From: CANTON Joan (CAB-BRETON)
Sent: jeudi 7 octobre 2021 19:22
To: CAB BRETON CONTACT
Subject: FW: ArcelorMittal meeting Request - on REDII Delegated Acts on Recycled Carbon Fuels & Co-processing / Energy & Environment State Aid Guidelines / Waste Shipment Regulation
Attachments: car2.pdf

From: J [redacted] <[redacted]>
Sent: Thursday, October 7, 2021 7:14 PM
To: CANTON Joan (CAB-BRETON) <[redacted]>; ABLAZEVICA Anna (CAB-BRETON) <[redacted]>
Subject: ArcelorMittal meeting Request - on REDII Delegated Acts on Recycled Carbon Fuels & Co-processing / Energy & Environment State Aid Guidelines / Waste Shipment Regulation

Dear Mr. Canton and Mrs. Ablazevica,

As you may know, we are the biggest European steel producer and are making ambitious investments to reduce 35% of our emissions by 2030, to become climate neutral by 2050. For example, last week we made and investment announcement with the Belgian government in our Gent plant, that will by itself reduce 4% of the GHG emissions in Flanders. It is based on Hydrogen/DRI steel making and also Carbon, Capture & Use (CCU).
https://corporate.arcelormittal.com/media/press-releases/arcelormittal-signs-letter-of-intent-with-the-governments-of-belgium-and-flanders-supporting-1-1-billion-investment-in-decarbonisation-technologies-at-its-flagship-gent-plant
This follows the recent announcement in Spain to set up the world's first full-scale zero carbon-emissions steel plant in Sestao by 2025, based on hydrogen and solar power. We already have the first and only industrial scale DRI steel making plant in Hamburg Germany that will also switch to hydrogen. As you see this becomes very concrete and innovative and we would like to speed up, but the investments are very costly and risky.

We are making further investments plans, but have come to concrete policy problems, which we very much would like to discuss with you.

- To really get to zero GHG industrial emissions, in both the Hydrogen- and Smart Carbon CCUS decarbonization steel production routes, CCU is absolutely required**.**

The biggest related concerns we have are on **two RED II Delegated Acts** that will be proposed possibly already in October and published in December this year:
- **On the sustainability and GHG emission savings criteria of Recycled Carbon Fuels (new art. 29a);** *particularly the issue of replaced electricity linked to a current national power grid CO2 factor would be highly problematic. We hope these could be assessed as in the ETS Innovation fund;*
- ***Co-processing of primary fossil resources with secondary bio/waste resources,*** *which will determine of how much of our Steelanol CCU ethanol output will be biofuel.*

- The upcoming **Energy & Environment State Aid Guidelines** Review will also be key to allow the financing of our decarbonization investments, but also for the needed relief of renewable energy costs, which is even more needed with the current energy cost spikes and by the fact that decarbonization will make us more energy intensive and less carbon intensive.

- **The Waste Shipment Regulation** could keep more scrap in Europe that is vital for the transition from steel blast furnaces to DRI and EAF based steel making; we are worried that the current proposal may not be effective regarding certain countries outside Europe.

These issues will be decisive for our investments plans that we would like to make as soon as possible for our decarbonization roadmap**.** *To discuss this we would like to ask for a meeting with you; would this be possible?*

Our latest company carbon report is attached, where our technologies and plans are included.

Kind regards,

[redacted]

[redacted]
ArcelorMittal

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