

2024-2025

Strategic Work Program
2024-2025

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I. Introduction

During the first five years of its operation, the Coalition of Finance Ministers for Climate Action ('the Coalition') has significantly expanded its membership, reach, convenings and activities. The Coalition has helped finance ministers and ministries approach the complex issues of climate change and has introduced the way to approach the climate crisis through the economic and fiscal perspective and policy measures.

At the five-year mark, the Coalition has grown from around 20 to over 90 [member countries](#) and more than 25 institutional partners. Building on a strong basis of knowledge creation and convening power, it is now priority to increase active member engagement, ownership, and leadership, to further climate action in countries and increase the impact of the Coalition.

As set out in its Charter, the purpose of the Coalition is to mainstream climate change aspects in economic and financial policies and public finance, as well as promoting domestic and global action on climate change. Members of the Coalition have signed up to the following founding principles:

1. Align our policies and practices with the Paris Agreement commitments
2. Share our experience and expertise with each other in order to provide mutual encouragement and promote collective understanding of policies and practices for climate action
3. Work towards measures that result in effective carbon pricing
4. Take climate change into account in macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices
5. Mobilize private sources of climate finance by facilitating investments and the development of a financial sector which supports climate mitigation and adaptation
6. Engage actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement

As member countries, we use the Coalition forum to facilitate the exchange of expertise and experiences on relevant policies, promote common standards and best practices, and support coherent and coordinated responses on climate change issues.

In 2023, the Coalition presented its first [Climate Action Statement](#) (CAS), which highlighted key trends in climate actions from member countries and also informs the focus of thematic workstreams in the coming years. Importantly, more than 40 member countries showcased 150+ Ministry of Finance (MoF) climate actions for the coming year. In the years ahead, we aim to support implementation and scaling up these actions. The overall trends for 2024 were seen as:

- Spearheading climate action by building strategic policy roadmaps and coordinating activities both within MoFs and across ministries
- Greening the financial system and aligning financial flows with the Paris Agreement to better manage risks and opportunities through disclosure, reporting, and risk assessment
- Designing innovative climate-related financial mechanism, including transition finance, to mobilize private and public finance to bridge the green investment gap
- Advancing the implementation of carbon pricing mechanisms to curb emissions and incentivize the transition towards low carbon technology, processes, and practices
- Greening public investments and current expenditures, whilst integrating climate risks into macroeconomic modeling and budgetary forecasts and frameworks

In 2023, the Coalition also launched its flagship report on [Strengthening the Role of Finance Ministries in Driving Climate Action](#) ('the Guide'). It further sets out the narrative on the critical role of MoFs, and presents

over 100 country case studies to illustrate how actions may be taken. In the coming years, we will support member countries to further strengthen their role in driving climate action, including by enhancing opportunities for practical country-to-country learning and by facilitating follow-ups on the guide framework at national and regional levels. Key messages from the flagship report include:

- MoFs have significant levers they can pull to accelerate the climate action needed to deliver on the goals of the Paris Agreement and drive sustainable, inclusive and resilient development and growth— but these levers are not yet being fully utilized.
- Bold climate action can be instrumental in helping MoFs achieve their core priorities of macroeconomic stability, growth and responsible management of public finances, with major benefits.
- MoFs have a window of opportunity to mainstream climate action within their core functions of economic strategy, fiscal and financial policy. This involves broad-ranging changes to strengthen governance and leadership, coordination and human and analytical capabilities.
- Concretely, MoFs can take action by:
 - *Introducing fiscal policies to transform macroeconomic incentives for climate action*
 - *Using the budget and public financial management to drive transformation in all sectors of the economy*
 - *Redesigning the tax system for net zero and climate resilience*
 - *Raising, steering and blending finance for climate investment at unprecedented speed and scale*
- A big part of the role of Finance Ministers is contributing to and supporting climate action by other government departments and other stakeholders.
- MoFs have the experience to be the strong leaders the moment demands, with many demonstrating visionary leadership and progress.

Finally, steps were taken for the Coalition to evolve into a more ambitious and operational multilateral forum by strengthening the foundational structures of the Coalition, its supporting Secretariat at the World Bank and the IMF, and collaborations with institutional partners. An ongoing effort, this will be fundamental for the enhanced delivery of services to member countries and achievement of impactful outcomes of the Coalition as a collective. The 2023 Co-Chairs, Indonesia and the Netherlands, also developed the first joint ‘Co-Chair Strategy’, which has been used to provide an anchor of the overall mission of the Coalition and to directly inform the 2024-2025 Work Program. Therefore, this Strategic Work Program now acts as the central document for all key Coalition information.

In 2024-2025, we will build on these results and building blocks, make continuous improvements based on member feedback, to further increase the Coalition’s impact – both politically and on the ground. It is the first time the Coalition sets out a Strategic Work Program for two years, to provide a longer, strategic horizon to work towards collectively. The Work Program has been developed through an inclusive and consultative process including a member survey, various member consultation calls, discussions during the annual in-person deputies meeting, and has been adopted by the members of the Coalition as of 18 March 2024.

II. Strategic Objectives

As the Coalition of Finance Ministers for Climate Action, our overall aim is to achieve meaningful and impactful climate action by member countries' ministers and ministries of finance. We aim to inform, support, activate and mobilize finance ministers to take an active and constructive role in mainstreaming climate action in their countries and international fora, while maintaining the focus of the Coalition on the MoF policy domain.

To this end, and based on further inputs from ministers and member representatives, we jointly set the following strategic objectives for 2024-2025. Each of these objectives is further elaborated in *Section III*.

1. **Accelerating climate actions taken by MoFs through their policy instruments**
2. **Deepening members' exchanges on and understanding of MoF climate policy implementation**
3. **Enhancing and facilitating the peer learning community around MoF climate policy instruments and implementation trajectories**
4. **Activating member climate leadership by MoFs across all regions**
5. **Increasing MoF engagement in the 2025 NDCs and other climate-related strategies**
6. **Strengthening strategic partnerships and increasing support from institutional partners**

Recognizing that the Coalition has evolved since its establishment in 2019, building on extensive consultation with members, drawing on existing evidence and results we measure and aim to measure, and considering our overall mission and strategic goals, the Coalition's Theory of Change¹ was proposed as follows in 2023. See *Annex II* for the proposed results framework for progress measurement over time.

¹ **Assumptions** are the underlying conditions or resources that need to exist for planned change to occur. **Activities** are what Coalition members, Co-Chairs, Secretariat and partners do regularly or daily. **Outputs** are our immediate deliverables, the result of what we do. **Outcomes** include changes in Coalition members behaviours and capacities, which are the medium-term results or actions implemented by members that follow the output. Finally, the **impact** is the long-term impact on members (national-level changes) and in the international policy space.

Theory of Change

| Assumptions | Activity | Output | Outcome | Impact |
|--|--|---|--|---|
| <p>High level commitment from members, IPs, and other stakeholders in line with Coalition’s mission and vision</p> <p>Availability of sustainable funding for Coalition activities, and solid governance</p> | <p>Work by Secretariat, Co-Chairs, active members, IPs, advisors and other partners on developing and implementing work program and work plans; preparing (Ministerial) meetings and events; improving governance, funding, Secretariat efficiency and increasing active member engagement</p> | <p>Member access to high quality knowledge, peer-to-peer learning and exchange opportunities, and capacity development provided and facilitated by the Coalition and its partners</p> <p>Increased member and IP engagement within the Coalition and at relevant national, regional and international events representing the Coalition</p> | <p>Strengthened institutional climate capacities of member countries</p> <p>Increased international collaboration between MoFs on climate action</p> <p>Increased whole-of-government collaboration on climate change between MoFs and other ministries at national levels</p> <p>Increased climate action and leadership by MoFs, including through Annual Climate Action Statement from ministers with specific policy actions</p> | <p>Mainstreaming of climate change in member MoF instruments and policies</p> <p>Mainstreaming of climate change elements in global fiscal and economic policies</p> <p>Increased whole-of-government climate action and increased financing of climate actions by public and private sectors</p> |

Based on the Coalition’s founding principles, the Helsinki Principles, members come together in thematic workstreams – with the support of Institutional Partners – to advance work on the “how to” of policy implementation. The above-mentioned six strategic objectives guide the overall workstreams’ priorities, approaches, and deliverables. See *Annex I* for the detailed workplans.

III. Delivery Mechanism

1. Accelerating climate actions taken by MoFs through their policy instruments

1.1 Increased focus on MoF climate policy instruments

Across Coalition deliverables and convenings at both ministerial and deputy-level, emphasis will increasingly shift to practical policy implementation discussions around specific policy instruments. The main objective is to assist and encourage members to follow up on specific MoF climate policy instruments they may (be looking to) apply or strengthen in their country or regional context. This way, we work to accelerate the climate actions that MoFs take and for which the Coalition acts as a facilitating platform for practical knowledge and peer exchange and encouragement.

1.2 Climate Action Statement progress stocktake

By mid-year, in the same process of gathering input for the annual Climate Action Statement (CAS), members are consulted on their progress and learnings on the actions they included in the previous year's CAS. This will inform the next CAS and should provide valuable insights to other members in terms of advancement of policy implementation and respective country trajectories. If members are able to meet in a regional setting (such as through the regional initiative in Latin America and the Caribbean), this would provide another opportunity to take stock on progress as well as context-specific and regional challenges.

1.3 Development of annual Climate Action Statement

Once a year, the Coalition will continue to present a public joint ministerial statement in which we highlight our collective progress, learnings and insights and look ahead to what policy actions we will be stepping up. If feasible, regional convenings may also provide inputs into the CAS to enrich the insights and context-specificity. The CAS will continue to contain an Annex with (new and enhanced) country actions that provide a valuable resource to the Coalition membership and can provide a further basis to matchmake between countries to engage in peer learning on the implementation of specific policy instruments.

2. Deepening members' exchanges on and understanding of MoF climate policy implementation

2.1 Ministerial discussions about specific policy instruments

When ministers convene and exchange in the context of the Coalition, the aim is to focus on specific climate actions taken by MoFs using their policy instruments and acting from their core responsibilities of budget management, fiscal policies, economic strategy, and financial policies and regulation. Ministerial meetings are therefore an important forum to focus on exchanging good practices to accelerate climate action at the national level, as well as spurring change internationally by addressing gaps through collective action.

