Work Plan: P10 Revision

Workstream #3:

Product Emissions Allocation for Decarbonisation Progress Level (DPL) determination (Criteria 10.4, 10.6 & 10.7)

Draft version 1.1

20 October 2026

Introduction

This document outlines the workplan for Principle 10 Workstream 3, to develop a product emissions allocation methodology for Decarbonisation Progress Level (DPL). This workstream is part of the Standard Revision of the ResponsibleSteel International Production Standard v2.1.1, and builds on the work done for the first public consultation ("Public Consultation Draft: Principle 10, Workstream 3", August 2026). The detailed document was available upon request and circulated with the working group.

Here we set out the scope, purpose, objectives & intended outcomes and guiding principles, alongside the governance structure and proposed timeline for the next phase of Workstream 3. A draft agenda for the Working Group (WG) and Technical Advisory Group (TAG) meetings is included, structured around the six design features raised in the first public consultation.

Revision Scope

Workstream 3 builds on site-wide emissions accounting methodology in 10.4, assessed against the same DPL classification framework in 10.6, and based on the disclosure requirements in 10.7. It considers key design features — credible claims, system boundary, attribution method, market instrument eligibility, minimum safeguards and traceability — for allocating emissions from the existing site-wide Decarbonisation Progress Level (DPL) determination down to process routes, production lines and products, while maintaining the cradle-to-crude steel scope. This methodology will likely form a new, separate criteria.

This revision relates to Criteria 10.4, 10.6 and 10.7: the ResponsibleSteel emissions accounting rules, the application of Decarbonisation Progress Levels (DPLs), and related GHG data disclosure (applicable to Steel Site Certification only).

Refer to the GHG emissions accounting & classification fundamentals for additional information on the emissions accounting methodology and Annex B of this document for the referenced requirements.

Out of scope

Note that the following topics are out of scope in this workstream:

- Re-design or expansion of the DPL thresholds (requirement 10.6.3) — this workstream addresses allocation of emissions within the existing thresholds, not the thresholds themselves.
- The ResponsibleSteel emissions accounting rules set out in Criterion 10.4, which define the site-wide emissions boundary from 'cradle to crude steel' and apply an attributional accounting approach.

- Product carbon footprint (PCF) and Environmental Product Declaration (EPD) requirements under requirement 10.6.4 — these remain a separate, unchanged requirement alongside any product-level DPL declaration.
- Traceability which is dependent on outcomes from other design features covered in this workstream , especially attribution method.
- Chain of Custody (CoC) system developments and Claims discussions which will be dealt with in a separate WG.

Purpose

ResponsibleSteel's DPLs are currently based on site data because the primary objective is to incentivise the decarbonisation of the steelmaking facility as a whole. A site-wide average reflects the performance of the entire production system rather than attempting to assign shared emissions to individual products – a conservative approach by design. This provides a consistent and comparable measure of decarbonisation performance across steelmaking sites. However, as sites transition to lower-emission technologies, different process routes and products may have significantly different emissions intensities. The current site-average approach does not individually recognise or reward these lower-emission production lines or products during the transition period. In enabling credible product-level claims, ResponsibleSteel can support investment in decarbonisation by creating opportunities to capture emerging market demand.

The workstream responds to strong member support, with 68% (n=22) of respondents to the June 2025 Member Survey on GHG Claims favouring the inclusion of process routes and product-level emissions in DPL determination.

Although we are addressing a product-level GHG emissions accounting methodology, it is distinct from a product carbon footprint (PCF) as the purpose is to compare decarbonisation progress on a like-for-like basis (maintaining the cradle-to-crude life-cycle scope), rather than assess the lifecycle impact of the steel product. The ResponsibleSteel requirement to provide a third-party verified PCF/EPD alongside the product-level DPL will remain, as they are both critical GHG data points for downstream steel buyers.

Objectives and Intended Outcomes

Objectives	Intended Outcomes
1. Develop an emissions allocation methodology — covering all six design features (credible claims, system boundary, attribution method, market instrument eligibility, minimum safeguards, traceability and disclosure) — that differentiates boundaries for process routes, production lines and products on a site basis.	- A clear, attributional method to determine process-route, production-line and product GHG emissions intensity, allocated from total site-wide emissions to crude steel cut-off. - Increased flexibility in emissions accounting and steelmaker-specific product claims, without compromising the physical integrity of the site-wide DPL.
2. Enable differentiated, credible reporting of GHG emissions intensity by process route, production line and product during the industry's transition period, informed by the August 2026 public consultation and subsequent WG/TAG input.	- Improved usability and credibility of the ResponsibleSteel methodology and process during the transition period. - Encourage decarbonisation of site-level average GHG intensities by rewarding certified early adopters who bring lower-carbon products to market early, at a premium. - Increased uptake of ResponsibleSteel certification by adding flexibility for process-route and product GHG emissions intensity allocation, while supporting interoperability with CISA and LESS.

