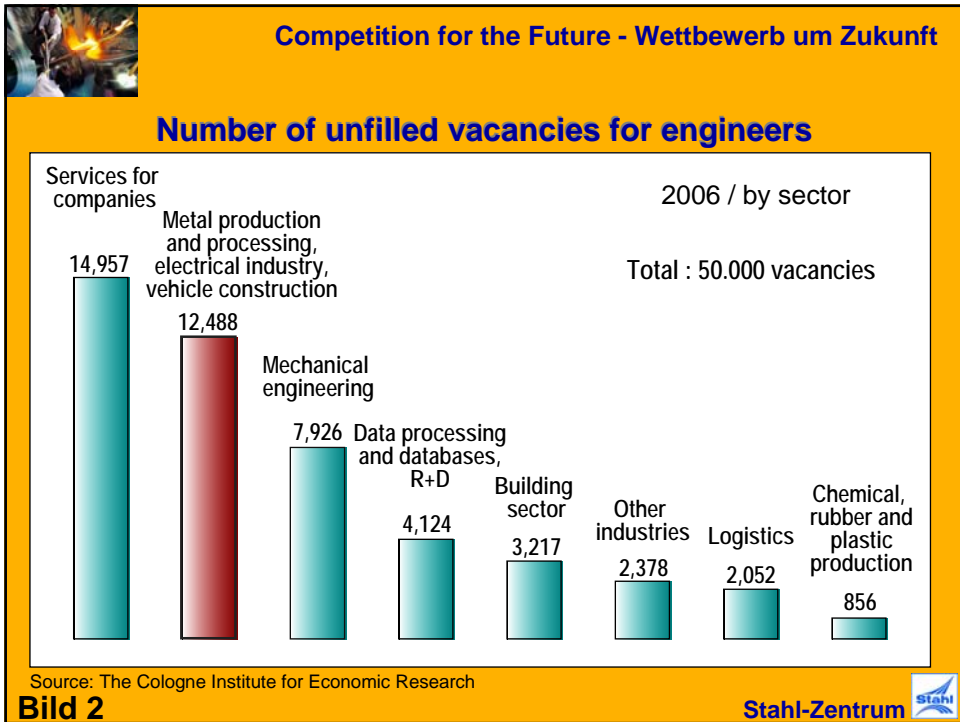


Competition for the Future - Wettbewerb um Zukunft

Steel - Competition for the Future

Prof. Dr.-Ing. Dieter Ameling
 Chairman Steel Institute VDEh
 President German Steel Federation

Bild 1 Stahl-Zentrum





Competition for the Future - Wettbewerb um Zukunft

Research and Development in selected Countries

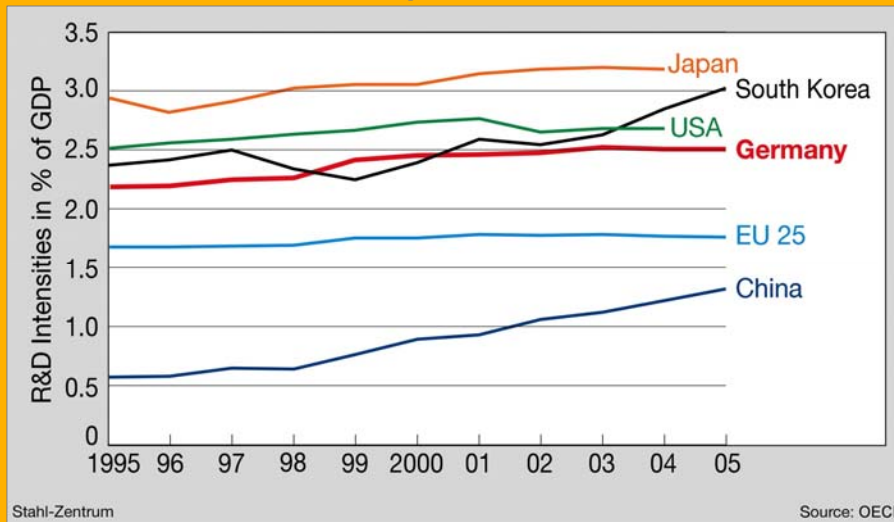


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Steel – Competition for the Future

