**Steel sector – Public Consultation on criteria**

This document sets out the consultation questions we would like you to consider and provides space for your feed-back and comments. Thank you for your participation.

All feedback, along with the responses and clarifications from the TWG, will be made transparent on the final documentation. Names and organisations that provide feedback are kept anonymous.

**Name**:

**Organisation**:

**Email:**

Please return this form **by close of business 22nd August 2022** to [public.consultation@climatebonds.net](mailto:public.consultation@climatebonds.net)

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| **Question** | **Response** |
| **Scope**  1 – Is the scope of activity clear and appropriate?  Refer to section 2 of the Criteria document and section 3.2 in the Background document. |  |
| 2 – Is the scope of emissions based on the Fixed boundary approach, a robust and clear methodology to use for emissions accounting?  Refer to Box 1 of the Criteria document and section 3.3.1 in the Background document. |  |
| **Criteria for New Facilities**  (Refer to section 3.1 of the Criteria document and section 4.1 in the Background document.)  *In general, these criteria are based in the pathway described in section 5.1 of the criteria document, please refer to this section and the background paper section 3.4 for the rationale of the thresholds and percentages set for emissions reduction.*  3 – Is the list of eligible facilities proposed for new plants complete and appropriate? |  |
| 4 – is the measure: CCUS should capture at least 70% of all process emissions acceptable? |  |
| 5 – is the criteria for Scrap based Electric Arc Furnace (EAF) acceptable? |  |
| 6 – Is requesting a plan to use either renewable-based captive power generation, and renewable-based power purchase agreement appropriate to address scope two emissions of “new” Electrolysis facilities ? Are there any other instruments available in your region that could also be used and we are missing? |  |
| **Steel production facilities operational prior to 2022**  (Refer to section 3.2 of the Criteria document and section 4.2 in the Background document.)  *Also, these criteria are based in the pathway described in section 5.1 of the criteria document, please refer to this section and the background paper section 3.4 for the rationale of the thresholds and percentages set for emissions reduction.*  7 – Is requesting a plan to use either renewable-based captive power generation, and renewable-based power purchase agreement appropriate to address scope two emissions of **EAF facilities**? Are there any other instruments available in your region that could also be used and we are missing? |  |
| **BF** has been split between those that are operating from 2007 and those that started operation before, this is based on the age of the facility and, in essence is to allow improvements in facilities that still don’t need to go for relining and prevent locking in of older facilities that should go for retrofit or decommissioning by 2030 (please see section 3.3.3 and 4.2 of the Background document for more clarification).  8 – **For BF that become operational after 2007**: is not certifying relining a proper way of preventing locking in these technologies?  Are the levels of decarbonization requested by 2030 (15% or 20% depending on the baseline emissions of the facility) acceptable? |  |
| 9 – **For BF that became operational before 2007**: is requesting emissions intensity (tCO2/t steel) reduction between 2022 and 2030 by 50% acceptable? |  |
| 10 – **For DRI:** is it requesting20% reductions in emissions by 2030 to fossil gas based plants acceptable?  is it requesting40% reductions in emissions by 2030 to coal-based plants acceptable? |  |
| 11 – Is there any additional criteria that existing facilities should meet? |  |
| **Criteria for decarbonization measures within steel production facilities**  (Refer to section 4 of the Criteria document and section 4.3 in the Background document.)  12 – Is requesting for the production facility to meet the criteria specific for that plant in order for the capital investments (individual measures implemented in a plant) to be certified, acceptable? |  |
| **Criteria for companies**  (Refer to section 5 of the Criteria document and section 4.4 and 3.4 in the Background document.)  13 – Is it setting to performance levels (tier 1 and tier 2) for companies to get certification appropriate? |  |
| 14 – Is there any additional criteria that companies should meet? |  |
| 15 – Is the pathway chosen as target for the companies decarbonization appropriate? (Pathway is in section 5.1 of the criteria document and section 3.4 of the background paper) |  |
| **Cross-cutting criteria**  (Refer to section 6 of the Criteria document and section 4.5 in the Background document.)  16 – Is the additional criteria for the use of hydrogen acceptable? |  |
| 17 – Is the additional criteria for the use of biomass as a reducing agent acceptable? |  |
| 18 – Is the additional criteria for the use of CCS and CCUS acceptable? |  |
| 19 – Is the additional criteria for the use of fossil gas acceptable? Is there any additional criteria that we may need to consider? |  |
| **Adaptation & resilience**  (Refer to section 6.5 of the Criteria document and section 5 in the Background document.)  20 – Do you agree with the assumptions that underpin the adaptation and resilience requirements? Is there anything else that needs to be considered? |  |

**Additional comments and feedback**

Please provide all other comments on feedback using the format below.

**Consider if there are good practices that you are aware of that are not referred to,** additional data sources that would be helpful or further suggestions that could be included. Comments below may answer the following example questions:

1. Do the criteria fulfill low carbon aspirations for the Steel sector? If not, please provide reasons and examples
2. Are the assumptions and science underpinning this work robust, and reflect the most appropriate and up-to-date criteria? Please provide examples of how to improve and specific examples if anything is missing.
3. Do you agree with the assumptions that underpin the mitigation requirements? Is there anything else that needs to be considered? Please, provide as much detail or reference relevant scientific studies or other evidence to substantiate your response.

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| Point number | Page number and section description | Comments and action proposed |
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