In consultation with members, the Co-Chairs identify **one or two specific policy instruments on which Spring ministerial sessions in 2024 and 2025 will focus** and the Coalition will work towards, including at the technical level. At the ministerial convening during the IMF/WB Spring Meetings, a setting with smaller discussion tables will be facilitated from 2024 onwards, while Annual Meetings continue to meet in a plenary setting and serve as the Coalition's Annual Ministerial Meeting. In addition, Co-Chairs will consult with members and thematic workstreams on possible other policy discussions that may happen through high-level events on the sidelines of the Coalition's Ministerial Meetings, such as related to macro-economic

modelling (HP4) and phasing out inefficient fossil fuel subsidies (HP3) during Spring 2024.

Topics identified for upcoming ministerial discussion sessions are:

Spring 2024

Role of Finance Ministries in designing, financing and implementing national climate policies (NDCs), including addressing harmful financial incentives and appropriate pricing mechanisms, and mobilizing debt markets for the just transition (HP1+6, HP3, Transition)

Spring 2025 (to be confirmed in early 2025)

Adaptation fiscal policy measures (Adaptation & HP4), Phasing out inefficient fossil fuel subsidies and subsidies harmful to nature (HP3 & Nature), Instruments on nature/climate nexus, or another topic TBC

Well ahead of the Spring Ministerial, discussion notes on the policy instruments and guiding questions for ministers are shared, developed by the Co-Chairs (and/or co-leads for side events) with assistance from the Secretariat and guidance from co-leads, members and input from expert IPs where appropriate.

Following the Spring Ministerial and guidance from ministers, practical policy notes on the specific instrument(s) that can support members with their in-country implementation efforts will be elaborated in the respective workstream and published after members review and Co-Chairs approval.

2.2 Development of policy notes and practical deliverables in thematic workstreams

The Coalition's thematic workstreams will work together towards concrete policy notes and other practical deliverables (including for minister-level consideration) that focus on the "how to" of policy implementation based on Coalition members' practical experiences, learnings, challenges and good practices. This will follow the Spring Ministerial discussions but may also occur at any other time during the year on policy topics/instruments prioritized by members. *More details on the planned workstream priorities and deliverables can be found in Section VI and Annex I.*

Institutional and Knowledge Partners, coordinated by the Coalition Secretariat, are asked to provide further knowledge and expertise regarding MoF climate policy implementation (in *Annex III*, partners are expected to provide more information on their contributions to the Coalition, featuring an overview of their relevant expertise areas and support to members). The objective is working towards the development of more in-depth guidance on practical country trajectories for policy implementation jointly with existing proofs of concept from Coalition countries, with consideration of regional differences and needs. This may also result in a sister document to the Guide, most likely in an easy-to-navigate online format, taking the next step in assisting countries with practical implementation questions and dilemmas.

Moreover, in products and outputs from the Coalition and its thematic workstreams, members and partners are strongly encouraged to put increasing emphasis on the implementation 'trajectories' (the concrete steps countries have taken to – successfully – implement certain climate policy instruments) of members, increasing understanding and learning around applicability.

3. Enhancing and facilitating the peer learning community around climate policy instruments and implementation trajectories

3.1 Mapping of members' policy instruments

Building on the first [CAS](#), the Coalition’s flagship [Guide](#), and prior workstreams activities and deliverables, a mapping of MoF climate policy instruments that have been and are being applied across members with various geographic/economic backgrounds will be collated in a user-friendly way by the Coalition Secretariat.

By providing members with the information on what other – especially economically and/or geographically similar – countries are undertaking to mainstream climate in their MoF, members are encouraged to get in touch directly to create peer-to-peer learning opportunities on specific policy instruments. This may lead to increased virtual exchanges of ministry experts, in-person peer convenings, or even short exchange programs between ministries. The Coalition Secretariat may provide a facilitative role in making these connections as needed (including through access to members contact list), and IPs may be asked to support both on policy substance and convening if financial resources are required.

3.2 Country-level and regional follow-ups

Members will be consulted to better understand the needs and interests within ministries for presentations on the general framework of MoF climate policy actions (such as outlined in the flagship guide) and interest in follow-ups on specific policy instruments that may be areas for organization of (regional) peer exchanges, including examples of other countries’ climate policy implementation trajectories.

The Coalition Secretariat with key Institutional Partners and country Ambassadors will work to increase follow-ups on Coalition work at the country (and regional) level based on members demand, through increased virtual and in-person presentations and workshops for ministries on the guide framework, policy instruments, best practice case studies and learnings through the work of the Coalition. This work will be undertaken in tandem with efforts on increasing member engagement in the NDC process, so that country follow-ups can ideally feed directly into relevant climate policy-making processes. *More information can be found in the HP2 action plan in Section VI and Annex I.*

3.3 Interactive members portal

It is a high priority in 2024 to start upgrading the functionality and accessibility of the Coalition members portal, with the objective to provide by early 2025:

- *Country connections and case study information* by direct access to country contacts and easy-to-navigate country case studies, mapping of members’ policy instruments, and more in-depth guidance on climate policy implementation trajectories.
- *Capacity building and training catalogue*, including expert resources from institutional and knowledge partners, easy and direct access to useful courses and papers, and IP contact information to request specific technical support for members.

4. Activating member climate leadership by MoFs across all regions

4.1 Regional ministerial champions

With the significant growth of the Coalition over the years, there is need and great opportunity in broadening and diversifying the Coalition’s climate leadership across regions. Member ministers are asked to become Coalition champions from their respective regions and share key messages from the Coalition in respective (regional) fora, as well as leverage opportunities to convene regionally where possible with partner support.

Members are invited to take the lead in bringing together ministers informally in smaller groups, to hold focused conversations to discuss specific policy instruments, exchange on practical implementation

approaches and political challenges overcome. This can feed into overall Coalition learning and deliverables.

This may be done on the sidelines of scheduled regional meetings, such as those listed below. Note that the occurrence of such regional convenings **fully** depends on member initiative and partner support. Depending on increase in resources, the Secretariat may play a role in providing additional logistical support. Members and partners are encouraged to reach out to Co-Chairs and Secretariat if they wish to set something up.

Overview of potential Coalition events during regional and other global meetings in 2024

| Regional climate/finance meetings in 2024 | Regional champion country/countries | Partner support |
|---|--|--|
| <i>Under preparation</i> | | |
| Europe Session during ECOFIN/Eurogroup May and September/ October 2024 (<i>tentative</i>) | Netherlands, Belgium, Hungary, Denmark, Luxembourg | <i>TBD</i> |
| Asia Pacific Regional convening Indonesia July 2024 (<i>tentative</i>) | Indonesia | UNDP, ADB, UNEP (<i>pending</i>) |
| <i>Under discussion</i> | | |
| Asia & Pacific High-level event on adaptation during ADB Annual Meeting 2-5 May, Georgia | <i>TBD</i> | ADB (<i>pending</i>) |
| Europe Regional session at EBRD Annual Meeting 14-16 May, Armenia | Netherlands | EBRD |
| East Africa African Caucus high-level adaptation meeting Prior to AM (<i>tentative</i>) | Uganda | <i>TBD</i> |
| Global – UNGA 22-25 September, NYC | <i>TBD</i> | New York Climate Exchange (knowledge partner) (<i>pending</i>) |
| Global – G20 Finance Ministers Meeting 22-25 July, Sao Paulo | Brazil, Indonesia (<i>pending</i>) | <i>TBD</i> |
| Latin America <i>Details to be confirmed</i> | Chile | IDB |
| Southeast Asia ASEAN <i>Possible event in 2025</i> | Malaysia | <i>TBD</i> |

Other events where regional groupings of members may take the lead in convening include:

- AfDB Annual Meeting, 27-31 May, Kenya (Africa)
- SIDS-4 Conference, 27-30 May, Antigua & Barbuda (SIDS)
- AIIB Annual Meeting, 25-26 September, Uzbekistan (Asia)

4.2 Country Ambassadors and the Ambassador Network

The 2023 member survey reinforced a fundamental principle: peer-to-peer learning is the cornerstone of the Coalition's success. To foster this vital exchange of knowledge, we need members who are not only willing but enthusiastic about sharing their insights and experiences. Coalition Ambassadors are a new and key way of putting this principle into action and showcasing the abundant diversity and outputs of the Coalition.

The purpose of an Ambassadors is to promote peer-to-peer interactions, enhance the visibility of the Coalition, connect Coalition outputs to capacity building programs, and empower members to take ownership of their involvement in public engagement efforts. Ambassadors will be deployed as part of a proactive and reactive engagement strategy to disseminate the work of the Coalition and help MoFs mainstream climate action into their activities in their countries (and regions).

To help roll out and present the work of the Coalition effectively, and organise the work of Ambassadors, an “Ambassadors Network” has been launched at the end of 2023 as a community of practice. Countries have been invited to join the network (which include members of the flagship Guide’s steering group) plus additional countries who have expressed interest. Representatives from the countries listed below have (initially) been invited to join the Ambassador Network, as Ambassadors, since they have expressed interest in doing so in the past.

Overview of Ambassadors

| Latin America | Vulnerable Island States | Europe | Asia | Africa and Middle East | North America |
|----------------------------|--------------------------|--|------------------------------------|--------------------------------------|---------------|
| Uruguay Chile Mexico | Bahamas Jamaica | Netherlands Finland UK Denmark Sweden Belgium | Indonesia Malaysia Singapore | Rwanda Uganda Morocco Egypt | United States |

The Ambassador Network was launched in part to showcase policy options and connect them to how the Coalition and its partners can support member actions – including by highlighting the Coalition’s growing capacity building support initiatives to members as a subsequent step.