- **World steel demand continuous to grow**
- **The steel industry in Germany – strong and competitive**
- **Political prerequisites for competitiveness**
- **Fair competition needs international rules**

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World Steel Demand Continuous to Grow: Forecast 2007/2008

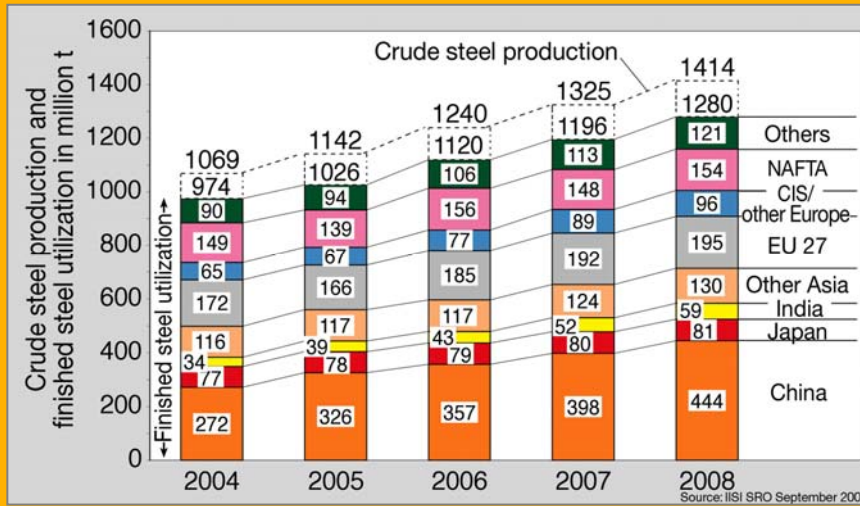


