



How to create a pull for renewable coatings in the construction industry?

The gap between company climate ambitions and reported progress on scope 3 carbon footprint reductions in the coating industry is widening. Routes to solution proposals for scope 3.1 are understood and explored (Lüder, Sustainable Raw Materials – opportunities from segregated supply chains versus mass balance, RMC 2024) but the indicator on renewable carbon content of the portfolio does not pick up.

In cooperation with key customers in the construction industry the key stumbling blocks have been identified as

1. Affordability
 2. Missing demand
 3. Unfavourable product regulations and carbon accounting rules
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1. Carbon Abatement cost (cost to take one ton of CO₂e from a finished product) is unfavourable for chemicals versus steel. In the establishing European market for low carbon steel customers pay 100 eur/ton CO₂e reduced. This is the commercial benchmark for solutions from the chemical sector to customers for the coming years.
 2. No demand for renewable carbon per se: missing benefits to shift from fossil to renewable carbon for downstream users to compensate for higher cost. No obligations (quotas). PCF reduction as only benefit, measures with lowest cost are implemented to achieve Scope 3 ambitions.
 3. GHGp rules for biogenic carbon reporting at customer level make reporting cumbersome and unattractive for wider audience communication. No acceptance of mass balance and attribution in Environmental Product Declarations and SBTi progress reporting block the more cost-efficient chemical solution proposals with a low practical implementation hurdle.

So what should we do:

Bring abatement cost of solutions down. Benchmark with other industries, end customers will focus their pull to most cost effective opportunities.

Product formulators like Beckers need to aggregate many marginal gains in a formulation to improve affordability. This means to combine all possible measures that can reduce product PCF: primary PCF for raw materials and low carbon sourcing, formulation optimization and integration of renewable carbon solutions.

The European chemical industry is well positioned for carbon reduction. In general product PCFs are lower than in other regions driven by the traditional push for process optimization fighting high energy, raw material and waste cost. This advantage needs to be protected and exploited. We need to create a favourable, transparent, harmonized regulatory environment for renewable material solutions in chemicals . For downstream industries PCF reductions through chemical raw materials must become the route of choice. RCI rightly identified the work on mass balance and attribution and the -1/+1 approach to biogenic carbon as key elements.

Make proposals, take bold steps, cooperate along the upstream chemical value chain to showcase potential solutions even prior to regulatory implementation. e.g. [akzonobel-arkema-basf-industry-case-study.pdf](#)

Thomas Lüder, Global Director Sustainability Partnerships, Beckers Group

Thomas.lueder@beckers-group.com