5. Increasing MoF engagement in 2025 NDCs and other national climate strategies

5.1. Support initiative for Emerging Markets and Developing Economies (EMDE) members on NDC/LT-LEDS

During COP28 in 2023, a strengthened collaboration with the NDC Partnership² was announced by the Co-Chair ministers to provide support for members from EMDE countries to access dedicated technical assistance for the active involvement of MoFs in the next round of submissions of Nationally Determined Contributions (NDCs) by 2025³ and the subsequent development of Long-Term Low Emission Development Strategies (LT-LEDS) for the transition of economies by mid-century. Any support will be demand-driven based on countries' needs and interest, and there will be close collaboration with other institutional partners that lead on-the-ground delivery of support, as well as creating linkages with ongoing country conversations in the context of the Guide. Moreover, as part of this effort, the Coalition intends to strengthen its partnership with the UN system, based on initial conversations between Co-Chairs and the UN Secretary-General's climate office in 2023, to leverage harmonized and coordinated country-level and regional assistance. *More information can be found in the HP1/6 action plan in Section VI and Annex I.*

The Coalition also strongly advocates for increased participation of Ministries of Finance (MoF) in other important national climate policy initiatives such as National Adaptation Plans, biodiversity strategies, and other national climate strategies. This heightened engagement should be spearheaded and actively taken forward through the Nature and Adaptation Working Groups.

5.2. High-level engagement between Ministers of Finance and Ministers of Environment on NDCs

The Coalition will actively seek opportunities to bring the Finance Ministers' perspective to climate policy discussions, including by exploring a joint dialogue between Finance and Environment Ministers during an early stage of the NDC process. This also includes an intended joint announcement and high-level conversation between the Coalition Co-Chairs (Ministers of Finance of Indonesia and the Netherlands) and Co-Chairs of the NDC Partnership (in 2024 the Minister of Environment of Rwanda and Minister of Development Cooperation and Global Climate Policy of Denmark) on the needed whole-of-government collaboration for climate action, including engaging MoFs from the start. Such collaboration will start during the Spring Meetings Ministerial in 2024 and may also feature a subsequent highlight during COP29 in Azerbaijan where the Coalition can bring further attention to the important role of MoFs for the next round of NDCs to be submitted to UNFCCC in early 2025. The Coalition will also engage with the troika of COP Presidencies (UAE, Azerbaijan and Brazil) with the objective to bring this MoF perspective more prominently and consistently into the Finance Day of COPs.

6. Strengthening strategic partnerships and increasing support from institutional partners

6.1. Engagement in G20 and other key fora

- In 2024, the Coalition will engage in the *G20 Task Force on a Global Mobilization against Climate Change*, represented by the Co-Chairs. The Co-Chairs will work closely with Brazil as well as leading Coalition countries in the G20 to define the Coalition's concrete contributions to the task force and vice versa. Moreover, Coalition Co-Chairs and the Coalition's G20 members will seek synergies between the G20 Sustainable Finance Working Group and the Coalition's 2024-2025 Work Program.

² Institutional partner of the Coalition and a network of over 200 members (advanced economies, emerging markets and developing economies, institutional partners and associate members – partially overlapping with the Coalition) that was set up in 2016 to support EMDE countries with the implementation of national climate commitments under the Paris Agreement.

³ Under the Paris Climate Agreement, countries are required to submit new (or updated) NDCs – national climate plans – every five years, through the so-called ambition mechanism, which requires countries to ratchet up their climate ambition in each subsequent NDC. The first NDCs were submitted in 2015 with the Paris Agreement, the first updating round took place in 2020, and the next submission deadline is in (no later than mid-)2025, prior to COP30 in Brazil.

- The Coalition will also seek collaboration with the V20 (Vulnerable 20) group of countries, as well as the G24, to strengthen EMDE perspectives in the work of the Coalition.
- The Coalition will also continue engaging with the UN system (specifically the UNSG Climate Action Team) on strengthening collaboration between the Coalition and UN following initial work in 2023.
- Given the important role of MoFs as shareholders and governors in international financial institutions and multilateral development banks, members are also encouraged to engage in climate-related and relevant reform discussions and share insights from the Coalition where useful in this context, for example on the sidelines of IFI/MDB Annual Meetings or Finance in Common.
- Members are invited to share insights and key messages from the Coalition's in the international fora in which they participate (i.e. from CAS, flagship report, ministerial meeting outcomes, workstream deliverables, policy notes). Member ministers are encouraged to take an active role in this process.

6.2. Introduction of framework for institutional partner contributions

The Coalition, growing in numbers and prominence, attracts attention and appetite for association from an increased number of organizations, ranging from development agencies to civil society organizations. There is therefore a necessity of creating a framework to support transparency in the co-creation process on the engagement of institutional partners in the Coalition. To address this, an Institutional Partner In-kind Pre-assessment Form and Evaluation Form is introduced. The objective of these forms is to provide the Coalition Co-Chairs and members with a clear understanding of the collaborative efforts between members and institutional partners and specifically in-kind contributions made by partners. This increased transparency will ensure that the work conducted with institutional partners is beneficial for member countries. *Annex V provides a proposed in-kind survey form for this purpose.*

6.3. Capacity building and training catalogue

The Coalition has put together an initial catalogue that showcases the rich offering of climate-related capacity building programs of our Institutional Partners available to MoFs. The catalogue concisely offers members a central place for key information about our Institutional Partners' capacity building programs, so that all information is accessible and in one place. The catalogue is available to all members online and will be advertised to new joining members, whilst Ambassadors will also pro-actively highlight the various offerings at events with ministries and to the broader public where relevant.

The Secretariat will further complete and update the content of the catalogue based on inputs received from Institutional Partners, and add member testimonials on their experiences with listed programs. We will explore ways to make the catalogue more accessible and useful to members, with the eventual objective of integrating it digitally in the online members portal.

While number of trainings are already listed in the catalogue, we plan to further develop the training aspect of the catalogue, by working with countries and institutional and knowledge partners to provide a more comprehensive overview of available climate-related trainings (i.e. from leading universities and IPs) relevant for MoF officials, and make these resources more easily accessible to Coalition members.

6.4. Facilitating exchanges between IPs to seek synergies between relevant expertise and country support

Both members and IPs have underscored the necessity for enhanced coordination among IPs and support delivery partners. This is to mitigate redundancy and competition, thereby fostering efforts that complement each other and are tailored to the needs of the projects they intend to support, in the collaborative spirit of

the Coalition. To facilitate this, the Coalition through its Secretariat will facilitate bi-annual virtual gatherings of the IPs of the Coalition, aimed at fostering synergies and collaborative endeavors.

Moreover, as part of the Coalition's matchmaking role, ongoing efforts will be made to help IPs showcase some of their most relevant work to members. For example, on an ad-hoc basis IPs will be able to present some of their work and/or key updates at meetings of deputies. The material presented would be concise and encompass only those topics not previously addressed in meetings or workshops across workstreams. IPs are invited to get in touch with Secretariat to pitch possible presentations, which may then be scheduled throughout the year following Co-Chair consultation.

IV. 2024-2025 Timeline

While activities in thematic workstreams continue throughout the year based on workstream plans (see *Annex I*), the below shows the overall Coalition agenda for 2024-2025, including planned Ministerial Meetings and overarching Coalition deliverables. The calendar will be updated on an ongoing basis.

Agenda for 2024-2025

| 2024 | | | | | |
|--|--|--|---|---|---|
| January | February | March | April | May | June |
| Work Program and Annual Report Preparation | In-person Deputies Meeting in The Hague Finalization of Strategic Work Program & Workstream Plans Annual Report approval and publication | Start Implementation of Work Plans Ministerial Discussion Notes shared, Pre-Ministerial Deputies Discussion Final approval and publication of Strategic Work Program 2024-25 | Spring Meeting Ministerial (high-level opening followed by discussion tables) Policy Topics: Role of MoFs in designing, financing and implementing NDCs (HP1/HP6) Ministerial side event (HP3) Ministerial side event (HP4) Press event: 5-year anniversary of the Coalition (press moment) and Ministerial Co-Chairs announcement (HP1/6) | Elaboration of Policy Note(s) on Ministerial Topic(s) | Publication of Policy Note(s) on Ministerial Topic(s) Co-Chair Stocktake on Workstream Plan progress Stocktake on CAS + gathering of country inputs on new and/or enhanced policy actions for CAS Annex |
| July | August | September | October | November | December |
| Coalition Representation at G20 Finance Ministers Meeting in Brazil Regional Coalition meeting in Indonesia (TBC) | | Draft CAS shared with members for approval Pre-Ministerial Deputies Discussion Regional Coalition meeting at ECOFIN (Europe) | Annual Meeting Ministerial (plenary) CAS2 Launch Coalition Representation at G20 Climate & Finance Ministers Convening | COP29 Ministerial Event in Azerbaijan Possible COP29 Coalition side events organized by members/partners (Ministerial) Coalition Representation at COP16 through Nature workstream champions | Co-Chair Stocktake on Work Plan progress Members Survey Updated Members Portal Launched |
| 2025 | | | | | |
| January | February | March | April | May | June |
| Annual Report preparation Adjustments to Work Program and Work Plans as needed and guided by | In-person Deputies Meeting in Indonesia (TBC) Annual Report approval and | Ministerial Discussion Note shared, Pre-Ministerial Deputies Discussion | Spring Meeting Ministerial (high-level opening followed by discussion tables) Proposed Policy Topics: 1. Adaptation fiscal policy measures (TBC) | Elaboration of Policy Note(s) on Ministerial Topic(s) | Publication of Policy Note(s) on Ministerial Topic(s) Co-Chair Stocktake on Work Plan progress Stocktake on CAS + |

