



The Climate Club calls for greater financial and technical assistance for industrial decarbonisation in emerging and developing economies

New York, September 26, 2024. Today the Climate Club presented the conclusions of its report authored by the OECD [“Mapping on technical and financial assistance for the decarbonisation of industry in emerging markets and developing economies: Taking stock of trends in hard-to-abate sectors”](#). This first-ever mapping of financial and technical assistance provided to industry decarbonisation in emerging markets and developing economies (EMDEs), finds that this assistance has not received the necessary attention thus far.

During a Climate Club side-event held at Climate Week in New York, OECD Environment Director Jo Tyndall highlighted the urgent need for decarbonisation in the industrial sector as they were joined by leaders and experts from other international organisations such as the Climate Investment Fund, the International Finance Corporation, the Inter-American Development Bank and United National Industrial Development Organisation.

Industry is crucial for meeting the goals of the Paris Agreement, accounting for nearly 40% of total global energy-related carbon dioxide (CO₂) emissions, with steel, cement and petrochemicals forming the bulk of these emissions. At the same time, industry is one of the most challenging sectors to decarbonise — some necessary technologies for near-zero emission production are still in development and not yet competitive, industrial assets have a long lifespan and materials produced are highly traded. A transition away from fossil fuels is a key commitment made at the 2023 international climate conference, COP28.

Growing industrial demand in emerging markets and developing economies is set to drive investment in this region. Ensuring these investments are climate-aligned is crucial for successful climate action. This will require decarbonising existing manufacturing industries and leapfrogging emissions-intensive production routes.

Julio Cordano, Head of the Environment, Climate Change and Oceans Division, Ministry of Foreign Affairs of Chile: “It is clear that industrial decarbonisation is key if we want to meet the Paris goals. That is why it is a key focus of the Climate Club. The work presented by OECD here today shows that the level of financial assistance for industry decarbonisation in emerging markets and developing economies is not commensurate with the scale of the challenge, and this represents an important task ahead of us. I believe the Climate Club can play an important role to step-up our efforts in this regard.”

Jennifer Lee Morgan, State Secretary and Special Envoy for International Climate Action, Germany: “We hope that with this work we will contribute to building much-needed international momentum for more financial support for industrial decarbonization in emerging markets and developing economies. I am especially pleased that, at this opportune moment in time, Germany is already offering support to Climate Club members to develop industry-specific actions for enhanced national climate plans. Such collaboration is essential to drive forward prosperous and decarbonized countries around the world to keep the 1.5°C goal alive.”



Clear policy signals and innovative financing mechanisms can help to attract investments for industry decarbonisation in EMDEs

This OECD report for the Climate Club points towards the opportunity to boost international cooperation and partnerships for financial and technical assistance for industry decarbonisation in EMDEs and presents key areas of action:

- Target more countries to tap into a significant emissions reduction potential.
- Design funds that target industry decarbonisation projects.
- Include industry decarbonisation in assistance for decarbonisation in EMDEs.
- Target programmes utilising disruptive low carbon technologies.
- Develop financing instruments that can address the specific challenges of industry decarbonisation.

This important report will also feed into the work of the Global Matchmaking Platform of the Climate Club which is being developed to bring together the need for more technical and financial assistance to EMDEs with the support from developed countries and international partners.

For more information, journalists are invited to contact [Celia Pastor](#), Communications Officer at the [Climate Club Secretariat](#).

The side-event took place at the margins of the Climate Club Body of Members meeting in New York, during which members discussed key deliverables for the upcoming international climate conference COP 29 in Azerbaijan.

The Climate Club is an open and inclusive high-ambition intergovernmental forum for cooperation on accelerating industry decarbonisation. The Interim Secretariat of the Climate Club is co-hosted by the OECD and the IEA.