

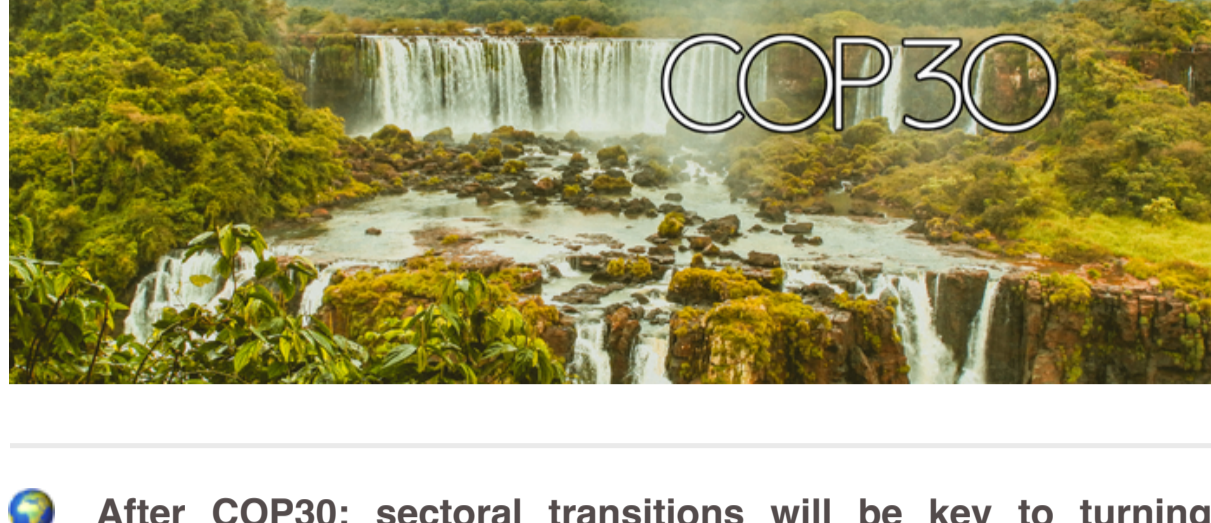


Deep Decarbonization Pathways

# NDC INSIGHTS

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COP30 Special Edition



## After COP30: sectoral transitions will be key to turning ambition into action

As the dust settles from COP30 in Belém, one clear theme has emerged: the implementation phase of the Paris Agreement will depend on sectoral transitions. From global freight corridors to industrial value chains, countries are beginning to treat climate policy, trade, and development as part of a single agenda.

Two new publications we contributed to — one on freight transport and another on clean steel — show how this shift is unfolding in practice. Both tackle the same question from different angles: *how can we align competitiveness, equity, and climate goals in sectors that move goods and build economies?*

These two new publications show how this shift is unfolding in practice. They both share something central to the DDP approach: each is grounded in national analyses and rooted in the realities of transition within countries. This makes them valuable illustrations of a new model for international cooperation — one that builds from national needs rather than applying one-size-fits-all solutions, and is fully consistent with the approach set out in the 2023 DDP report, “[Innovative International Cooperation for Climate](#)”. In both cases, cooperation becomes most effective when it is anchored in real policy challenges and sectoral pathways at country level.

## Avoid–Shift–Improve: the next frontier for freight

Freight transport now accounts for over 40% of global transport emissions — and it’s still rising. As COP30 negotiations highlighted the need for countries to align industrial and transport transitions, [IDDRI-DDP’s new blog post](#) argues for a renewed focus on “Avoid–Shift–Improve” strategies in freight systems. These strategies mean:

- Avoiding unnecessary freight demand through smarter logistics and shorter supply chains
- Shifting freight from road to rail and waterways, which can cut emissions by up to 80%
- Improving vehicle efficiency and accelerating the use of clean fuels

The blog post identifies four key themes for governments and businesses:

1. Building data systems that can track freight emissions
2. Designing financing tools for modal shift infrastructure
3. Creating consistent carbon pricing and fuel standards across borders
4. Supporting local freight reforms that improve equity and access

Together, these steps can deliver co-benefits far beyond climate goals — from cleaner air and reduced congestion to stronger domestic industries.

[Read more: Avoid–Shift strategies for freight transport: 4 key themes](#)

## DDP joins the UN Decade of Sustainable Transport

We’re delighted to share that the Deep Decarbonization Pathways (DDP) Initiative has had its voluntary commitment, “*National transport pathways to net zero*” accepted as part of the UN Decade of Sustainable Transport.

This commitment is one of over 80 global initiatives selected to be showcased at the launch of the Decade on 10 December 2025 at the United Nations Headquarters in New York. The DDP contribution builds on years of work developing national transport decarbonization pathways, offering country-driven evidence to inform sustainable transport strategies around the world.

## Making clean steel competitive in international trade

Steel remains one of the world’s highest-emitting sectors, responsible for around 7% of global energy-related CO<sub>2</sub> emissions. Deep decarbonization will require global coordination on technology, finance, and trade.

The new Breakthrough Agenda Policy Network report, [Making Clean Steel Competitive in International Trade](#), explores how to make this possible. It argues that trade can shift from a barrier to a driver of the clean steel transition — if policy and diplomacy move in the right direction.

The report identifies three levels of action:

- National policies: targeted subsidies and “subsidy-and-recharge” mechanisms to close the cost gap for near-zero steel without burdening consumers or creating competitiveness risks
- Bilateral partnerships: “green iron” trade between countries rich in renewables and iron ore (e.g. Australia, Brazil, South Africa) and high-cost importers (e.g. EU, Japan, Korea), reducing global costs by up to 30–50%
- Plurilateral cooperation: a potential tariff exemption for clean steel to de-risk investment and encourage deployment of near-zero steel technologies

The [report](#) concludes that positive-sum diplomacy — focused on clean technology markets, not protectionism — could accelerate the shift to near-zero steel while protecting jobs and industrial competitiveness

[Read the report: Making Clean Steel Competitive in International Trade — A Positive-Sum Agenda for Policy and Diplomacy.](#)

## What this means for the post-COP30 agenda

Freight and steel may seem far apart — one moves goods, the other makes them. COP30’s focus on implementation, equity, and cooperation echoes the core messages of both analyses:

- That systemic coordination — across trade, transport, and industry — is the only way to cut emissions fast enough
- That equity and competitiveness must be seen as enablers of ambition, not obstacles
- And that sectoral diplomacy — green corridors, climate clubs, and industrial partnerships — is the emerging engine of global decarbonization.

As countries move from negotiation to delivery, these two publications offer a glimpse of the next phase of climate cooperation: sector-led, solution-driven, and globally connected.



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