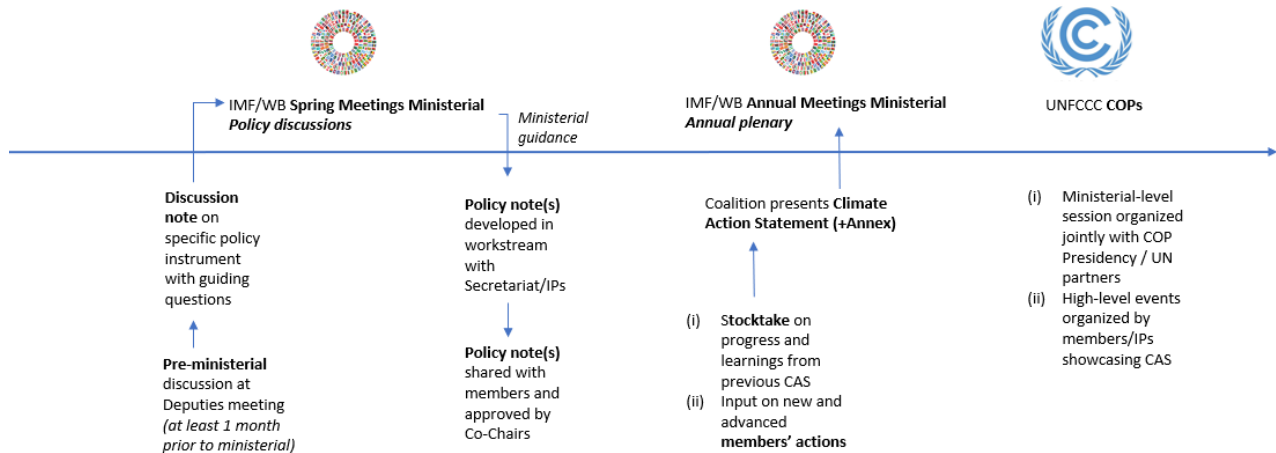
| | | | | | |
|-------------|--|--|--|--|---|
| members | publication | | 2. Policy instruments on the climate/nature nexus (TBC) <i>Co-Chair change (Indonesia), new Co-Chair starts (EMDE country)</i> | | gathering of country inputs on new and/or enhanced policy actions for CAS Annex |
| July | August | September | October | November | December |
| | Start Independent M&E Review of Coalition Progress | Draft Climate Action Statement shared with members for approval Pre-Ministerial Deputies Discussion | Annual Meeting Ministerial (plenary) CAS3 Launch <i>End of current Co-Chair mandate (Netherlands)</i> | COP30 Coalition Ministerial in Brazil Possible COP30 Coalition side events organized by members/partners | Members Survey Independent Review of Coalition Progress completed with recommendations to inform next cycle Start of work planning for next cycle guided by Co-Chairs |

V. Working Arrangements

Ministerial meetings

- During IMF/WB **Spring Meetings**, smaller discussions tables will be organized around specific policy actions/instruments selected by the Co-Chairs with member inputs, where ministers can exchange on practical implementation approaches and political challenges to overcome related to the topic chosen.
 - The Spring Meeting Ministerial will be prepared through the development of **discussion notes** on the specific policy instrument(s), with relevant guiding questions for ministerial level discussion. A deputies meeting will be dedicated to pre-ministerial preparations, which includes preparatory substantive discussions, at least one month prior to the ministerial.
 - The Spring Meeting Ministerial should give ministerial guidance on the further elaboration and publication of **policy note(s)** on the instrument(s) discussed, which would be developed in the respective workstream with support from the respective technical specialist at the Secretariat and relevant institutional partners with expertise in the specific policy area addressed. Prior to publication, these notes will be shared with all members and approved by Co-Chairs.
- During IMF/WB **Annual Meetings**, the annual convening of the CFMCA membership takes place in a plenary setting, taking stock of climate action progress made by members in the Coalition context. This meeting is intended to jointly advance understanding and commitment of the steps to take to implement the guiding principles of the Coalition, with the policy instruments at ministers' disposal.
 - During the summer, a collective stocktake is done on the previous Climate Action Statement by consulting members on their implementation progress and learnings that may be shared with other Coalition members during the Annual Meeting Ministerial. Moreover, inputs are collected on new and advanced actions that countries are planning to take. This will culminate in an updated **Climate Action Statement Annex** for publication through which members can continue to showcase their actions. The Coalition will also present at the Annual Meeting Ministerial its annual **Climate Action Statement**, in which it can highlight progress, challenges, key topics and upcoming actions.
- With the UNFCCC **COPs** generally taking place very close after the Annual Meeting Ministerial, the Coalition will seek partnerships with IPs and/or the Presidency for organizing a high-level Coalition convening for Finance ministers at COP. It is the goal to increase Coalition ministers' participation and activity during COPs, which the Coalition aims to help facilitate. The COP convening offers the Coalition an opportunity to showcase the contents from the CAS and share key messages from the discussions from the Annual Ministerial Meeting. The main objective would be to solicit input and engage in discussions with members of other international economic communities, including trade ministers, heads of central banks, leaders of international organizations, private sector associations, and more.
 - The Coalition intends to work closely with the COP Presidencies Troika to establish continuity in the Coalition's engagement on COP Finance Days, ensuring politically relevant and impactful convenings.
 - The COP may be used for countries to showcase their actions from that year's Climate Action Statement, including through (high-level) side events organized by members and with organizational support from IPs. An overall closer collaboration with the UNFCCC and UN Secretary-General's Climate Action Team, NGFS, GFANZ and other associations is proposed to ensure Coalition activities can feed more effectively into relevant UN discussions.
- In addition, members are encouraged to organize high-level events on the sidelines of the Coalition's

Spring and Annual Ministerial Meetings, related to key topics addressed across workstreams. These events would be organized in consultation with (and with support from) Co-Chairs and HP co-leads, while members have flexibility to organize such additional events to complement the central Coalition program.



Deputy meetings

Deputy meetings (formerly called ‘Sherpa meetings’ – see further explanation in *Annex VI*) are held virtually each month and will be used increasingly to accommodate interactive exchanges between deputies on specific policy instruments and country cases. The objective is to reform the deputy meetings to meet increasing demand for policy discussions rather than administrative and logistical information; which would be provided in writing such as in newsletters. This will be piloted during the first half of 2024. Time will be allotted to workstream country leads (1 or 2 per meeting) will be asked to present updates on deliverables and for substantive discussion between members on topics identified by the leads. Guest speakers from institutional partners or other relevant initiatives may also be encouraged. At members’ request, the timing of the virtual deputy meetings will also be rotated to fit different time zones, which will be tested in the first half of 2024.

Once a year, deputies meet physically to discuss work plans and strategy for the upcoming period, generally hosted by one of the Co-Chair countries. Moreover, deputies may decide to convene informally on sidelines of ministerial meetings and/or regional conferences.

Thematic workstream meetings (working groups)

Working groups will have a monthly check-in on progress with the Secretariat coordinator, workstream leads and active members that are available and interested to join. Working group meetings are intended for substantive discussions between members on their workstream’s specific policy areas and instruments. Each working group follows their own member-driven work plan as outlined in *Section VI* and *Annex I*.

Each working group is supported by a technical specialist from the Coalition Secretariat at the World Bank or IMF for the delivery of the respective workplan throughout the year. Moreover, Institutional Partners with expertise in the technical areas of focus are asked to contribute with their knowledge and expertise. Partnerships with other relevant institutions, platforms, or initiatives (‘knowledge partners’) may also be explored to leverage synergies and to avoid duplication with other ongoing efforts.

Co-Chairs

Co-Chair teams offer guidance and lead strategic discussions. Other responsibilities include:

- Presiding over all Ministerial and Deputy meetings
- Leading the Coalition's strategic planning and agenda setting
- Representing the Coalition at prioritized high-level public events with support from the Secretariat
- Participating in selected workstream activities
- Identifying funding opportunities and providing a financial contribution where possible

Members

Members responsibilities and tasks include:

- Contributing to the Coalition's work by co-leading or actively engaging in at least one workstream
- Enhancing domestic and international awareness while actively participating in events promoting Coalition objectives
- Overseeing and providing feedback on the progress and performance of the Coalition's work
- Responding to member surveys
- Providing financial contributions to the Coalition's core activities if possible

Secretariat

The Secretariat of the Coalition is being strengthened in early 2024 to include the following positions:

- **Secretary:** Responsible for the overall functioning of the Secretariat
- **IMF Secretariat Coordinator:** Provides technical and strategic advice, as well as administrative support in the organization of meetings and events, and support for the activities and organization of the Coalition's workstreams where the IMF is engaged as IP
- **2-3 technical specialists (WB/IMF):** Provide technical support to workstreams and country leads to produce deliverables as guided by members, coordinating with relevant IPs including WB/IMF
- **Events & logistics coordinator:** Responsible for the logistical organization of ministerial meetings and provides support for organization of other Coalition (virtual) events
- **Member engagement coordinator:** Main contact point for members' engagement with the Coalition, assisting members' participation in Coalition activities and working groups and mapping members' needs and areas of (policy) interest for peer exchange and specific follow-ups at the country level
- **Communications coordinator:** Responsible for communications assets including social media, design, media engagement and improvements to website and upgrading of member portal functionality

Moreover, short-term consultants may be deployed on a needs basis, depending on emerging Coalition member priorities and needs that require additional human resources and capacity.

Long-term, sustainable funding of the core functions of the Secretariat remains needed and should be provided by members. Member countries are therefore asked to make (preferably multi-year) contributions to the newly established Coalition Funding Window at the World Bank Climate Support Facility Trust Fund.

In addition, members and IPs may provide in-kind support or mobilize dedicated resources to support specific deliverables/projects. For example:

- LSE/GRI continues to provide support to present the guide framework to members on request, and

- will provide assistance on request of the HP4 working group on the development of a technical paper
- The NDC Partnership supports the implementation of the NDC/LT-LEDS support initiative through its Thematic Call on NDC and LT-LEDS alignment, update, and enhancement, including a part-time consultant to coordinate with the Coalition.
- Regional organizations are asked to provide staff support to regional convenings

Institutional Partners

With the growing number of members and interest from partners, it is proposed to introduce a new categorization to better distinguish partner institutions and organizations into two different categories based on functions and contributions to the work of the Coalition. The Co-Chairs and Secretariat will further develop this proposed framework to be discussed and approved by members in Q2 2024.

Institutional versus Knowledge Partners: Categorization

| Institutional partner | Knowledge partner |
|--|--|
| <ol style="list-style-type: none"> 1. Able to offer added value to finance ministers related to climate action 2. Able to provide direct support for more than 2 of the Helsinki Principles 3. Able to provide support for regional and/or global capacity building activities and convenings | <ol style="list-style-type: none"> 1. Able to provide ad-hoc support to specific topical areas of the Helsinki Principles and/or cross-cutting themes 2. Open to prominent research and knowledge creating institutions or even regional organizations, where the delivery does not have to be specific, but where there is clear finance ministry dimension |

Interested organizations are admitted to the Coalition as a partner after confirmation by the Coalition membership, in accordance with the Organization and Governance Charter. For international organizations and bodies the status as an Institutional Partner is obtained through a dialogue between the Coalition and Institutional Partner candidate and an approval by the Coalition membership, as per Charter. Nevertheless, agents with predominantly national origin will gain admission to the Coalition after a clear endorsement by the respective Coalition member (Ministry of Finance) and after confirmation by the Coalition members. The confirmations, as is the principle of the Coalition, require consensus.

