

Steel Standard Principles

Common emissions measurement methodologies to accelerate the transition to near zero

Steel Standards Principles:

Suggested Actions for Practical Implementation

23/01/2025

Background:

To date, more than 60 organizations have endorsed the Steel Standards Principles. This document sets out a menu of suggested actions that can be taken by different types of endorsing organizations to support the effective implementation of the Steel Standards Principles. *This document will be updated periodically based on actions and examples shared by endorsing organizations.* Five main groups of endorsing organizations are identified below. Endorsing organizations may self-identify with multiple categories and are invited to make use of this guidance as appropriate.

Standard-setting / initiatives / methodology development bodies

- **Adhere to trade principles:** Ensure that standards development or revision processes and procedures are consistent with the WTO Technical Barriers to Trade (TBT) Agreement Code of Good Practice and the TBT Committee's Six Principles for the Development of International Standards, Guides and Recommendations
- **Implement net zero principles:** Ensure that standards are aligned with the IEA "Net Zero Principles" for emissions measurement and data collection, in partnership with other stakeholders. This includes identifying key relevant standards, coordinating across these, identifying priority revisions, and accelerating processes to agree on and implement revisions.
- **Increase transparency in reporting:** Use available standards' revision opportunities to promote transparency and additional detail in reporting. For example, requiring emissions reporting also at a common reporting boundary, in addition to the boundary of the standard, to enable comparability; and requiring reporting of key methodological choices made when calculating emissions.
- **Avoid duplication of standards:** Avoid creation of new standards and rather find ways to make use of (and revise if necessary) existing standards. If new standards are needed, ensure that they build on international standards and actively engage with the owners of those standards towards coherent development.
- **Engage with policymakers and in multilateral policy dialogues:** Actively seek out ways to engage with policy makers developing technical regulations, conformity assessment procedures and other policies on emissions quantification and reductions for the steel sector, to exchange with them on existing standards that could be used in policies being developed and to collect their inputs on how standards could be updated to be fit for purpose for policy needs.

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- **Facilitate multi-stakeholder engagement:** Promote collaborative and constructive engagement, inclusive of all relevant stakeholders, not only in the public consultation phase.

Industry associations

- **Participate in standards development processes:** For standards owned by others, seek and leverage opportunities to participate and provide an industry perspective to standards development and revisions processes, to promote interoperability, mutual recognition, and net zero compatibility. Ensure that data collection and disclosure frameworks are also consistent with the Steel Standards Principles.
- **Increase transparency in reporting:** Capture additional detail in data, for example to promote emissions reporting at a common reporting boundary for interoperability, or to elaborate on methodological choices taken when calculating emissions. Assess the possibility of reporting data with increased granularity, on a voluntary basis, in an anonymized and aggregated format (for example, average emissions intensities of different steps of production or regional average emissions intensities).
- **Review and revise industry-owned standards:** For emissions standards and data collection processes led by industry associations, take a leadership role in revising standards or methodologies considering relevant guidance in the section above.
- **Engage with policymakers and in multilateral policy dialogues:** Support policy discussions and actions towards steel decarbonisation with evidence-based research and analysis (e.g., via direct engagement with governments, CEM IDDI, IEA WPID, WTO, Climate Club), including engaging constructively towards building a common understanding on definitions for near-zero and low emissions steel.
- **Educate:** As the voice of industry, educate relevant stakeholders about the practical opportunities and challenges of methodology development and implementation.

Steel Companies

- **Participate in standards development processes:** Actively support standards development processes, including by sharing inputs from a steel producer perspective, to promote interoperability, mutual recognition, and net zero compatibility.
- **Increase transparency in reporting:** Contribute to transparency and global tracking of emissions by increasing data reporting. Assess the possibility of increased detail of reporting, including for example emissions reporting at a common reporting boundary, and clarifying methodological choices in calculating emissions. This can be supported through collaboration with suppliers, consumers, and investors, to gather data and provide the necessary information.

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- **Engage with industry associations:** Engage in the work of national/regional/global steel associations on this topic.
- **Engage with policymakers and in multilateral policy dialogues:** Support policy discussions and actions towards steel decarbonisation (e.g., via direct engagement with governments, CEM IDDI, IEA WPID, WTO, Climate Club) including providing perspectives based on direct industry experience on technology development and processes and engaging constructively towards a common understanding on definitions for near-zero and low emissions steel.
- **Communicate the costs of incompatible standards and methodologies for measuring GHG emissions:** This includes the benefits of transparency, interoperability, and mutual recognition for promoting investment in, and adoption of, innovative near zero emission technologies and near-zero steel products.

Suppliers, consumers, investors

- **Communicate needs and expectations of value chain stakeholders:** Engage and express the needs of suppliers, consumers, and investors in respect of emissions measurement methodologies and disclosure requirements.
- **Participate in standards development processes:** Actively support standards development processes, including by sharing inputs from a supplier, consumer or investor perspective, to promote interoperability (with related sectors and materials), mutual recognition, and net zero compatibility.
- **Increase transparency in reporting:** Support improved collection of primary data across the steel value chain and collaborate with steel companies to provide locally relevant data.
- **Communicate the costs of incompatible standards and methodologies for measuring GHG emissions:** This includes the benefits of transparency, interoperability and mutual recognition for promoting investment in, and adoption of, innovative near zero emission technologies and near-zero steel products, across the value chain.

International organizations, initiatives, and civil society

- **Facilitate multi-stakeholder engagement:** Provide a space for collaborative, constructive, unbiased, and action-oriented dialogue on standards for a net zero steel industry, across developed and developing countries, and among governments, steel producers and their suppliers, industry associations, initiatives, policymakers, and civil society.
- **Engage with policymakers and in multilateral policy dialogues:** Support policy discussions and actions of and between governments, through evidence-based analysis and collating views of multiple stakeholders. This includes policy actions towards transparency, interoperability, mutual recognition and net zero compatibility of methodologies for measuring GHG emissions, and on building a common understanding of definitions for near-zero and low emissions steel.
- **Support standards development processes:** As appropriate, provide information to support standards development processes, through evidence-

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based analysis and collating views of multiple stakeholders. This can include information about the IEA "Net Zero Principles" for emissions measurement and data collection, and the WTO TBT Agreement Code of Good Practice and the TBT Committee's Six Principles.

Note regarding governments: Although governments are not formal endorsers of the Steel Standards Principles, they can play a key role in their implementation, for example, by referencing or promoting the use of relevant international standards, or to encourage interoperability, transparency and mutual recognition.