



Global Pledge to grow near-zero and low-emissions steel and cement markets

Recognising that the industry transition presents new economic opportunities, with the potential to unlock multi-billion-dollar markets for near-zero emissions steel and cement. Recognising the critical role and responsibility of governments in establishing enabling policy environments to maximise such market opportunities, catalyse private sector investment, and achieve climate objectives, while taking into consideration different starting points and national circumstances, including diverse challenges and barriers to practical implementation. Recognising our common interest in international collaboration to ensure competitiveness of our industries, and in cooperation on finance, technology development, and capacity building to ensure a just and inclusive transition.

Recognising that given the global nature of industrial markets, our impact will be stronger if we work together as we pursue our paths towards the shared goals of climate neutrality and heavy industry alignment with the goals of the Paris Agreement. Recalling the commitments already made in our Nationally Determined Contributions, and that actions outlined here could support in the implementation of those commitments.

Recognising that global 1.5°C-aligned pathways require a substantial global scale-up over the next decade of the share of supply and demand for steel and cement sectors that is compatible with the net zero pathway endpoint.

Recognising that this near-term progress on transformational near-zero emissions technologies is critical, in order to advance technology innovation at commercial scale, given that the long lifetimes of industrial plants make mid-century only one investment cycle away and therefore directing new investments to near-zero and low-emissions technologies is important to prevent emissions lock-in.

Affirming the value of low-emissions production and steps to gradually and substantially reduce emissions on the path to net zero, while ensuring that investments to partially reduce emissions do not risk emissions lock-in.

We will work together internationally and develop comprehensive supporting policies domestically to contribute to increasing the global market shares of near-zero and low-emissions steel and cement, valuing in particular substantial emissions reductions relative to current performance.

- I. We recognise that both demand- and supply-side policies are required to create markets for and scale-up production of near-zero and low-emissions materials. While many of us have already begun developing such policies, we recognise that more is needed, and therefore we will pursue further policy developments.



- II. We recognise that international partnerships, finance, technology collaboration, and knowledge exchange are critical to accelerate growth of clean industrial markets globally and thus will pursue additional opportunities to work together internationally, including through complementary initiatives, taking into account varied national circumstances, capacities and starting points.
- III. We recognise that simultaneously, the emissions intensity of all production needs to substantially decline in line with goals of the Paris Agreement. We endeavour to undertake policy measures to achieve this, such as policies and public-private partnerships that encourage investments in emissions reductions, and to direct international public financial and in-kind support towards decarbonisation technologies.

We will take actions that are ambitious within our domestic contexts and in light of our NDCs. We will consider working over the coming months to each elaborate further a voluntary plan of next steps and policy measures towards this pledge, taking into account our individual circumstances and actions already underway including through other international initiatives, as well as sharing progress made. We will discuss together policy options and learnings to help enable each other's progress.

We will continue discussions with the aim to stocktake by COP 31 on the question of a collective global goal, with possible quantification, to increase the market share of near-zero and low-emissions steel and cement, to which members could voluntarily contribute in line with their circumstances and own pace. To this end, over the course of next year we will work further on domestic processes to the extent possible and together internationally to enhance common understanding on what constitutes 'near-zero emissions' and 'low-emissions' steel and cement, building on the principles affirmed in the 2024 Climate Club Statement. We note that different interoperable approaches may be suitable and may be used differently in policy measures, and thus we also aim to together progress work on transparency, comparability and interoperability of definitions and their underlying methodologies.

We will review collective progress towards this pledge, for example by means of voluntary government updates on their policy developments, sharing experience and learnings from successful projects, or annual reports summarising global progress. We maintain the possibility to adjust this pledge if new information and scientific analysis warrant it.

We welcome and encourage complementary announcements that support the goals of this pledge taken by private-sector materials producers and purchasers, financial institutions, and civil society, including additional commitments through already-existing international pledges and initiatives.

We call on other governments to join this pledge.