High-level advisors

The Co-Chairs may seek strategic inputs from high-level advisors with esteemed expertise in the areas of work of the Coalition, who provide such support on a pro-bono basis. The Co-Chairs will strive towards a regionally and gender-balanced group of advisors. In early 2024, a general terms of reference will be drafted by Secretariat for member approval defining the role of such advisors to Co-Chairs and Coalition.

Coalition representation

During the 2023 Deputy meetings, the Co-Chairs proposed, and members endorsed the following principles of Coalition representation at the events and Coalition-branded events:

- If a member wishes to organize a Coalition event, they inform and consult Co-Chairs and Secretariat for coordination purposes. If a member is leading and driving the event, it can be Coalition-branded.

- To be Coalition-branded, events should be clearly related to the Coalition Work Program. Overall objectives of MoF relevance must be a priority, and audience is expected to be MoFs (or IPs) unless otherwise agreed with Co-Chairs.
- If events are to take place or involve the ministerial level, Co-Chairs should be included to represent the collective.
- IP-organized events can be branded as Coalition events if organization happens at the behest of members and is directly related to Coalition's work. All such events should similarly be consulted and coordinated with Secretariat and Co-Chairs. Coalition members attendance would not suffice for the Coalition branding if the link to Coalition's work is absent.

Collaboration with the Coalition for Capacity on Climate Action (C3A)

The Coalition and C3A are dedicated to enhancing their partnership through continuous collaboration and engagement, with the goal of strengthening and leveraging the capacity of Ministries of Finance to integrate climate actions into their operations. This commitment is reinforced by C3A's launch of specialized thematic and regional hubs, tailored to provide customized, demand-driven capacity building services to countries. These hubs will serve as platforms for the collaborative development of analytical tools and models crucial for advancing the green transition among interested Coalition members.

Furthermore, C3A's expansive knowledge network will grant members direct access to international experts and the latest in climate-related macro-economic research. In this light, C3A is set to host a series of technical seminars and workshops for members, aligned with the focus areas of its thematic and regional hubs. These events – along with papers, reports and blogs – should provide valuable insights and support informed climate policy decision-making by Ministries of Finance. More details can be found in *Annex IV*.

Funding the Coalition's activities

Achieving the Coalition's goals and implementing the Strategic Work Program depends on member support, including providing financial resources for the planned activities. The Secretariat of the Coalition benefits from support by the host organizations, the World Bank and IMF, that enables the Coalition to hold its ministerial meetings during IMF/WB Spring and Annual Meetings and provide some staff resources at the service of the Coalition. However, the resources to cover the Coalition's overall staff and operating costs must come from the membership as per the agreement at the Coalition's founding.

The Coalition has received generous support from BMZ in Germany (EUR 3 million) and SECO in Switzerland (EUR 0.6 million), channelled through the World Bank Climate Support Facility (CSF) Trust Fund. In 2023, the CSF introduced the new Coalition-specific window, after which the MoF of the Netherlands committed EUR 4 million over 3 years to the Coalition window. However, as of early 2024, at least the same amount is still needed additionally to cover the costs of Coalitions increased activities and fund the core staffing of the Secretariat for the duration of this Work Program. Fundraising will therefore remain a continuous area of attention and member countries are asked to step up support for the basic functions of the Coalition Secretariat to facilitate implementation of the Strategic Work Program and strengthen the provision of services to the growing Coalition membership.

In 2023, the Co-Chairs also introduced a fundraising framework for the Coalition, including for its partners raising funds for Coalition-directed activities.

Proposed Fundraising Framework

| Purpose of funding | | |
|---|--|--|
| Core Coalition Secretariat functions (main coordination functions, expert coordination, operational support, central activities budget) | Activities to support thematic workstreams (coordinated through Coalition Secretariat) | IPs responding to member needs and providing capacity building and technical support to MoFs at country/regional level (C3A, NDC Partnership process, capacity building programs featured in the catalogue, new IP support) |
| Fundraising principles for each purpose of funding | | |
| \$ Financial contributions to Secretariat from member countries through the new Coalition-specific funding window at the World Bank Climate Support Facility | \$ Financial contributions from member countries & non-members for specific outputs/activities through the World Bank's externally funded operations (EFO), managed by the Coalition budget manager (Secretary) | \$ Financial contributions to C3A from member countries & non-members through the World Bank Climate Support Facility in close coordination with Secretariat/Co-Chairs |
| \$ In-kind contributions from members and IPs (i.e. consultants, staff time) | | \$ Existing, ongoing or new financial contributions to IPs from member countries & non-members that may be utilized to provide support to countries in the context of the Coalition as a component of projects/programs |
| | | \$ New financial contributions to IPs from member countries & non-members to deliver bespoke support in the context of the Coalition (requirement: IPs to coordinate directly with Secretariat and confirm with Co-Chairs) |

VI. Thematic Workstreams: Priorities and Deliverables

Introduction

The Coalition of Finance Ministers for Climate Action includes various member-driven working groups that work towards specific deliverables on key topics identified by members and with support from institutional partners. Each member of the Coalition is expected to join at least one working group of interest, as per the membership requirements each country has signed up for at the time of joining.

Members are encouraged to take the **lead** on a specific policy area and/or instrument of focus in which the Coalition can advance understanding of policy actions, facilitate action-oriented peer learning and practical collaboration, especially around the “how” of implementation. Leads may change throughout the duration of the Work Program, in agreement between members. Other members are encouraged to join one or more working groups from which they may benefit for their own learning and advancement of policy implementation in their context, including ministry representatives beyond deputies. They may also act as Coalition **champions** on the workstream topics, including **ministers** at external public-facing events. Practical work of the workstreams is supported by the technical specialists at the Secretariat and Institutional Partners.

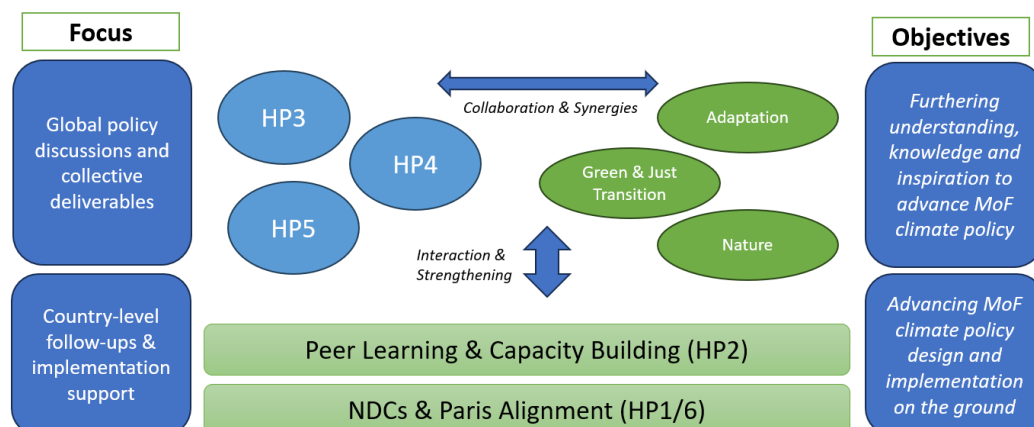
Workstream deliverables are shaped by members and may include:

- Policy notes, responding to member needs, i.e. on the “how” of implementation. These are generally developed and published by the Coalition, but expert institutional and knowledge partners may also write notes to the Coalition.
- Virtual and in-person technical peer-to-peer exchange workshops (global/regional)
- Creation of communities of practice around specific policy areas/instruments
- More interactive outputs such as podcasts, explainer videos, concise digital lectures
- High-level side events or joint dialogues on sidelines of a thematic meeting (i.e. UN CBD, UNGA)

Below are the key deliverables and policy priorities for each working group. More elaborate work plans can be found in *Annex I*. Each working group has selected several priority policy topics (preferably no more than three) for the coming year(s) and developed a plan of action for each policy area of focus, including activities, roles, deliverables and deadlines. Working groups are supported by technical coordinators at the Coalition Secretariat. Co-Chairs check in with workstream lead countries in June and December of each year to jointly take stock of progress, insights and needs. Substantive outcomes and learnings from the thematic working groups can inform and feed into ministerial level discussions. Moreover, they can be shared by member ministers in international for a and policy discussions.

The Coalition activities across thematic workstreams are organized according to the diagram below, with peer learning and capacity building (HP2) and NDCs and Paris alignment (HP1/6) serving as cross-cutting areas linked with all other policy-focused workstreams. Interaction between these efforts and between the various policy workstreams is strongly encouraged to maximize synergies and efficiency of our efforts.

Thematic Workstreams Overview



Overview of Priorities and 2024-2025 Deliverables

Kindly refer to Annex I for detailed workstream plans.



Crosscutting: NDC Support Initiative (HP1/6)

Country leads: Cambodia, Spain, Uganda

Member countries: Bahrain, Croatia, Cote d'Ivoire, Denmark, Egypt, Indonesia, Netherlands

Contributing IPs: C3A, EBRD, EC, IADB, LSE/GRI, NDC Partnership, OECD, UNDP, WB, 2050 Pathways Platform (observer)

In 2024-2025, main focus will be on:

- Boost awareness, increase engagement, and facilitate peer-to-peer learning and exchanges on the practical MoF role in NDCs and Long-Term Low Emission Development Strategies (LT-LEDS).
- Propel active MoF engagement in the design and financing of NDCs and LT-LEDS, including by providing dedicated support to MoFs in EMDE member countries.
- Bringing together voices of finance and environment ministers to emphasize the importance of MoF involvement in NDCs from an early stage, including by hosting prominent ministerial dialogue(s), co-organized with the NDC Partnership and UN, emphasizing the pivotal role of MoFs in updated NDCs and LT-LEDS.



Crosscutting: Country and Regional Follow-Up, Peer Learning and Capacity Building (HP2)

Country leads: Finland, Indonesia, Netherlands, Rwanda

Member countries: Austria, Bahamas, Cambodia, Chile, Croatia, Denmark, Egypt, Indonesia, Jamaica, Luxembourg, Malaysia, Mexico, Morocco, Sierra Leone, Sweden, Uganda, United Kingdom, United States, Uruguay

Contributing IPs: Brookings, Commonwealth, IDB, LSE/GRI, NIB, NDC Partnership, UNDP, WB, WRI, UNEP

In 2024-2025, main focus will be on:

- Demand-driven virtual and in-person national/regional events for peer-to-peer learning and follow-ups on the Coalition's flagship Guide.

