



FAQs on the Climate Club

November 2023

At COP28, governments aim to officially launch the international Climate Club. As the OECD together with the IEA support the members of the Climate Club with its implementation in the interim, we are pleased to provide members with this informal briefing note, based on informal exchanges with the Interim Secretariat and publicly available information.

What is the Climate Club?

The Climate Club is a leading high-ambition intergovernmental forum for exchange on industry decarbonisation. It is a political forum to drive progress in hard-to-abate emissions industries. It serves as an enabling framework for increased cooperation and collective action across diverse geographies.

Who are its members?

At the time of writing (November 2023), the Climate Club had the following 33 members: Chile (Co-Chair); Germany (Co-Chair); Argentina; Australia; Austria; Canada; Colombia; Costa Rica; Denmark; Egypt; European Union; Finland; France; Indonesia; Italy; Japan; Kazakhstan; Kenya; Korea; Luxembourg; Mozambique; Morocco; Netherlands; Norway; Peru; Singapore; Spain; Switzerland; Ukraine; United Kingdom; United States; Uruguay; Vanuatu

What are criteria to join?

Country participation in the Climate Club indicates a country's commitment to:

- Full and effective implementation of the Paris Agreement, the decisions thereunder, and pursuing efforts to limit the temperature increase to 1.5°C;
- Accelerating the transition to net zero GHG-emissions by or around mid-century, and reflecting this in Nationally Determined Contributions and Paris-aligned long-term transformation pathways;
- Efforts to accelerate sectoral decarbonisation, particularly in industrial sectors.

What does it aim to achieve?

The Climate Club's goal is to support the implementation of the Paris Agreement and increase climate action and ambition to achieve global net zero emissions by mid-century. The Climate Club is built on three thematic pillars which are:

- Advancing ambitious and transparent climate change mitigation policies
- Boosting international climate cooperation and partnerships
- Transforming industries



Is there a specific sector focus?

The club will initially focus on industrial sectors with a view to promote green growth, address carbon leakage, and facilitate the decarbonization of hard-to-abate industrial emissions sectors - starting with steel and cement - with the goal of scaling up lead markets for these materials by the 2030s.

How does it want to achieve that?

To achieve its objectives, the climate club will

- build on and improve existing initiatives, as well as sharing best practices among its members;
- promote policies that encourage decarbonized industrial production and guide investments using established tools;
- create the right conditions for large-scale investment in the research, development, innovation, and infrastructure required for decarbonization;
- serve as a voluntary coordination and networking platform, fostering synergies between cooperation and financing mechanisms to support the decarbonization of industry, particularly in emerging economies and developing countries;
- identify innovative approaches to mobilizing private sector financing;
- support developing countries through individual or joint financing instruments, which can include capacity building, technical cooperation, and technology transfer on mutually agreed terms.

How has it been developed?

In December 2022, at the end of the German G7 presidency, the heads of state or government of the G7 launched the Climate Club. The presidency had been the key initiator and promoter of this project. The Climate Club's development has been driven by a *Climate Club Task Force*, composed of G7 and other partner governments, major emitters, and G20 partners. This has been working on governance, membership structures, processes, and outreach towards partner countries, IOs, initiatives, and stakeholders.

How is it linked to the OECD?

While this is not an OECD initiative, the Climate Club is linked to the OECD in several ways:

- It has requested the OECD, in collaboration with the International Energy Agency (IEA), to host an interim secretariat, demonstrating the OECD's pivotal role in coordinating and facilitating the initial operational activities of the Climate Club.
- The Climate Club's work is also connected to the *OECD's Inclusive Forum on Carbon Mitigation Approaches (IFCMA)*, underscoring its alignment with the OECD's carbon mitigation strategies and policies.
- The Climate Club aims to liaise with the OECD and other international organizations to ensure synergies and avoid duplicating efforts, solidifying its collaborative relationship with the OECD in advancing climate action and industry decarbonization.