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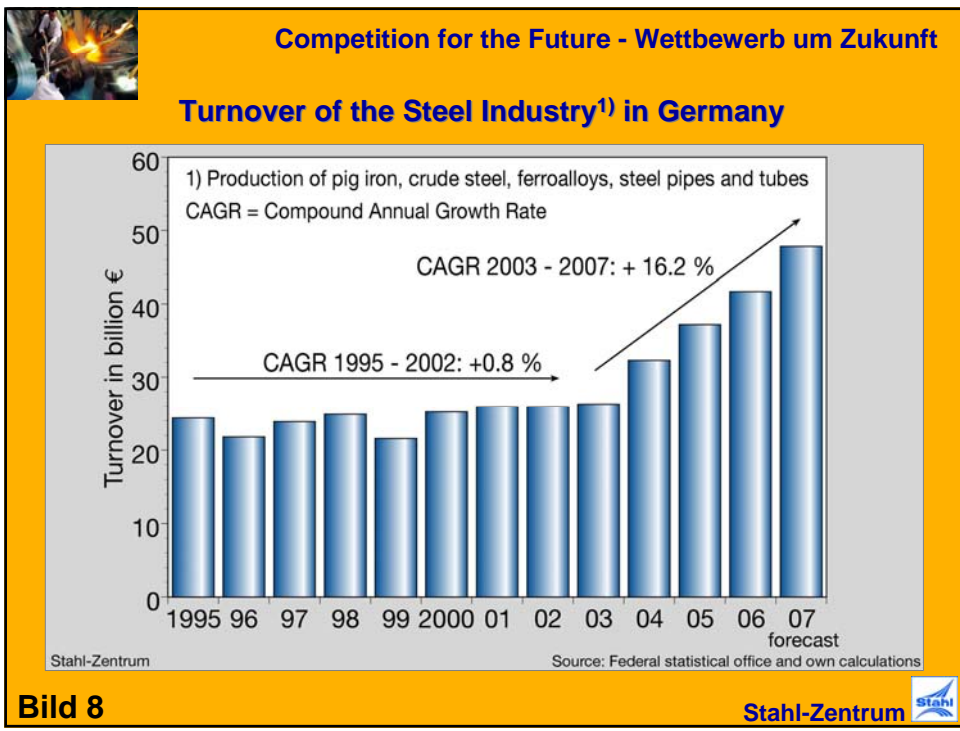
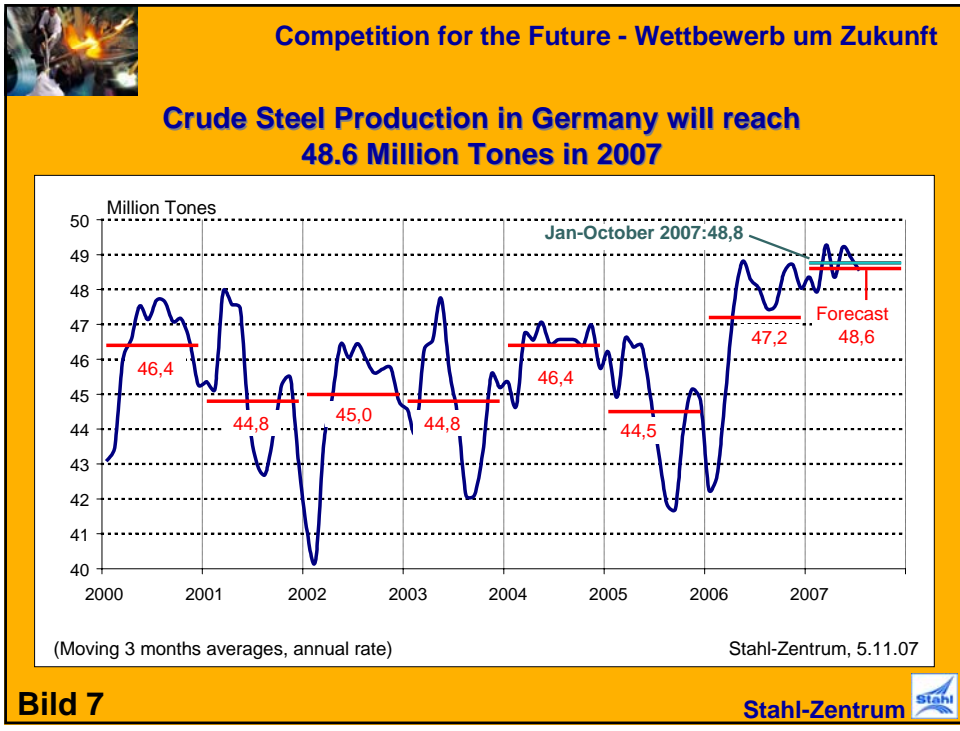


Competition for the Future - Wettbewerb um Zukunft

Steel – Competition for the Future

- World steel demand continuous to grow
- The steel industry in Germany – strong and competitive
- Political prerequisites for competitiveness
- Fair competition needs international rules

