

Interim Secretariat

The Climate Club

Update for the Steel Committee

25.05.2024

Basic Information on the Climate Club



Goal Accelerating climate action and increasing ambition, particularly in the

field of industry decarbonisation

Format Open, inclusive, high-ambition intergovernmental forum for discussions

and enabling framework for increased cooperation, improved

coordination and potential collective action across diverse geographies

Initial focus Steel and cement

Members Currently 38 members (governments), Germany and Chile are Co-Chairs

Interim Secretariat Hosted in tandem by the OECD and the IEA

Launch Leaders level at COP 28 (Statement)

<u>ToR</u> Adopted by G7 leaders in December 2022.

Website <u>climate-club.org</u>

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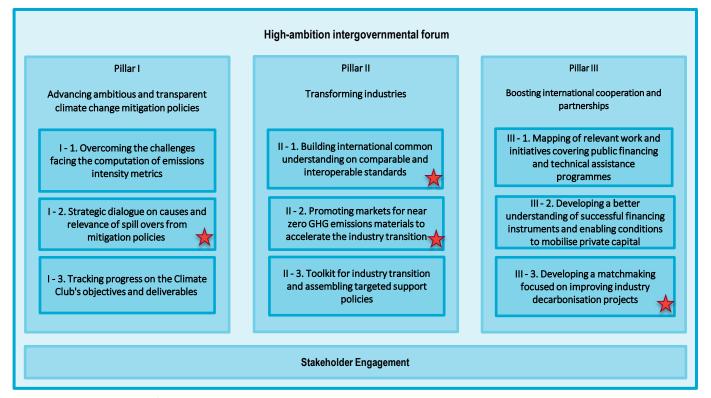
A Club by and for its 38 Members (so far)





Programmatic work: the three pillars and modules





The highambition intergovernmenta I forum is support by programmatic work in three interlinked pillars and stakeholder engagment

Work
Programme 2024

COP 29 in Baku: next leaders event planned

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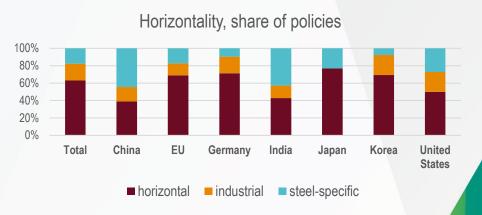
Steel decarbonisation public policy mapping



Key results:

- All large steel producing countries have implemented steel-related decarbonisation policies
- Governments are primarily using supply side policies
- Most policies are non-mandatory (carrots not sticks)
- 4. There are relatively few policies designed specifically for the steel sector
- Top objectives: support towards low-carbon technologies, particularly at low levels of readiness (CCUS, H2), and improve access to finance.
- Policies supporting steel circularity are few and far between, and mostly take a horizontal or downstream approach
- 7. Top instruments: setting of non-binding targets and public funding towards low-carbon innovation and plant transitions





Landscape of relevant international initiatives



Climate Club will build on and elevate ongoing work in different fields

Long-term Vision and Action Plans	Leadership Group for Industry Transition (LeadIT)	Mission Possible Partnership / Industry Transition Accelerator	Industry Associations (various)	Climate Club to elevate the work of existing initiatives to a high-level political forum and plug gaps where necessary	Discuss and aim to align sectoral strategies and milestones
Market Creation & Management	CEM Industrial Deep Decarbonisation Initiative	First Movers Coalition	SteelZero / ConcreteZero		Scale-up lead markets via multiple demand-side levers
Infrastructure and & Supply Chains	EU Critical Raw Materials Club				Mapping supply chains of critical raw materials for the decarbonization of of hard-to-abate sectors
Finance and Investment	Glasgow Financial Alliance for Net Zero, Industry Transition Accelerator	Leadership Group for Industry Transition (LeadIT)	OECD Clean Energy Finance and Investment Mobilisation		Improve the financial and technical assistance offer and understanding of financing instruments for industry decarbonisation
Standards & Certification	CEM Industrial Deep Decarbonisation Initiative	IEA Working Party for Industrial Decarbonisation	Industry Associations (various)		Work towards common understanding on standards and necessary accounting methodologies
Trade Conditions	World Trade Organization	OECD Steel Committee			Strategic dialogue on spillovers from mitigation policies
Knowledge Capability & Skills	Industry Associations (various)			$\langle - \rangle$	Develop capacity building programmes to mobilise private capital for industry decarbonisation
Landscape Coordination	Breakthrough Agenda (including the Steel and Cement Breakthroughs for industry)				

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