

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 3980
FOR ANSWER ON 25.03.2025

CARBON BORDER ADJUSTMENT MECHANISM

3980. SHRI B Y RAGHAVENDRA:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has conducted or proposes to conduct any study on the potential impact of the European Union's Carbon Border Adjustment Mechanism (CBAM) on Indian steel exports;
- (b) the current trends in Indian steel exports to the EU including the volume and value of exports during the last five years, State and year-wise;
- (c) the steps taken/proposed to be taken by the Government to assist Indian steel exporters in complying with the carbon emission standards mandated by CBAM;
- (d) the details of measures being implemented to promote the adoption of low-carbon and green steel manufacturing technologies in India, State/UT-wise; and
- (e) the specific initiatives taken/proposed to ensure that Indian steel remains competitive in global markets despite challenges posed by CBAM and other environmental regulations?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

(a)to(e): Steel is a deregulated sector, and export of steel is dependent on factors such as global market conditions and policies like Carbon Border Adjustment Mechanism(CBAM), demand and supply, cost of input raw materials such as iron ore, coking coal etc. which are market linked.

Data on volume and value of finished steel export to the European Union (EU) during last five financial years is given below: -

Finished Steel Export to EU		
Year	Quantity (in MnT)	Value (Rs Crores)
2019-20	1.95	10,692
2020-21	2.51	14,144
2021-22	3.58	32,149
2022-23	2.49	22,482
2023-24	4.03	29,534

Source: Joint Plant Committee(JPC); MnT=million tonnes; Note: U.K. was part of EU upto 2020-21

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The steps taken by Government to promote the adoption of low-carbon and green steel manufacturing technologies in India are as under:-

- I. Ministry of Steel has released a report titled "Greening the Steel Sector in India: Roadmap and Action Plan" in alignment with the recommendations of the 14 Task Forces constituted by this Ministry for this purpose.
- II. Ministry has released the Taxonomy for Green Steel to provide standards for defining and categorizing the low emission steel.
- III. Under National Green Hydrogen Mission launched by Ministry of New and Renewable Energy (MNRE), Ministry of Steel has awarded 3 pilot projects for use of hydrogen in steel sector.
- IV. National Solar Mission launched by Ministry of New and Renewable Energy in January, 2010 promotes the use of solar energy and also helps to reduce the emission of steel industry.