- Increasing access to partners' climate-related capacity building support for MoFs.
- Facilitating better instruments for peer-to-peer exchange.



Promoting Carbon Pricing Measures & Phasing Out Inefficient and Harmful Subsidies (HP3)

Country leads: Ecuador, Sweden

Member countries: Argentina, Austria, Chile, Denmark, Finland, France, Ghana, Iceland, Indonesia, Ireland, Italy, Korea, Luxembourg, Malaysia, Mexico, Netherlands, Rwanda, Singapore, Switzerland, UK, Uruguay, Uzbekistan

Contributing IPs: ADB, EBRD, EC, GGGI, IADB, IMF, OECD, UNDP, WB

Priority policy areas within workstream for 2024-2025

- Phasing out inefficient fossil fuel subsidies
- Carbon pricing



Mainstreaming Climate in Economic Policy (HP4)

Country leads: Denmark, United States of America

Member countries: Austria, Bangladesh, Canada, Chile, Finland, France, Greece, Honduras, Indonesia, Ireland, Italy, Luxembourg, Mexico, Portugal, Rwanda, Seychelles, Sierra Leone, Slovakia, Spain, Sweden, Uganda

Contributing IPs: EC, GRI/LSE, IMF, NGFS, OECD, UNDP, UNEP, WB, WRI

Priority policy areas within workstream for 2024-2025

- Integrate climate into the macroeconomic modelling tools and approaches and develop better answers to the policy challenges faced by Ministries of Finance in assessing the economic and fiscal implications of climate change.
- Identify current gaps and opportunities in green budgeting to catalyze climate action, including other cross-cutting issues such as disaster risk management and disaster risk financing.



Mobilizing Private Climate Finance (HP5)

Country leads: Luxembourg, Mexico, Switzerland, United Kingdom

Member countries: Argentina, Australia, Bangladesh, Canada, Chile, Croatia, Finland, France, Germany, Italy, Morocco, the Netherlands, Philippines, Singapore, Uganda

Contributing IPs: Brookings, C3A, EBRD, EIB, IMF, LSE/GRI, NGFS, NIB, WB

Priority policy areas within workstream for 2024-2025

- Leveraging greater private finance - via providing better enabling conditions, strengthening inter-ministerial collaboration, enhancing projects bankability and broadening investors base, as well as using blended finance instruments and green, sustainability and other climate-related bonds. Greening private climate finance, including developments in reporting, data and disclosure.
- Work on voluntary carbon markets and potentially biodiversity carbon markets.



Adaptation

Country leads: Honduras, Netherlands, Uganda

Member countries: Ghana, Greece, Kenya, Mexico, Mozambique, Philippines, Sierra Leone, United Kingdom

Contributing IPs: ADB, AfDB, the Commonwealth, EC, EIB, GGI, IMF, UNDP, UNEP, WB, WRI, EBRD

Priority policy areas within workstream for 2024-2025

- Develop better understanding of macro-critical adaptation risks and opportunities, so that MoF can gauge these risks/opportunities against what actions they are taking to mitigate/realize them.
- Identify best practices in terms of planning risk reduction (opportunity enhancing) policies, instruments and investments at both at the macro-level and sectoral levels, to help inform interventions (i.e. via LT-LEDS, NDCs, and NAPs).
- Focus on ways to improve MoF's access to increased climate finance for adaptation, among others by gathering/sharing information on the mapping of different adaptation-related funds, their guidelines, and how to access financing for adaptation projects.



Nature

Country leads: Finland, United Kingdom

Member countries: Cambodia, Chile, Colombia, Ecuador, France, Germany, Luxembourg, Mexico, Rwanda, Slovakia, Switzerland

Contributing IPs: Brookings, Commonwealth, EIB, NGFS, OECD, SITRA, TNFD, UNEP, WB, WRI

Priority policy areas within workstream for 2024-2025

- Implementation of relevant targets of the Global Biodiversity Framework by member countries: aligning financial flows (target 14), disclosure (15), subsidies (18), mobilization of resources (19).
- Data, reporting and disclosure, especially biodiversity-related taxonomies and annual TNFD update.
- How to value nature capital, including data and decision-support tool needed to assess risks and design policies (e.g. natural capital accounting and other tools).
- Nature financing, including phasing out subsidies harmful to nature.



Green and Just Transition

Country leads: Indonesia

Member countries: Belgium, Colombia, Greece, Indonesia, Japan, Lithuania, Sierra Leone, United Kingdom

Contributing IPs: ADB, C3A, EBRD, EIB, LSE/GRI, NGFS, OECD, UNEP, WB

Priority policy areas within workstream for 2024-2025

- Transition plans and role of MoFs in guiding the transition.
- Transition finance products and tools (harmonization, taxonomy).
- Just transition financing framework with emphasis on social aspects of economic transition (including impact on jobs and gender equality).

Annexes

Annex I. Detailed Workstream Plans for 2024-2025



Country leads: Cambodia, Spain, Uganda

Contributing countries: Bahrain, Cote d'Ivoire, Croatia, Denmark, Egypt, Indonesia, Netherlands

Contributing IPs: C3A, EBRD, EC, IADB, LSE/GRI, NDC Partnership, OECD, UNDP, WB, 2050 Pathways Platform (*observer*)

Secretariat coordinator: Luma Ramos, with additional support from a part-time NDC Partnership consultant (*to be hired in early 2024*)

Background

The results from the first Global Stocktake and the escalating socioeconomic impacts of climate-related events across the globe call for an urgent transformation of our economies and mobilization of climate finance at speed and scale. Nationally Determined Contributions (NDCs), countries' national climate plans under the Paris Agreement framework, and Long-Term Low Emission Development Strategies (LT-LEDS) are at the core of a coordinated global response to tackle climate change and achieve the Paris Agreement objectives and the Sustainable Development Goals.

Ministries of Finance (MoFs) have a unique role to play, given their leading role in economic and fiscal policies and expertise in financial management. Furthermore, MoFs convene and facilitate collaboration among crucial finance stakeholders, pertinent government departments, and public and private institutions. Such collaboration is instrumental in the formulation and execution of ambitious and implementable NDCs and LT-LEDS and in effectively connecting climate and development agendas. The 2025 NDC revision timeline – the deadline set by the UNFCCC of the next required submission of countries' NDCs by COP30 in Brazil – and the design of LT-LEDS in conjunction, represent a unique opportunity for strengthened engagement of MoFs in climate action, aligning economic and fiscal policies with emission reduction pathways and resilience to climate change.

The Coalition and the NDC Partnership have been collaborating closely to leverage their broad memberships, extensive expertise, and convening power to strengthen the global response to climate change. As [announced at COP28 in Dubai](#), the Partnership and the Coalition will collaborate more closely to offer targeted resources and expertise for Ministries of Finance to actively engage in the development and implementation of NDCs and LT-LEDS in 2024-2025. To provide this support, the Partnership will leverage its *Thematic Call on NDCs and LT-LEDS alignment, update and enhancement*, a targeted initiative to assist countries in designing ambitious NDCs and LT-LEDS implemented in alliance with the 2050 Pathways Platform, UNDP and other institutions that are members of the Partnership (and oftentimes already involved in the Coalition as well). This initiative, closely coordinated with the wide network of the NDC Partnership and other institutional partners, will increase the awareness and engagement of MoFs in NDCs and LT-LEDS, and ensure efficient and targeted support for countries.

Due to the significant overlap in practice between HP1 (Align Policies with the Paris Agreement) and HP6 (Engage in NDC Preparation and Implementation), these two workstreams have been merged into one working group, now with specific focus on and under the banner of *NDC Support Initiative (HP1/6)*.

The priorities of this workstream and dedicated initiative are:

1. Boost awareness, increase engagement, and facilitate peer-to-peer learning and exchanges on the practical MoF role in NDCs and LT-LEDS.
2. Propel active MoF engagement in the design and financing of NDCs and LT-LEDS, including by providing dedicated support to MoFs in EMDE member countries.
3. Bring together the communities of finance and environment ministers to emphasize the importance of MoF involvement in NDCs from an early stage, including by hosting prominent ministerial dialogue(s), co-organized with the NDC Partnership and UN, emphasizing the pivotal role of MoFs in updated NDCs and LT-LEDS

HP1/HP6 Moving Forward: Action Plan for 2024-2025

As the 2025 deadline for revising Nationally Determined Contributions (NDCs) approaches and countries prepare their LT-LEDS, a significant opportunity arises for MoFs to redefine their role in climate action. MoFs have the opportunity to drive the alignment of economic, environmental, and climate strategies, ensuring that climate goals are both ambitious and economically viable.

The Coalition offers a vital platform for this transformation, enabling MoFs to engage in knowledge sharing and peer learning. This period of NDC revision is more than a procedural milestone; it's a pivotal moment for MoFs to lead in integrating fiscal policies with environmental objectives, leveraging the Coalition's network to develop sustainable and effective climate strategies. This shift represents a crucial step towards cohesive, finance-informed climate action, positioning MoFs at the heart of the journey towards resilient, low-carbon economies. Within this context, HP1/HP6 through the new support initiative will focus on the following.

1. Boost awareness, increase engagement and facilitate peer-to-peer learning and exchanges on NDCs and LT-LEDS.

Raising awareness of NDCs and LT-LEDS with a focus on how finance ministries are and can take a decisive and strategic role in the design and implementation of these instruments to achieve the goals outlined in the Paris Agreement and the Sustainable Development Agenda (2030 Agenda). Climate policies may compete with other economic and financial priorities of ministries of finance, which are themselves shaped by global economic transformation and the role of various economies worldwide. A rapid low-carbon transition could, for instance, generate risks and opportunities of various kinds for different countries. Developing LT-LEDS and NDCs may be influenced by global transition dynamics, therefore harmonized scenarios of global economic transition could thus help inform critical aspects of LT-LEDS and NDCs at national levels.

The primary means of raising awareness and ensuring MoFs are well-informed are through MoF leadership, peer-to-peer, and member exchange. These are critical due to the evolving nature of Nationally Determined Contributions (NDCs) and Long-Term Low Emission Development Strategies (LT-LEDS) and the multiple entry points for MoFs. By facilitating knowledge exchanges among member countries, finance ministers and ministries can share best practices, innovative approaches, and lessons learned.

