

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.