



# **Mission Possible Partnership unveils how three of the most carbon intensive industries can reach net zero by 2050 and cut emissions in the next decade**

Companies from the steel, aviation and shipping industries are mobilizing multi-trillion dollar plans that provide a path for their respective sectors to reach net zero by 2050 and to make significant emissions reductions within the next decade as part of the Mission Possible Partnership.

Ahead of COP26, the Mission Possible Partnership (MPP), an organization dedicated to decarbonizing seven of the hardest to abate industries, is releasing plans and the estimated costs of slashing carbon emissions for three sectors – steel, shipping and aviation – often ignored in national plans known as Nationally Determined Contributions that form the basis of negotiations at COP.

Together, the three industries addressed in these initial plans emit close to 6 Gt of carbon dioxide per year in the global atmosphere, and are absolutely critical to limiting global warming to 1.5 degrees C.

In less than two years, MPP has convened more than 300 corporate leaders from the seven harder-to-abate sectors, along with their suppliers, customers and financial institutions to develop clear paths to net zero across their value chains and start taking the first steps on that path. Among the participants are ArcelorMittal, Volvo, DHL, United Airlines, Delta Air Lines, KLM Royal Dutch Airlines, Rio Tinto, JSW Group, BASF, SABIC, Heidelberg Cement, Dalmia Cement, Bank of America, HSBC, Credit Suisse, UBS, Maersk, Wan Hai Lines and Tata Steel.

## **Making the Impossible Possible**

The costs of decarbonizing the steel, shipping and aviation sectors and the details on how exactly these industries will drive carbon emissions to zero are based on landmark science with clear milestones and metrics to monitor progress. The plans also offer policymakers a guide for regulations and investment.

Chad Holliday, Co-Chair at MPP said: “The kind of change we are talking about to get these industries to net zero is unprecedented. The climate emergency is a fight for our lives. The good news is that we now know more on how to keep the planet below 1.5 degrees and have shown radical collaboration is possible, even among competitors, despite a global pandemic. MPP’s Sector Transition Strategies provide the map to guide corporates, financial institutions and governments in the years to come.”

Commenting on the launch of the MPP sector transition strategy for steel Aditya Mittal, CEO of ArcelorMittal, said: “The MPP sector transition strategy clearly sets out the challenges for the steel industry to decarbonise as well as two illustrative pathways for the sector to achieve net zero. The most important message is that we can only achieve the sectors potential with the support and engagement of the full supply chain as well as policy makers and the financial sector. I believe this sector transition strategy can be an important catalyst for harnessing the power of a multi stakeholder approach and enabling the steel sector to achieve its full decarbonisation potential and make a significant contribution to the 2050 net zero target.”

A second wave of announcements planned for 2022 will establish industry-backed carbon reduction pathways for the cement, aluminum, trucking and chemical industries which receives today a significant accelerator with the announcement of the The Low Carbon Emitting Technologies initiative (LCET) backed by 10 major chemical companies and supported by MPP.

## Setting the tone for COP26

In addition to industry, the finance sector is also beginning to rise to the challenge. MPP is working to unlock investment in low-carbon solutions in industry and mobility by working with RMI’s Center for Climate-Aligned Finance to develop climate-aligned finance agreements for financial institutions across all seven MPP sectors, with a current focus on the steel sector, and with the World Economic Forum’s Transition Finance Initiative to develop blueprints for breakthrough financing and de-risking solutions.

Faustine Delasalle Co-Executive Director of MPP says, “When industry and finance leaders come together and align behind a strategic plan to decarbonize a sector, it creates confidence and emboldens decisionmakers. The MPP sector transition strategies provide a clear plan of attack to bring down emissions. Now we must turn to implementing this plan. But policymakers need to do their part to drive investment at a bigger scale and faster pace.”

