Industrial Decarbonisation Accelerator Act

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Verified Steel. Clearly Defined.

Industrial Decarbonization Accelerator Act:
A credible path for the steel sector

The Global Steel Climate Council (GSCC) **welcomes** the European Commission's **Industrial Decarbonization Accelerator Act** and strongly supports its overarching goal: to accelerate industrial decarbonisation while safeguarding competitiveness and economic resilience across Europe. As the EU moves forward with this vital transformation, it must ensure that policy frameworks are designed to remove existing barriers, enable scalable solutions, and create fair and transparent markets for low-emission industrial products. To that end, the GSCC highlights **several critical priorities for successful implementation**:

Removing barriers to industrial transformation.

We strongly support the Commission's proposal to **streamline and accelerate permitting processes**, particularly for **infrastructure that is critical for the low-emission transformation of the steel industry**, such as hydrogen pipelines, renewable energy access, and carbon capture, utilisation and storage (CCUS). Today's permitting delays are a major barrier to investment and industrial modernisation. Predictable, time-bound permitting will help viable projects move from concept to construction without unnecessary regulatory friction and will play a central role in scaling low-emission solutions across industry.

We also endorse the second objective: to identify and promote priority decarbonisation projects. These projects typically involve high upfront costs and long lead times that will not materialise at the scale or speed required without targeted public support. Instruments such as public co-financing, risk-sharing tools, and innovation funding should focus on projects with the greatest potential to deliver structural emissions reductions across Europe's industrial base. This prioritisation must be linked to credible and transparent climate performance metrics.

We also call on the Commission to **ensure fair and equal consideration for a wide range of projects**—regardless of their stage of development or technological maturity. Newer, more efficient systems are often overlooked in favour of legacy installations, despite competing for the same constrained pools of capital and critical inputs.

On creating lead markets for low-emission industrial products: the need for a clear definition of steel.

While we support the intent behind creating lead markets for low-emission products, we urge the Commission to clearly define what constitutes "low emission steel" (sometimes referred to as "green" steel). This definition is not merely technical—it is fundamental for ensuring market integrity, fair competition, and genuine emissions reductions.

We strongly advocate for the adoption of a framework based on the GSCC Steel Climate Standard for defining low emission steel under EU policies. This standard is:

- **Technology-neutral**, based on carbon footprints, applies equally to all steel production methods and avoids embedded emissions biases.
- **Science-based**, aligned with the Paris Agreement, IEA benchmarks for net-zero pathways, ISO standards and the GHG protocol.
- **Transparent and verifiable**, requiring third-party validation and continuous, annual progress reporting to prevent greenwashing.

In contrast, definitions based on production-route-specific thresholds risk institutionalising higher emissions and disincentivising innovation by favouring legacy production methods. Such approaches could also inadvertently undermine Circular Economy goals.

These principles for the definition will have wide applicably, such as for a voluntary labelling system and in public procurement. But beyond that, we support the proposal to **develop a voluntary labelling system**, more broadly, to disclose the emissions intensity of steel products. However, such a system must avoid placing excessive burdens on producers—many of whom already report to multiple mandatory systems—and must be genuinely informative for consumers. The GSCC methodology, with its more comprehensive reporting boundary, offers a more accurate picture than frameworks like EU ETS and CBAM. Harmonising methodologies could reduce costs while maintaining robustness.

We also call attention to the strategic role of **public procurement** in supporting the market for low-emission products. We urge the Commission to incorporate **climate effectiveness** and **innovation efficiency** into procurement criteria—ensuring that funding supports verifiable emissions reductions and rewards early movers, including SMEs.

CALL FOR ACTION

- **Establish a definition of low emission steel based on credible, science-based standards as the foundation for EU industrial decarbonisation policy.** Adopt the GSCC Steel Climate Standard as the official benchmark for recognising low-emission steel across EU policies, including labelling, procurement, and funding instruments.
- **Align permitting, funding, and reporting frameworks with performance-based climate metrics.** Ensure that all project support mechanisms prioritise emissions impact over project type or legacy status. Harmonise emissions accounting methodologies across EU systems—drawing on comprehensive standards like the GSCC's—to reduce duplication, support data integrity, and streamline compliance.
- **Use public procurement as a strategic tool to drive industrial decarbonisation.** Reform EU procurement rules to incorporate climate effectiveness and innovation efficiency as evaluation criteria. Design voluntary labelling systems that are transparent,

aligned with existing reporting frameworks, and practical for producers—while empowering consumers with meaningful emissions information.

Who are we?

As the world faces the urgent need to lower greenhouse gas (GHG) emissions, the Global Steel Climate Council (GSCC) is **leading efforts to decarbonize steel production** by promoting **investments in lower-emission technologies** and aligning with the 2015 Paris Climate Agreement's net-zero goals. The GSCC is a non-profit, **international coalition of steel producers and stakeholders** committed to achieving a 1.5°C scenario by the year 2050 by advancing climate strategy that shares best practices, establishes standards and advocates for carbon emissions reductions by members of the steel industry.

Although steel producers are at different stages of decarbonization, GSCC members are united in their commitment to sustainable production. Technological solutions already exist that can reduce global steelmaking emissions by over 70%, with promising innovations like hydrogen-based ironmaking and carbon capture on the horizon.

To enable this transformation, a **single, transparent, science-based global standard is essential**—one that measures actual emissions regardless of production method. The GSCC Steel Climate Standard meets this need by offering a technology-neutral, verifiable framework that holds all producers equally accountable, incentivizes innovation, and is already driving real emissions reductions 15% by 2030 and to net zero by 2050.

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