To enhance peer-to-peer learning and knowledge sharing, increased engagement within this workstream is imperative because active participation from a diverse range of member nations enhances the collective capacity to address climate challenges effectively. Each country brings unique experiences and challenges to the table, making broader engagement essential for comprehensive and informed decision-making.

In this context, strengthening coordination with other HPs is also crucial, because their substantive work areas overlap in the design and implementation of NDCs and LT-LEDS. This collaboration will ensure a more comprehensive and effective approach to addressing climate change. Collaborative efforts with other HPs enhance the alignment of policies, resources, and expertise, ultimately driving greater progress toward achieving climate goals and sustainability.

Key activities, milestones, and timeline:

- Two workshops that highlight how different ministries of finance are approaching NDCs and LT-LEDS, including the tools, processes, and approaches used, May 2024 and September 2024
- A series of technical workshops and a background technical note led by C3A on how existing transition scenarios, including NDCs and LT-LEDS are fit for purpose for Ministries of Finance (*ie* include granularity and variables that respond to their core missions)
- Coalition Co-Chairs, HP1/HP6 Country Leads, and Ambassadors advocating for stronger MoF engagement in NDCs and LT-LEDS, ongoing
- High-level Joint Statement (Call for action) signed by Coalition and the NDC Partnership Co-Chair Ministers (and UNSG TBD) to be announced during the Coalition High-Level Ministerial Meeting in the Spring and accompanying press release, 2024
- At least one joint event with other working group by December 2024
- Bi-monthly convenings of the working group, from March 2024.

2. Propel active MoF engagement in the design and financing of NDCs and LT-LEDS

Building on the collaboration announced at COP28, the NDC Partnership and Coalition will support Ministries of Finance to actively engage in the development of NDCs and LT-LEDS. To provide this support, the Partnership will leverage its Thematic Call on NDCs and LT-LEDS alignment, update, and enhancement, a targeted initiative currently supporting more than 50 countries in designing and implementing ambitious NDCs and LT-LEDS (*see NDC Partnership support mechanism section below*).

Key activities, milestones, and timeline:

- Presentations of the NDC Partnership’s Support to MoFs (during different meetings/convenings), ongoing
- Advertise the support mechanism and access process at relevant events through Co-Chairs, Country Leads, and Ambassadors – and dissemination of other Coalition outputs, ongoing
- Based on member requests, support MoFs to articulate and communicate their support needs to the NDC Partnership, and mobilize tailored and coordinated support through the Partnership’s systems and processes, ongoing.

3. Bring together the communities of finance and environment ministers to emphasize the importance of MoF involvement in NDCs from an early stage

The Coalition will explore engaging in joint dialogue(s) between Finance and Environment Ministers during an early stage of the NDC process in 2024, to ensure MoFs are being engaged in NDC processes led by MoE ministries from the start, contrary to processes in previous years. This would include an intended joint announcement and high-level conversation between the Coalition Co-Chairs (Ministers of Finance of Indonesia and the Netherlands) and the Co-Chairs of the NDC Partnership (Ministers of Environment of Rwanda and Denmark), and possibly the UN Secretary-General and UNFCCC Executive Secretary, on the needed whole-of-government collaboration for climate action, including engaging MoFs from the start. Such

collaboration will start during the Spring Meetings Ministerial in 2024, and may also feature a highlight during COP29 in Azerbaijan where the Coalition can bring further attention to the important role of MoFs for the next round of NDCs to be submitted to UNFCCC in 2025.

Such dialogue between key ministries would aim to assess the involvement of Ministries of Finance in the process of designing and implementing Nationally Determined Contributions (NDCs) and LT-LEDS. It would facilitate the exchange of methods and successful strategies, while also promoting greater participation in preparation for COP30. The early 2025 deadline for enhanced NDCs underscores the urgency and importance of this step, as it is a critical opportunity to strengthen global climate commitments and actions.

Key activities, milestones, and timeline:

- Draft discussion note for the Spring Meetings, emphasizing discussion questions to be addressed at the level of ministers
- Draft technical note by Spring Meetings 2024, to be finalized following ministers' input
- Help shape Climate Action Statement inputs around NDCs, LT-LEDS and COP for Annual Meeting Ministerial
- Publish brief note with key insights and recommendations by the end of 2024 to stimulate further MoF engagement in the critical final months prior to the NDC submission deadline, published on the interactive members portal and NDC Partnership's [Knowledge Portal](#)

Leveraging the NDC Partnership Support Mechanism

Summary: The [NDC Partnership](#) provides an existing and proven mechanism for partners to respond to countries' climate needs, including Ministries of Finance (MoF). As of 2023, the Partnership has been providing support to more than 90 engaged developing member countries (~40 of which are members of the Coalition), which are supported by over 160 implementing and development partners from the NDC Partnership network. Countries request support for NDC priorities, through focal points in the Ministries of Environment and the MoF (or Planning), closely coordinated with relevant sectoral ministries.

Mechanism: The NDC Partnership facilitates matchmaking between identified country climate needs and technical and financial support from partners. Mechanisms through which countries can request support include Request for Support Letters (RSLs), NDC Implementation Plans / Partnership Plans (PPs), Climate Investment Plans, and special initiatives, such as the *NDC Partnership Thematic Call on LT-LEDS and NDC Alignment, Update, and Enhancement*, particularly relevant for this Action Plan. RSLs and special initiatives such as the Thematic Call on NDCs and LT-LEDS, usually focus on specific and immediate priority needs of a country or Ministry of Finance (MoF), while Implementation and Investment Plans provide a more programmatic and holistic approach to whole-of-government NDC implementation and investment priorities over many years.

NDC Partnership member countries seek support through these mechanisms to catalyze and harmonize support from several implementing and development partners, including those that are part of the Coalition. The Partnership can serve as a vehicle for Coalition member countries to convey requests aligned with recommendations and guidance emerging from the Coalition to various institutional partners. It can complement the work of the Coalition by facilitating access to existing and new opportunities for country support.

Given countries' needs and requests, support can be provided in multiple areas. Below is a non-exhaustive list of areas of support with a specific focus on the finance ministries and the *NDC Partnership Thematic Call on NDC and LT-LEDS alignment, update, and enhancement*:

Preparatory Support

- Development of a long-term vision integrating climate and socio-economic goals
- Analysis of current policies, institutional arrangements, and actions led by MoFs
- Awareness and initial capacity-building for MoF
- Scoping and needs assessments
- Assist in the preparation of requests for support to be communicated to the NDC Partnership

Development, update, and enhancement of NDCs and LT-LEDS

- Deployment of expertise and targeted TA to MoF to engage in NDCs and LT-LEDS formulation
- Cost-Benefit analysis and prioritization to inform NDCs and LT-LEDS
- Macro-economic and Macro-Fiscal analysis to assess climate risks, impacts, and opportunities and inform NDCs and LT-LEDS
- Strengthening M&E systems in line with Paris Agreement requirements

Promoting long-term transformation and action

- Formulation of economic and fiscal policies and regulatory instruments to deliver LT-LEDS and NDC
- Strengthening of institutions and governance mechanisms, including the MoF and the financial system
- Development of Climate Investment Plans and Financing Strategies
- Mainstreaming LT-LEDS and NDC into economic and fiscal policies (e.g. PFM, PIM, PAM, PP, etc.)
- Support investment readiness and financial instruments for transformative interventions
- Greening central banks, including climate stress testing, taxonomy, disclosure, and regulations to protect financial stability and align finance with Paris Agreement
- Other climate-related needs from MoFs

Focus countries: [Member countries](#) of the NDC Partnership, while non-members [can apply to become](#) a member.

Advisory and service delivery partners: Network of more than 90 institutions/associate [members](#).

How to access support: Can be requested at any time through NDC Partnership Government Focal Points.

Who to contact for more information: NDC Partnership Thematic Call (thematiccall@ndcpartnership.org) and Joaquim Leite, Head of Climate Finance (Joaquim.Leite@ndcpartnership.org)

Workstream background and previous key outputs

Since 2020, across HP1 and HP6, reports and knowledge sharing highlighted the critical role of finance ministries in driving fiscal and economic policies for updating and implementing NDCs and LT-LEDS, essential for a just and affordable transition to climate resilience and carbon neutrality. These include:

- Report: [Ministries of Finance and Nationally Determined Contributions: Stepping Up for Climate Action](#), July 2020
- Workshop: Ministries of Finance and Nationally Determined Contributions: Stepping Up for Climate Action, August 2020

- Workshop: Survey Findings – Engagement of Finance Ministries in NDC Preparation and Implementation, October 2021
- Workshop: Scoping Fiscal Impacts of Long-term Climate Strategies, February 2022
- Report: [How to Scope the Fiscal Impacts of Long-Term Climate Strategies? A Review of Current Methods and Processes](#), May 2022
- Report: [Ministries of Finance and Nationally Determined Contributions Raising Ambition and Accelerating Climate Action](#), November 2022
- Workshop: [Empowering Climate Action: Ministries of Finance Role in Nationally Determined Contributions and Long-Term Strategies Implementation, September 2023](#)
- COP28 HL Event: [NDC Partnership & Coalition of Finance Ministers for Climate Action’s – Ministries of Finance and NDCs/LT-LEDS: Stepping up for Climate Ambition, December 2023](#)



Country and Regional Follow-Up, Peer Learning and Capacity Building (HP2)

Country leads: Finland, Indonesia, Netherlands, Rwanda

Contributing countries: Austria, Bahamas, Cambodia, Chile, Croatia, Denmark, Egypt, Jamaica, Luxembourg, Malaysia, Mexico, Morocco, Sierra Leone, Sweden, Uganda, United Kingdom, United States, Uruguay

Contributing IPs: Brookings, Commonwealth, IDB, LSE/GRI, NIB, NDC Partnership, UNDP, UNEP, WB, WRI

Secretariat coordinator: Frank van Lerven (*with supporting consultant to be hired early 2024*)

Priority areas within workstream for 2024-2025

1. Demand-driven virtual and in-person national/regional events for peer-to-peer learning and follow-ups on the Coalition’s flagship Guide.
2. Updating the capacity building catalogue and increasing access to partners’ climate-related capacity building support for MoFs.
3. Facilitating instruments for peer-to-peer exchange.