Bild 6



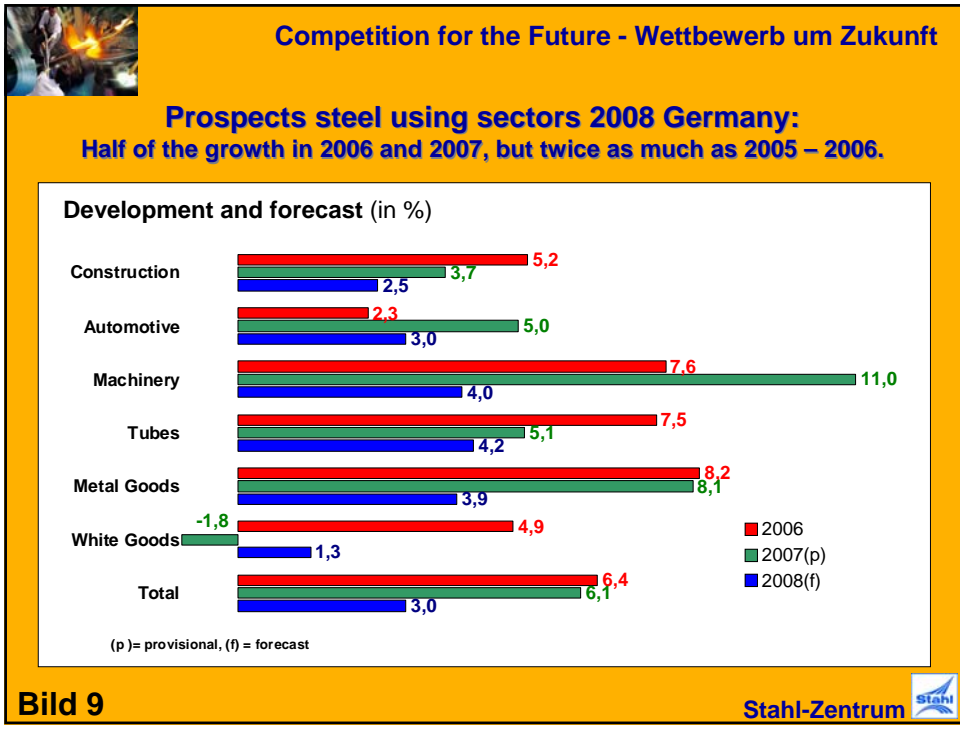


Bild 9

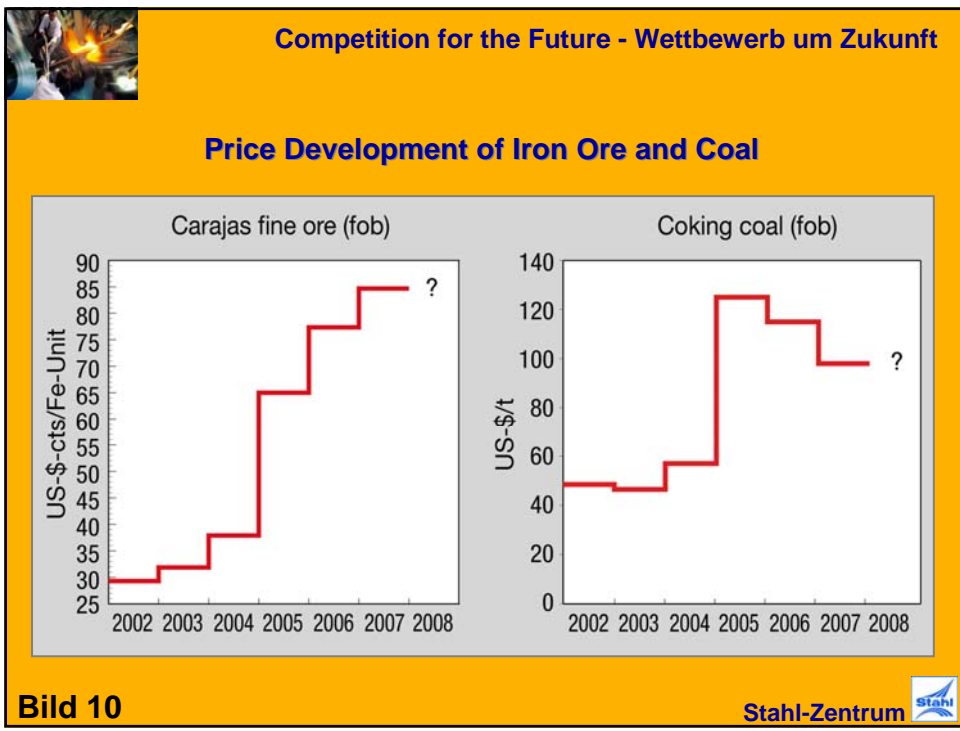


Bild 10



Steel – Competition for the Future

- World steel demand continuous to grow
- The steel industry in Germany – strong and competitive
- **Political prerequisites for competitiveness**
- Fair competition needs international rules

