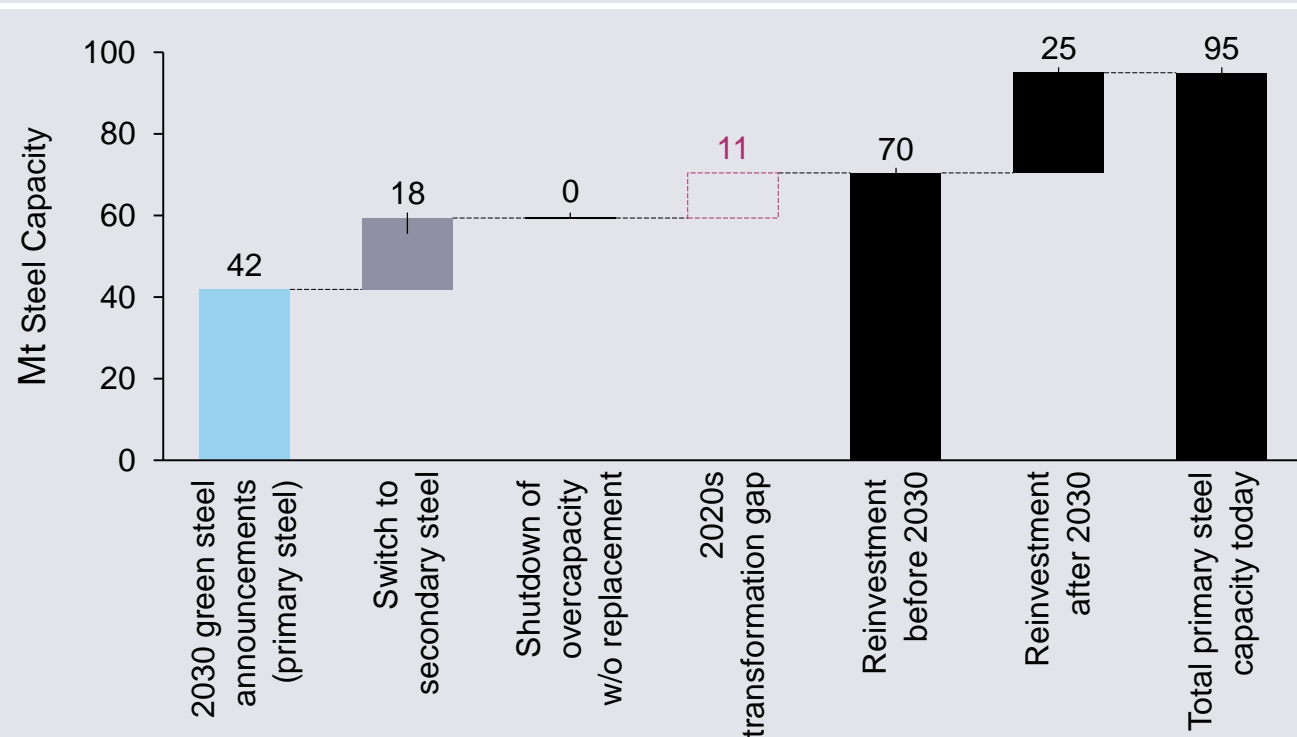


Agora Industry based on Agora Industry Global Steel Transformation Tracker, 2022

- The low carbon steel announcement tracker displays all steel companies' announcements globally to build capacity by 2030.
- It's broken down by country and technology.
- It's updated on a near weekly basis.
- It shows us that technological readiness and appetite in the market exists. But apart from very few cases no final investment decisions have been made, highlighting the need for a strong regulatory framework to support low-carbon steel investments.

The 2020s transformation gap in the European Union

2020s transformation gap: production (status quo)



- Using proprietary data, we calculate the global blast furnace capacity that will need reinvestment until 2030.
- Any blast furnace that is reinvested in in the 2020s (15-20 years) will create a risk of carbon-lock in, endangering the 1.5C target or risking costly stranded assets in the future.
- The difference between the low carbon steel capacity announced and the reinvestment requirements represents the transformation gap that we need to close.

Agora Industry, 2022; switch to secondary steel based on World Steel Dynamics, 2021

Addressing data gaps for a more effective transformation of the steel sector

- As of yet, there is no **open-source global** dataset of blast furnace capacity that includes **plant lifetimes**. This is crucial if we want to understand when policy interventions need to be made to avoid carbon lock-ins and/or stranded assets.
- We need a reliable **open-source** dataset on project pipelines of new coal based steel plants for countries where total steel capacity is increasing. Particularly in the ASEAN and South Asian context.
- There is no centralized data source that allows to calculate CO₂ emissions of the steel industry. Regarding production data, the World Steel Association allows for a good starting point, but does not give a **breakdown of scrap-based EAF production and DRI-EAF production**. The IEA accounting methodology in which the CO₂ emissions of industrial power plants in integrated iron and steel plants are **allocated to power and heat emissions** make it very difficult to have a robust assessment of CO₂ emissions of steel plants.