

# Steel, Port Ministries issue norms to incentivise hydrogen usage

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The Steel and Port Ministries on Friday announced a scheme worth ₹570 crore to promote the use of hydrogen towards making green steel and as use of fuel in ships. The aim is towards reducing carbon footprints.

The schemes are part of the ₹19,477-crore National Green Hydrogen Mission.

The Budgetary outlay for projects under the Steel Ministry will be ₹455 crore till 2029-30.

The Steel Ministry will incentivise the push for the use of hydrogen in Direct Reduced Iron-making process; use of Hydrogen in blast furnace; and substitution of fossil fuels with Green Hydrogen in a gradual manner.

The scheme will also support pilot projects involving any other innovative use of hydrogen for reducing carbon emissions in iron and steel production, it was said in a statement.

The scheme envisages that considering the higher

costs of green hydrogen at present, steel plants could begin by blending a small percentage of green hydrogen in their processes, and increasing the blending proportion progressively, with improvement in cost-economics and advancement of technology.

## THE GUIDELINES

The guidelines also note that upcoming steel plants should be capable of operating with green hydrogen, thus ensuring that these plants are able to participate in future global low-carbon steel markets.

The scheme will also consider greenfield projects aiming at 100 per cent green steel.

Incidentally, the Ministry of Ports, Shipping and Waterways (MoPSW) has also come up with similar guidelines whereby it will promote use of green hydrogen to replace fossil fuels. There is a Budget outlay of ₹115 crore til FY26.

Two areas have been identified as thrust areas under the pilot projects.