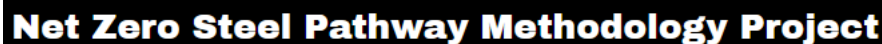
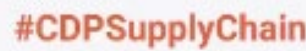


# Tracking emissions through the steel value chain



# Who is tracking our emissions?



# STEEL STANDARDS PRINCIPLES

Common emissions measurement methodologies to accelerate the transition to near zero

## Endorsed by:



Endorsements as of 26/04/24

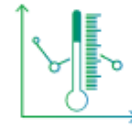
We, the endorsing organizations and stakeholders, on the occasion of COP28:



**Recognize** that the iron and steel sector accounts for approximately **8% of annual global greenhouse gas (GHG) emissions**, including methane, today and these emissions will need to be reduced by at least 90% for the sector to play a credible role in achieving a net zero energy system and wider economy whilst ensuring equity and a just transition, reflective of different countries' circumstances;



**Recognize** the importance of world **trade in steel**, representing **nearly 25% of global steel production** for finished and semi-finished steel products in 2022, and that divergent, fragmented, and incompatible standards and methodologies for measuring GHG emissions can lead to trade and supply chain disruptions, market uncertainty and consumer confusion, increasing the costs of decarbonizing steel production;



**Recognize** that improvements in **transparency, interoperability, and mutual recognition of methodologies for measuring GHG emissions**, including methane, in iron and steel production and products can promote investment in, and adoption of, innovative near zero emission technologies and near-zero steel products, and ease trade frictions;



**Recognize** that **different methodologies** may be needed at the project, production, and product levels, but that **interoperability between them will drive faster decarbonization of the steel industry globally**;



**Recognize** the importance of independent **verification of the resulting data** from the use of such measurement methodologies;



**Recognize** the role of existing initiatives to drive decarbonization in the iron and steel sector and the need for **greater alignment of the methodologies for comprehensively measuring greenhouse gas emissions** that underpin these initiatives.

# Steel company low carbon emission products



# Chain of custody

## GHG reduction certificates in the steel sector

### The role of chain of custody approaches


#### Introduction

In the context of this document, chain of custody approaches are methods for pooling incremental reductions in GHG emissions (expressed as CO<sub>2</sub>eq) achieved through projects implemented by steel manufacturing companies, and then after selling emission reduction certificates alongside the sale of products. The certificates can subsequently be used by customers to reduce their upstream scope 3 emissions on an organisation level.

The approaches have three steps. First, calculate the GHG emissions intensity of the specific steel product. Second, identify GHG emission reduction projects and determine the GHG emission reductions achieved. Third, issue reduction certificates, not exceeding the total GHG emission reduction achieved through these projects, and supply steel products with reduction certificates. All steps must be described by the organisation and verified by an independent third party.

#### worldsteel chain of custody principles



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