Bild 11



Facts about the Emissions Trade System for Steel

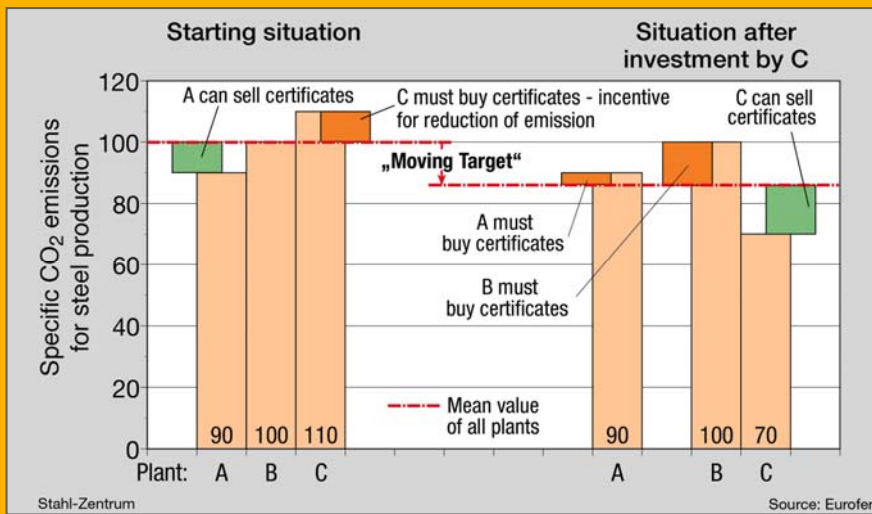
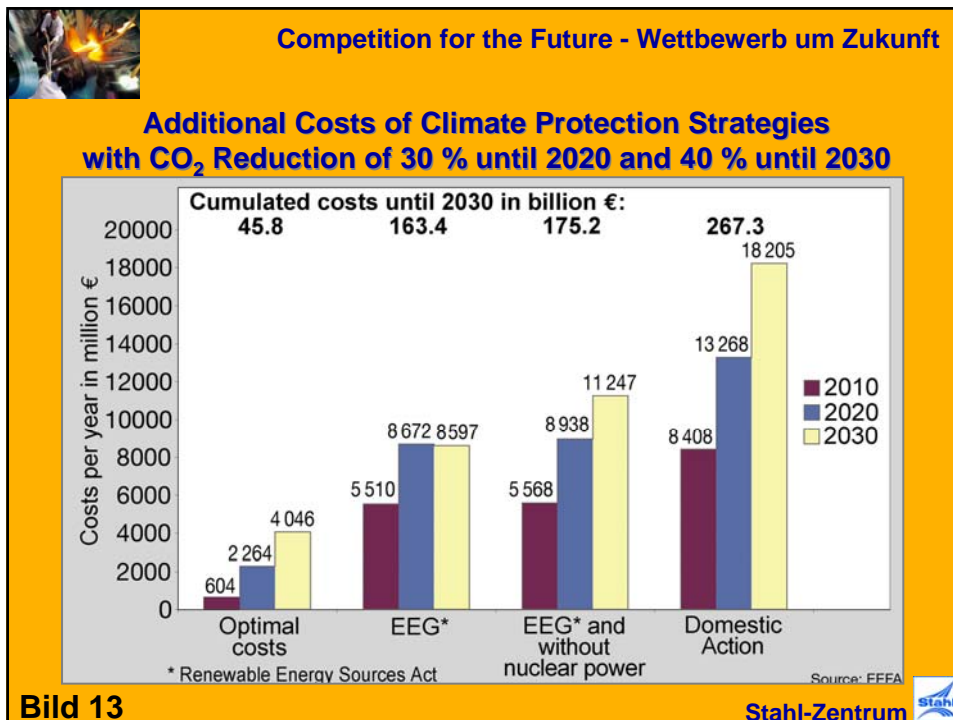
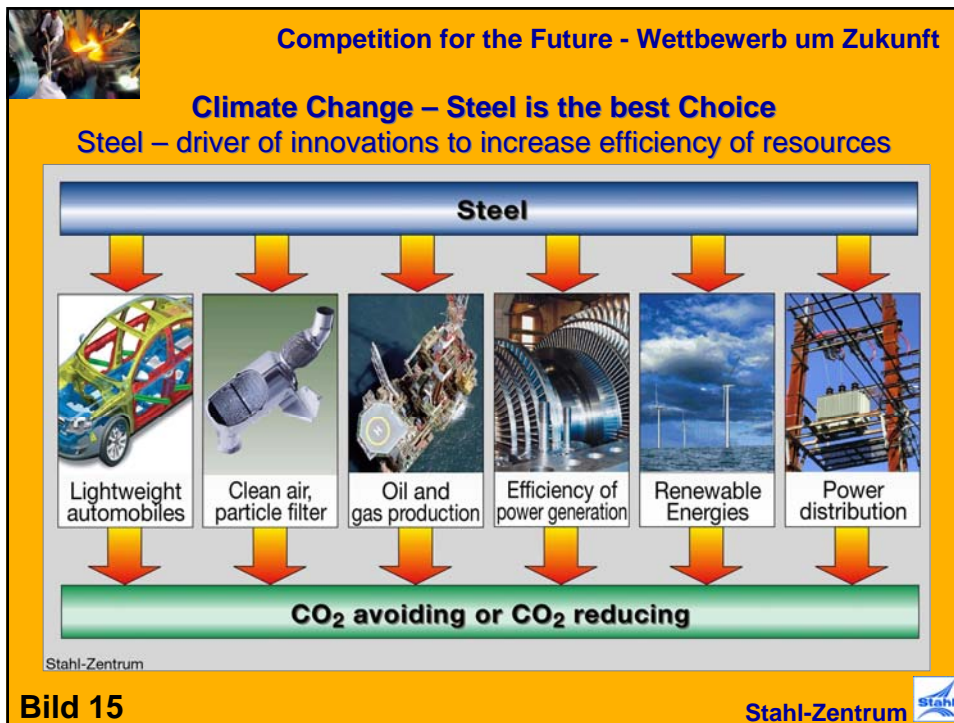


