

Executive Summary

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- **Heavy industry and transport account for almost 30% of global energy** - and process-related emissions. Mission Possible Partnership's Global Project Tracker (June 2026) counts nearly 1000 clean industrial projects worldwide across heavy industry (aluminium, cement/concrete, chemicals, steel) and heavy transport fuels (for aviation and shipping), worth close to \$5tn in investment potential when underpinning energy assets are included. Only 161 of these projects have reached final investment decision (FID) – the point at which construction can commence.
- **The obstacle is not technology or finance** – it is demand. Early projects moved forward on the back of generous subsidies, voluntary premium buyers and management willing to accept lower returns to prove what was possible. Those advantages are fading for the projects that follow. Deeply decarbonised materials, chemicals and fuels are still early in their commercialisation, and so cost more than their emissions-intensive equivalents – making it hard for buyers to sign the long-term purchase agreements lenders need before financing a project. Corporate voluntary commitments have helped build early demand, but on their own they are not enough at scale.
- **This is a solvable problem, and one with precedent.** Blending mandates have driven over a decade of biofuel uptake; purchase incentives scaled the electric vehicle market; obligations are now taking shape for sustainable aviation fuel (SAF). Of these sectors, SAF is scaling fastest; materials need the same policy push. Progress is visible: the EU's Industrial Accelerator Act, for example, is building demand for low-carbon materials by targeting uptake in key lead markets like automotive and construction; India's SECI auctions are establishing early contracts for green ammonia use in fertilisers. But only a handful of such measures have been put in place.
- **Building demand means a heavy bill for consumers.** Costs are highest early in the production chain, but by the time a product reaches the shopper, clean inputs add little to the price – clean steel adds around one per cent to the cost of a car, and clean fuels a similarly small share to shipping a pair of shoes. This impact will shrink further as more of the market switches to clean supply – all the more reason to start building demand now, so premiums fall sooner.
- **The ITA Green Demand Policy Playbook, prepared by the Industrial Transition Accelerator (ITA)** secretariat with more than 100 organisations, sets out how governments can close this gap across aviation, shipping, aluminium, cement, chemicals and steel. It groups nine demand-stimulation policies into four types – government procurement, mandatory regulations, market-based mechanisms and non-financial incentives – and shows how they reinforce one another. For example, construction, automotive and packaging alone drive over half of demand for aluminium, cement and steel, so action in three end-use sectors can shift production across three material sectors at once. None of this works without robust standards to define what counts as clean and give buyers confidence in what they are buying; closing the remaining gaps, and aligning standards across regions, is now a priority. For each policy, the playbook explains how it works, where it has the biggest impact, and includes sector deep-dives with real-world implementation examples and case studies.
- **The next few years will decide which countries lead.** Governments that move first on demand, finance and infrastructure will secure industrial leadership and reduce their exposure to volatile fossil markets; those that wait risk being locked out.