

U.S. DEPARTMENT OF STATE
Bureau of Oceans, Environment and Science

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FACT SHEET

Asia-Pacific Partnership on Clean Development and Climate

**Steel Task Force
Summary of Action Plan and Projects**

The Asia-Pacific Partnership on Clean Development and Climate is a unique public-private initiative among government and private sector partners from Australia, China, India, Japan, the Republic of Korea and the United States. In remarks delivered to experts representing all Partner nations gathered at the American Electric Power facility in Columbus, Ohio, Under Secretary of State for Democracy and Global Affairs Paula Dobriansky today announced the Partnership has begun a new implementation phase with the start of a series of multifaceted programs designed to promote cleaner, cost-effective energy technologies and practices among the Partner nations. The Partnership is identifying policies and deploying technologies that reduce greenhouse gas emissions, promote healthier air quality, advance sustained economic growth, and reduce poverty. It is now embarking on implementing voluntary practical measures to create new investment opportunities, build local capacity, and improve economic and energy security. The Partnership involves countries that account for about half of the world's population and more than half of the world's economy and energy use.

Summary of Steel Task Force Action Plan

Steel is used in every aspect of our lives: in buildings, bridges, automobiles and trucks, food containers, medical devices, and more. The aggregate amount of carbon dioxide (CO₂) emitted from the global steel industry has reached roughly 2 billion tons annually and Partner countries account for more than 57 percent of global steel production. The Steel Task Force therefore has significant potential to address CO₂ emissions and conserve energy by sharing information, identifying key opportunities, breaking down barriers, and cooperating to implement state-of-the-art and cost-effective clean technologies.

The Steel Task Force has initially developed six projects and activities toward making steel production cleaner and more efficient.

Sharing Best Practices in Cleaner Steel Production

Sharing technical and performance data among Partner countries will enable the establishment of appropriate metrics for measuring progress. The Partners will cooperate on projects targeted to: (1) identify effective technologies and equipment; (2) review the

current status of adoption of these technologies, energy efficiency indices, environmental indices, and recycling rates; (3) identify energy savings and clean technology options for facilities currently facing barriers to the implementation of these technologies, and (4) examine the potential reduction of CO₂ emissions in the steel sector.

Transforming Markets for Clean Steel Technologies

Addressing market barriers to the implementation of clean technologies is central to the work of the Steel Task Force. Such barriers include intellectual property issues, trade practices and policies, a lack of capital and financing, regulatory issues, and a lack of incentives. The Task Force has drafted and will soon publish a “State-of-the-Art Clean Technology Handbook” that will provide decision makers with access to an accurate and up-to-date description of technology options. Such information-sharing efforts are intended to generate market opportunities for clean technologies.

Facilitating Investment in Cleaner Steel Production

Partner countries present significant opportunities for investment in clean technologies and processes. India has identified fifteen steel production technology projects for Partner country participation. These candidate projects include heat recovery from hot blast furnace stoves, exhaust, flues, energy consumption and emission control in sponge iron plants, and the recycling of steel plant dust and sludge using rotary hearth furnaces.

Summary of Steel Task Force Projects

Project 1. Asia-Pacific Partnership Steel Workshops

The purpose of the workshops is to provide a regular means of exchanging information and sharing experiences between Partner countries. The workshops will collect and exchange policy and technical information on energy savings, environmental protection, and recycling. Partners will identify barriers and solutions through dialogue between governments and private sectors of Partner countries. Workshops will involve site visits and the dispatch of experts by steel makers of the host country. In September 2006, Japan hosted the first workshop in Tokyo. Thereafter, each participating country will host on a rotating basis.

Project 2. Status Review of Steel Industry Related Indicators for Energy Saving, etc.

Under this project, Partners will examine diffusion rates of energy-saving equipment in iron and steel industries' plants. Data for possible comparison of energy and emission intensity of carbon dioxide will be collected and developed. The Task Force will examine equipment diffusion rates of cleaner technologies to lessen the burden on the environment and calculate the emissions intensity of nitrogen oxides, sulfur oxides, soot and cinder. Partners will also examine recycling rates in iron and steel by-product use, such as slag, dust and sludge. Finally, the Steel Task Force will identify barriers and incentives to the diffusion of clean technologies. The Task Force will use the

information gathered to calculate carbon dioxide, nitrogen oxide, and sulfur oxide emission reduction potentials; identify opportunities to promote recycling and environmental protection; and utilize shared information to improve steel production and use in each Partner country.

Project 3. Performance Indicators Setting

Partners will work together to identify quantitative indicators related to energy efficiency and environmental improvements based on the results of the Status Review Project described in Project 2. Goals for this activity include the identification of potential emission reductions; the establishment of a calculation method for energy efficiency and environmental protection performance indicators; and the establishment of ambitious but realistic milestones to guide participating countries' projects.

Project 4. Performance Diagnosis

Experts in energy savings and environmental protection will conduct site visits in Partner countries to offer domestic iron and steel plants advice on best practices and clean technologies. Partners will use the performance diagnoses of such experts to develop improvement plans increasing energy efficiency and environmental protection opportunities. This project will also identify and explore opportunities for collaborative research and development in the areas of energy efficiency and clean energy technologies. China and India have taken the lead on this project, and experts are slated to begin visits in 2007.

Project 5. State-of-the-Art Clean Technology Handbook

The Steel Task Force identified the need for a comprehensive information document containing the best available energy saving technologies and practices in the iron and steel industry. The group has developed a "State-of-the-Art Clean Technology Handbook" in order to provide steel decision makers with access to accurate descriptions of technology options. This handbook will be web-based, and will be updated on an ongoing basis by all Partner countries.

Project 6. Technology Deployment

As clean technologies are identified, Partners will develop practical projects to deploy such technologies. Projects are expected to start in January 2008. Each project will contribute to energy efficiency improvements, greenhouse gas reductions and increased environmental performance of the iron and steel industries in Partner countries. Australia will manage the Technology Deployment Project. In Tokyo, India presented fifteen potential projects that are now scheduled to be considered at the March 2007 Task Force meeting in India.