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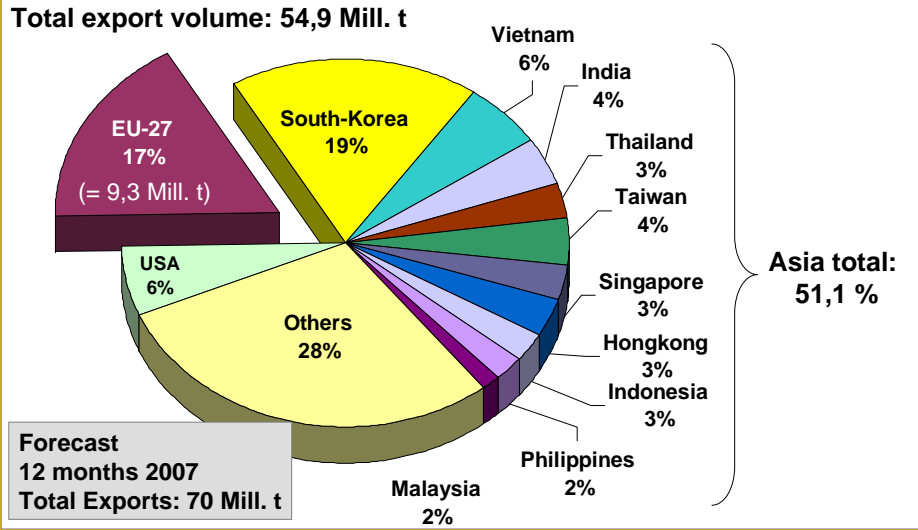
- Competition for the Future - Wettbewerb um Zukunft**
- McKinsey Study for the Federation
of German Industries (BDI): results**
- A **25%** reduction in greenhouse gases could be achieved between 1990 and 2020 if **viable measures** (from the point of view of the companies) were introduced (2030: 29%).
 - A reduction of **more than 31%** could be achieved **by 2020** if the **service life of nuclear power stations was lengthened**.
 - A reduction target of 40% by 2020 and an increase in energy efficiency of 3% is **not economically feasible**. Nuclear power would be essential.
 - The steel industry sees little potential for a reasonably priced reduction in CO₂. Measures such as CCS would cost **25 - 50 EUR/tonne CO₂** or more. This is not justifiable in international competition.
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- Steel – Competition for the Future**
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Bild 17

China Exports of Steel Mill Products by Destination
January until September 2007



Source: Trade Statistic German Steel Federation;

Stahl-Zentrum, 26.11.2007