Governance Structure and Resources

- The ResponsibleSteel Standard Development Procedures must be followed, according to Procedure B – Membership Approval and Board Ratification. This includes a 60-day public consultation period and a 4-week voting period. If >50% of business members and >50% of civil society organisations' votes are in favor of the proposed changes, the requirements are then passed to the Board for final approval.
- The **Standards, Assurance and Claims Committee (SACC)** of the ResponsibleSteel Board will be responsible for oversight of the standard development processes.
- The **ResponsibleSteel Secretariat** will convene and manage the project.
- A **Working Group** (WG) of ResponsibleSteel members with interest and relevant expertise will be established to support this work, inclusive of business members, civil society organisations, and trade associations.
- A **Technical Advisory Group (TAG),** drawn from ResponsibleSteel's Technical Advisory Panel (TAP) of experts with relevant expertise will be established to provide project guidance.

For more information on the standard revision process, refer to the ResponsibleSteel Standard Development Procedures which can be downloaded from this webpage.

Proposed Timeline

- Oct–Nov 2026: first public consultation on the design features (published 30th September 2026), gathering stakeholder feedback on credible claims, system boundary, attribution method, market instrument eligibility, minimum safeguards and traceability..
- Nov–Dec 2026: Working Group (WG) and Technical Advisory Group (TAG) meetings (4 sessions each) to review consultation feedback and agree a defined methodology for each design feature.
- Jan 2027: Secretariat to consolidate WG/TAG outcomes and draft a defined methodology and amendments to the Standard.
- Feb 2027: refinement of the draft methodology based on WG/TAG review.
- March–April 2027: second public consultation (30 days) on the defined methodology (exact timing tbc, contingent on other standard revision workstreams).
- May 2027: finalisation of the revised Standard based on feedback.
- June 2027: Board approval of final documents to be used in the voting procedure.
- June–July 2027: voting by members to approve/refuse changes to the Production Standard, followed by Board approval.
- August 2027: publication of the updated ResponsibleSteel International Production Standard v3.0.
- Sept–Dec 2027: testing of the methodology across different sites.

Note: this timeline is subject to change, depending on the final revision scope, availability of resources, and the level and consistency of feedback following the second consultation.

Working Group Discussion Points

Note that the TAG meetings will mirror the WG sessions in content; however, they will focus only on the most pertinent issues or concerns raised across the design features.

#	Date	Content & Intended Outcomes
1	3 November 2026	Consultation overview & system boundary • Confirm the revised scope and the attributional, proportional direction of travel. • Provide an overview of the key questions to be explored in this working group. • Walk through the system boundary options (product, product group, product category, process route, production line, multi-site).

		• Highlight relevant insights from other schemes such as LESS and CISA. **INTENDED OUTCOMES** • Agree the overall direction of travel and confirm objectives and outcomes for the remaining sessions. • Identify any early clarifications needed on scope, method or alignment with other systems.
2	17 November 2026	**Attribution method** • Discuss site-level proportional attribution versus site-level physically constrained attribution. • Discuss how low-carbon inputs (physical renewable electricity, physical low-carbon commodities, and/or their respective market instruments) should be treated. • Discuss how process gases should be allocated. • Confirm that non-proportional allocation approaches remain excluded. **INTENDED OUTCOMES** • Agree the preferred attribution method(s) and any constraints on the physical input mix. • Identify any clarification needed on the method of process-route or product allocation.
3	1 December 2026	**Market instrument eligibility** • Discuss which categories of market instrument (energy certificates, commodity certificates, GHG reduction certificates) should be eligible to contribute to DPL classification. • Discuss temporal and geographical matching conditions for recognising an instrument's attribute as matched to a product or activity. • Provide an overview of the results from the detailed workstream 3 survey for public consultation. **INTENDED OUTCOMES** • Agree which instrument categories are eligible and the matching conditions that should apply. • Identify any further factors to consider for market instruments in the methodology.
4	15 December 2026	**Minimum safeguards & summary** • Review the proposed safeguards: whole-site certification, a site-wide DPL 1 floor before any product-level claim, a time-bound sunset (e.g. by 2035), and a best-available-technology cap. • Discuss whether physical segregation is necessary for credible product-level emissions allocation, or whether robust digital records suffice. • Demonstrate the preferred boundary and attribution options using worked examples across process routes and products. • Summarise feedback from the first public consultation across all six design features. • Review any remaining issues or items across the six design features. • Confirm the proposed safeguards and the overall methodology direction. • Check outcomes against Workstreams 1 and 2; confirm WG/TAG availability for the second consultation period.

