THE U.S. CARBON ADVANTAGE IN STEEL: KEY TAKEAWAYS

• The U.S. steel industry has a major carbon advantage. Steel exporters to the U.S. emit 50-100% more CO2 emissions per ton than U.S. producers on average.

• China’s average production of steel is more than twice as carbon intensive as the United States’.

• A domestic carbon fee and carbon intensity import fee could increase U.S. steel industry sales by as much as 9%.

• Such a policy can decrease steel imports by around 50% and potentially eliminate entirely those coming from carbon-intensive countries like China and Brazil, while new steel made in the U.S. would add an additional $2.8 billion in economic growth.

• These findings challenge the assumption that U.S. climate leadership will invariably harm American competitiveness and erode living standards. Quite the opposite: they show that the right climate strategy can lift industry and allow the U.S. to reap the full economic benefit of our success in low-emissions manufacturing.