Focused on sectors often neglected in countries' Nationally Determined Contributions, MPP is also setting the tone for COP by calling on policymakers to recognize the critical importance of massive investment in clean energy supply and industrial policies like carbon pricing as well as the need for bolder international agreements at the International Civil Aviation Organization (ICAO) for aviation and the International Maritime Organization (IMO) for shipping. Anthony Hopley, Co-Executive Director of MPP says, "Despite the pandemic, there is unprecedented momentum and willingness to collaborate to accelerate decarbonization in the most carbon-intensive sectors of the economy. With COP26 around the corner, the committed community of business leaders that MPP and its partners convene are demonstrating powerfully that corporates are not waiting for governments to act, but that they do need policy support to be successful."

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## **Marking the first steps on a three-decade journey: key sector actions enabled by the Mission Possible Partnership include:**

### **STEEL:**

Backed by some of the world's leading steel sector players, including ArcelorMittal, Rio Tinto, Tata Steel, Thyssenkrupp Steel Europe, Liberty Steel Group and SSAB, the MPPs Net-Zero Steel Initiative is launching a sector transition strategy that lays out what it will take for the steel sector to reach net-zero by 2050. The strategy details the importance of early progress to avoid 1.3Gt of cumulative CO<sub>2</sub> emissions and cut annual emissions by 37% by 2030 on the way to net zero by 2050. The pathway will have major implications for the energy system, where demand for electricity could increase by 11-13 times and where metallurgical coal demand would fall 80-90%. Annual investment of around \$6 billion would be needed to 2050 to transition the global steel asset base to net zero.

*See the sector [press release](#) and the [transition strategy](#).*

### **AVIATION:**

With the backing of aviation leaders, including United Airlines, Delta Air Lines, Virgin Atlantic Airways, KLM Royal Dutch Airlines, Airbus and Royal Schiphol Group and Deutsche Post DHL Group, MPP is launching together with the Clean

Skies for Tomorrow Coalition, a sector transition strategy for the aviation industry. This lays out what it will take for global aviation to get to net-zero emissions by 2050, including a complete phase out of fossil jet fuel. The strategy focuses on the need to ramp up the use of Sustainable Aviation Fuels (SAFs) as well as new hydrogen and battery-electric propulsion aircraft. It also includes details on the recommended annual investment of US\$300 billion, primarily in the fuel supply chain, required to implement decarbonization plans for the sector. *See the sector [press release](#) and the [transition strategy](#).*

## **SHIPPING:**

This autumn, more than 150 industry leaders including A.P. Moller – Maersk, Trafigura, the Ports of Antwerp and Rotterdam, Yara, Euronav, GasLog, Hapag-Lloyd, Cargill, and the Synergy Marine Group, brought together by the MPP-supported Getting to Zero Coalition, a partnership between Friends of Ocean Action, World Economic Forum and Global Maritime Forum announced their commitment to decarbonizing international shipping by 2050. Moving ahead to develop the technologies and business models needed by 2030, while urging governments to work together with industry to unlock the scale-up of clean solutions.

An insight brief published today shows the opportunity created by shipping's need for scalable zero-emission fuels: the robust future demand from shipping can de-risk business cases for land-side production of green hydrogen that can serve multiple industries. This insight brief provides a preview of the sector's *Strategy for the Transition to Zero-Emission Shipping*, an MPP-backed report from the Getting to Zero Coalition prepared by University Maritime Advisory Services (UMAS) to be published on 27th October 2021 at the Global Maritime Forum's Annual Summit.

*See the sector [press release](#) and the [sector transition perspective](#).*

## **CHEMICALS:**

Today 10 major chemical sector companies and the World Economic Forum are establishing a breakthrough platform designed to accelerate low carbon emitting technologies. The LCET initiative supported by MPP will enable sharing of early-stage risks and co-investments in developing and upscaling of low-carbon-emitting technologies. LCET members include Air Liquide, BASF, Clariant, Covestro, Dow, Mitsubishi Chemical Corp., Royal DSM, SABIC, SIBUR and Solvay.