		INTENDED OUTCOMES • Confirm safeguards are adequate: the revision remains credible, usable, measurable, verifiable, auditable and transparent. • Agree the workstream proposal for the defined methodology, ready for drafting and the second public consultation.

References

- GHG Protocol Scope 2 Guidance (2026)
- GHG Protocol Actions and Market Instruments Standard, Phase 1 White Paper (March 2026)
- SBTi Corporate Net-Zero Standard v2.0 (2026) – Integrity criteria for market instruments (C25-C27)
- ISEAL Chain of Custody Models and Definitions v2.0 (2025)
- Mission Possible Partnership (MPP) Principles and Guardrails for Credible Mass Balance Claims (2026)
- SteelZero Report: Approach to mass balance and considerations for its role in a credible transition pathway to decarbonise the steel industry (2025)

Annex A: Glossary

Term	Proposed working description
Terms related to steelmaking	
Batch [NEW]	A defined quantity of steel produced under substantially uniform production conditions over a specified period or production run, which can be uniquely identified and traced through the production.
Production line **[NEW]**	A defined set of connected processes and equipment within a site that together produce a specific product or group of products, with sufficiently distinct inputs, outputs and production data to allow its production and associated emissions to be separately identified.
Site **[NEW]**	The physical entity under management or control.
Steel product [to be updated]	A steel output produced to a defined specification and intended for sale or further processing characterised by grade, dimensions, form and applicable standards, whether semi-finished or finished. Hot rolled steel, section, plate, rebar, engineering steel, wire rod, seamless pipe and welded pipe are steel products.
Steel product category [NEW]	A grouping of steel products with similar metallurgical characteristics and production requirements. Product categories include carbon steels, stainless steels, and high alloy steels.
Terms related to GHG emissions accounting	
Attributional accounting [NEW]	GHG accounting that quantifies and tracks total GHG emissions within a defined inventory boundary over time, typically relative to a historical base year with emissions organised across scopes 1, 2, and 3. *As defined in the GHG Protocol Actions and Market Instruments Standard, Phase 1 White Paper (2026).*
Consequential accounting [NEW]	GHG accounting that estimates the changes in emissions and removals resulting from a project, action, or intervention, relative to a baseline in which it did not occur. *As defined in the GHG Protocol Actions and Market Instruments Standard, Phase 1 White Paper (2026).*
Controlled mass balance **[NEW]**	A mass-balance approach in which environmental attributes may be allocated between eligible outputs in proportion to relevant physical flows, but only within defined system boundaries and subject to the physical and technical constraints of the production system.
Mass balance [NEW]	The principle that the total quantity of material or of defined attributes, entering a system equals the total leaving it, adjusted for changes in inventory, process losses, by-products and transformations. Distinct from the mass balance chain of custody (CoC) model.

Traceability [NEW]	The ability to track and verify the history and location of a material's movement through defined stages of production, processing and distribution. *Adapted from ISO 22095:2020, Chain of custody — General terminology and models; ISEAL Chain of Custody Models and Definitions v2.0 (2025).*
Terms related to market instruments	
Market instrument (or market-based mechanism) [NEW]	A contractual arrangement between two or more parties that enabling the creation, transfer, or claiming of GHG-related environmental attributes. *As defined in the GHG Protocol Phase 1 White Paper (2026).*
Environmental Attribute Certificate (EAC) [NEW]	An instrument conveying environmental- or sustainability-related characteristics of an activity or commodity. They fall into two main categories: carbon credits, and energy and commodity certificates. *As defined by SBTi Corporate Net-Zero Standard V2.0 (2026).*
Energy certificate (or energy attribute certificate) [NEW]	A category of market instrument representing certain attributes of the energy generated, but not the energy itself. *As defined in the GHG Protocol Scope 2 Guidance (2026).*
Commodity certificate [NEW]	A category of market instrument representing the environmental attributes of an underlying good, product, or service. Attributes may be binary such as renewable energy against non-renewable energy, or metric based such as a stated emission factor. *As defined in the GHG Protocol Phase 1 White Paper (2026).*

Figure 1 – ResponsibleSteel Decarbonisation Progress Levels

