



# Industry Decarbonization Programme

*Elizabeth Dykstra-McCarthy*

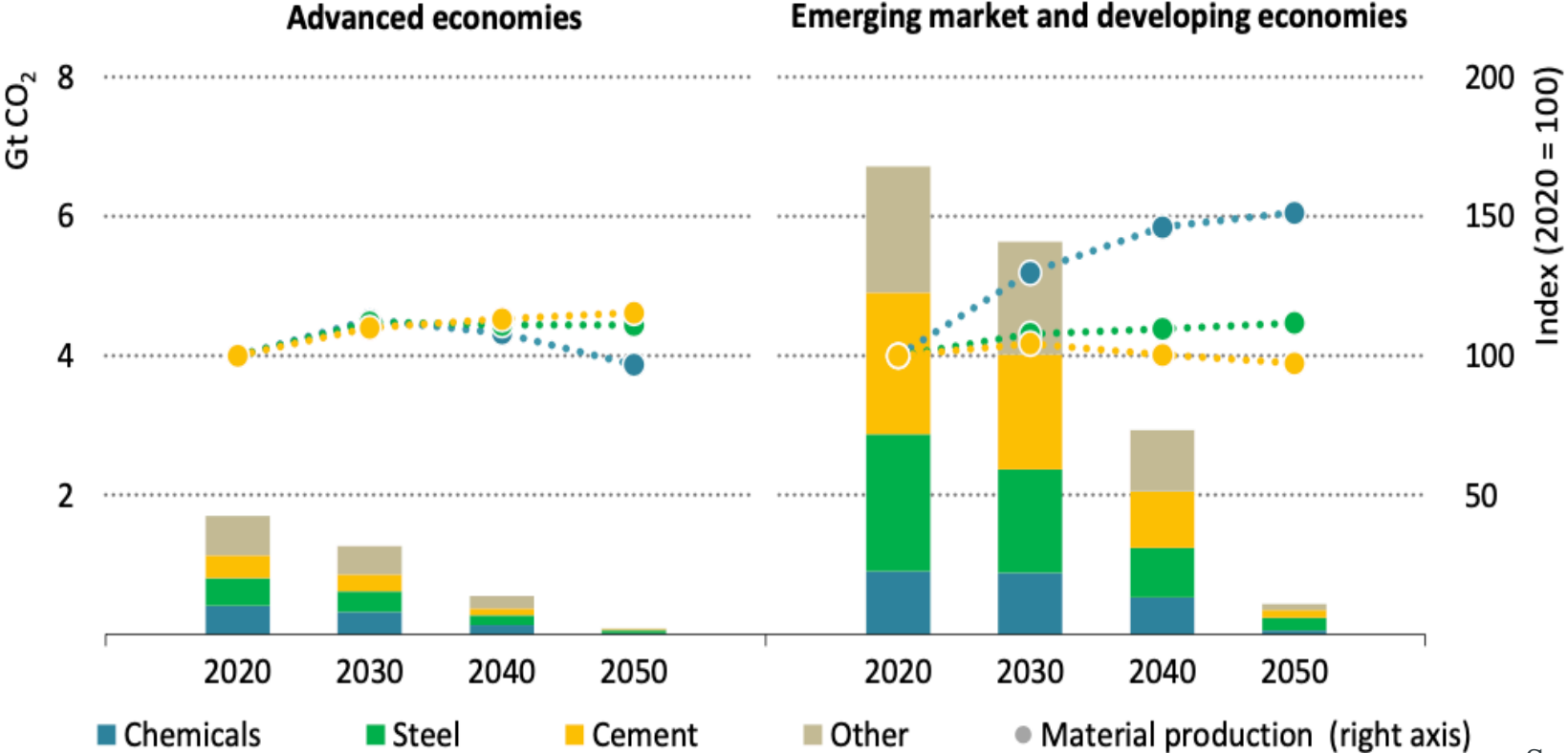
# Climate Investment Funds



- Established in 2008 at G8 as a fast-moving, multilateral response to address the climate challenge
- The largest pool of concessional climate finance at over **USD 11 billion**, serving the **MDBs**
- A 15-year track record for innovative clean technology in developing countries
  - **32.5 GW** in clean power
  - **15,110 GWh/year** energy saved
  - **10 million people and over 140,000 businesses** with improved access to energy
  - **6 million jobs** created
  - **\$46 billion USD** in economic value added
- The **Industry Decarbonization Program** launched at COP27 in Sharm el-Sheikh
  - Capitalized at **USD 80 million USD**
  - Fundraising goal of **USD 500 million**
  - Anticipated co-financing of **USD 2-3 billion**

# Industry decarbonization in developing countries is necessary to reach net zero emissions

Carbon emissions from heavy industry need to **decline by 20% by 2030** and by 93% by 2050 to achieve net zero



Source: IEA (2021), Net Zero by 2050

# Potential Industry Decarbonization Investment Areas

4



**Iron and steel:** Switch to electric-arc furnace (EAF) and alternative fuel DRI, increase scrap utilization, and waste heat recovery



**Chemicals:** Material energy efficiency, switch away from fossil fuels, green hydrogen / ammonia



**Cement and concrete:** Alternative inputs, recycling existing material, waste heat recovery



**Pulp and paper:** Combined heat-and-power, fuel switching, energy efficiency, process optimization, new bio-based products



**Aluminum:** Renewable energy, electrification (e.g. electric boilers), energy efficiency, recycling




**Zero emission shipping:** Engine efficiency, zero-emission fuels, electric motors and wind propulsion



**Glass:** Energy efficiency (e.g. process control, regenerative heating), recycling



**Mining:** Waste heat recycling; Electrification of vehicles; Automation; Changes in tailings storage



*“Even with limited resources, a well-considered investment approach could kick-start significant change in developing countries”*