1. Demand-driven virtual and in-person national/regional events for peer-to-peer learning and follow-ups on the flagship Guide

1.1 Deployment of Ambassadors Network for enhanced peer-to-peer learning

Ambassadors are needed to help facilitate the exchange of expertise and promote peer-to-peer learning among members. With the Coalition’s [flagship guide now published](#) and workstreams constantly producing new outputs, ambassadors will play a crucial role in sharing practical and illustrative country experiences alongside the technical experts of Institutional Partners. With ambassadors now identified and engaged (see table below), the Secretariat and HP2 member leads will actively focus on mobilizing and deploying ambassadors. The potential to involve higher level ambassadors (i.e. former finance ministers and leading influencers) as Coalition champions will also be explored.

Objective: *Have a fully established ambassadors’ network with engaged members to facilitate peer-to-peer exchange and promote Coalition outputs*

Timeline and Milestones

- Full list of engaged ambassadors, end of April 2024 (including meetings with select ambassadors if needed)
- First ambassador convening, March 2024 – quarterly meetings thereafter
- Explore potential of involving high level champions, July 2024

1.2 Proactive and reactive dissemination of Coalition outputs through peer-to-peer exchange

The Coalition will shift into second gear to help proactively disseminate the outputs produced to its members. The Coalition is ready to respond to member requests to present the Coalition’s key outputs ([such as the Guide, CAS, capacity building offerings](#), the NDC Support Initiative, a bespoke presentation of a specific workstream area) to their MoF. But Coalition members may also be proactively contacted by the Secretariat about potentially having a coalition-based virtual presentation (for example new joining members). For these presentations, different ambassadors and IPs would be invited to share their experience, technical expertise and/or political advice – dependent on the needs and preferences of the member requesting the presentation.

Specifically relating to the Guide, members and IPs can request virtual and in-person presentations of the Guide to the Secretariat. HP2 will start work in Q1 2024 to develop a rapid self-assessment tool, which would allow members to obtain a general overview on the situation of integrating climate considerations in its policies. Such a tool is intended to support the design of actions and events, and not to rank countries.

Objective: *Proactively and re-actively disseminate coalition outputs to enhance peer-to-peer learning and knowledge exchange*

Timeline and Milestones

- Have at least 3-5 in-person events surrounding the guide with further links to capacity building programs and IP offerings each year during 2024 and 2025. Preliminarily interest for 2024: Uganda, Scandinavia, and Peru.
- Have virtual events on the guide and coalition outputs with at least 10 members in 2024, and then additional 10 in 2025.
- Organize three (regional or global) events around the guide and Coalition outputs with IPs aimed at MoF as main target audience – through 2024 and 2025
- Develop rapid assessment tool (with range of IPs) by end of Q1 2024 – targeting at least eight countries by end of 2024 based on members’ demand.

1.3 Updating the Coalition’s Flagship Guide

The flagship guide is an instrumental tool to help enrich peer-to-peer learning and knowledge sharing amongst members. As time goes by, the Guide will need to be updated with new insights, developments and country examples. By the end of Q2 2024, we will put in place a ‘core team’ that will engage members and IPs, and by the end of 2024 lay the groundwork for the update of the Guide. Over the course of 2025 the core team will deliver an updated version of the Guide. Where relevant, we will deepen the information contained in the document. The update is expected to draw from country experiences and feedback received on the roll-out events, as well as deliverables from different work streams and analytical work of the IPs and stakeholders, where relevant.

Objective: *Update the guide based on rich exchange and experience of Coalition members*

Timeline and Milestones

- Form core team responsible for designing, creating and updating a database for the next version of the guide, March 2024
- Develop action plan for updating the guide and creating database, April 2024 (i.e. below)
- Harnessing inputs from coordinators and HPs
- Getting feedback from ambassadors and ambassador network
- Launch consultation for member submissions
- Establishing a Database for Best Practices and Key Lessons, June 2024
- Consult ambassador network and HP2 convening group on updates, June 2024 then quarterly
- Continuously update database, up to 2025
- Begin first draft, first quarter 2025
- Member feedback and edits, 2nd Quarter 2025
- Publication, Annual meeting 2025

2. Increasing access to partners' climate-related capacity building support for MoFs

2.1 Heightening peer learning through the capacity building catalogue

Ips have a lot of capacity building initiatives on offer for our members. The Coalition has collated these offerings in the [Capacity Building Catalogue](#). HP2 will regularly update the catalogue, to ensure all our IPs potential programs for our members are included and can be effectively utilized and scaled up.

The Catalogue will be further updated to include: 1) member testimonials regarding the capacity building initiatives on offer. We will collect experiences from members that have gone through these capacity building initiatives, which will help members understand what the process looks like and may facilitate take-up, 2) climate-related trainings relevant to MoF officials offered from institutional partners, knowledge partners and leading universities, and 3) offer a one pager on where countries can go to apply for donor funding, especially related to capacity building.

Special effort will be taken to support members to more easily access the Catalogue and specific trainings. Meanwhile, the Catalogue will be digitized and uploaded into the revamped members portal.

Objective: *Update the Capacity Building and Training Catalogue*

Timeline and Milestones

- Updated capacity building catalogue with all IP offerings, March 2024
- Expand the catalogue to include climate-related trainings relevant to MoF officials offered from knowledge partners and leading universities, April 2024
- Member testimonials added to Catalogue, June 2024
- Digitalize the capacity building and training catalogue, July 2024, and upload in the upgraded online portal, December 2024

2.2 Offering bespoke training sessions to members and increasing collaboration with C3A and NDC Partnership

Next to institutional capacity building offerings, HP2 will focus on building up the training pillar of its capacity building offerings, to offer our members and deputies the skills to lead in integrating climate change in their

ministries policies. This would take the form of very short half seminars organized around in-person events scheduled throughout the year. We will work with our Institutional Partners and Knowledge partners to offer some basic training on the most recent work related to mainstreaming climate into the operations of MoF (e.g., as provided by Oxford Smith School at the in-person Sherpa meeting in February 2023 in Helsinki).

Moreover, the Coalition plans to enhance and increase its collaboration with IPs like the NDC Partnership, C3A, and WRI. This augmented cooperation aims to provide even more specialized and targeted capacity building support to ministries.

Objective: Enhance the technical know-how of members and their staff through capacity building and bespoke training sessions.

Timeline and Milestones

- Co-organized half-day workshop AM 2024, Spring Meeting 2025, AM 2025
- Demand for training in our members and the supply of trainings surveyed, August 2024
- Organizing technical training sessions for members on the sidelines of in-person Coalition convenings such as ministerial meetings, in collaboration with C3A and other IPs by January 2025

3. Facilitating better instruments for peer-to-peer exchange between members

3.1 Upgrading the member portal and complementing the Guide with more concrete example of policy implementation

Over the course of 2023, Members have indicated that they find learning from other countries through peer-to-peer exchange to be the most important and relevant way to increasing their climate-related capacities, and identify the Coalition as a key forum to facilitate such exchange. To facilitate this exchange, HP2 will contribute to updating the members portal, making it more easily accessible and loaded with material that expand peer learning and knowledge sharing.

Following on from this, the in-person deputies meeting in 2024 in The Hague clearly indicated a demand from members to offer a knowledge product that complimented the CAS, flagship guide, and the outcomes of previous workstreams, by offering more granular examples for members policy implementation. The Coalition Secretariat under the guidance of HP2 member leads aims to assemble a comprehensive overview of the climate policy tools currently and previously implemented by member MoFs across diverse geographic and economic contexts. This output, facilitating better access to country policy examples, will be made available through upgraded member portal.

Objective: *To upgrade the members portal and develop a detailed knowledge product that showcases a comprehensive overview of the climate policy tools offering granular examples of climate policy implementation*

Timeline and Milestones

- Develop plan and ToR prior to Spring Meeting 2024
- Following Spring meeting, begin mapping exercise and developing a database – use additional CAS inputs (July 2024) and updates to Guide, to help inform policy mapping.
- At the same time, begin design of new member portal – have at least three possible options ready by August 2024.
- By end of Q3 2024, have one policy example – key lessons learned – from at least 60% of members.

- By end of Q4 2024, draft of policy mapping ready.
- By end of Q4 2024, have new member portal ready to go up online.
- January 2025, present the output and key findings at HP2 workshop – and take on feedback and suggested edits.
- By Spring meetings 2025, have a polished draft ready to be approved by members.

3.2 Where to start on climate mainstreaming?

In alignment with the Coalition’s strategic initiative to host bi-annual induction sessions, HP2 is committed to the development of a knowledge product designed to bolster these efforts. Specifically, there has been a discernible demand among members for a concise document (no more than five pages in length) that facilitates a foundational understanding of where to start on working on climate change in MoF embarking on these issues for the first time. To this end, the HP2 Coordinator, together with leading members and supporting IPs, shall undertake the creation of an easily navigable resource. This resource will primarily draw upon the insights and experiences of MoF that have demonstrated advanced proficiency in this domain, thereby ensuring that the product not only informs but also empowers new entrants in the field of climate change.

Objective: *Develop a concise, accessible knowledge product to equip MoFs new to climate change with foundational insights, leveraging the experiences of more advanced MoFs.*

Timeline and Milestones

- Develop plan and ToR by May 2024
- Have 3 IPs support in drafting process before Spring Meeting 2024
- Following Spring meeting, have skeleton outline drafted – based on case study examples
- Have first draft ready, May 2024
- Test and get feedback from members by June 2024
- Final draft ready for approval July 2024

Workstream background and previous key outputs

Launching, rolling out and raising awareness of the Guide: [The Coalition’s flagship guide](#), with substantial support from LSE GRI, was launched at the Spring Meetings – followed by [the Key Messages \(various languages\)](#) and [Synthesis report](#). A [spotlight event](#) with release of the Full Guide Report had an all-star cast of experts including Janet Yellen (Secretary of the Treasury, United States), Azucena Arbeleche (Minister of Economy and Finance, Uruguay), Morten Bødskov, (Acting Minister of Finance, Denmark), and Pablo Saavedra (Vice President, EFI Global Practice, World Bank). A variety of events were held with MoFs, Institutional Partners, and the broader general public.

Setting up the Ambassadors Network for enhanced peer-to-peer learning: Three working group convenings were organized before the Coalition’s Ambassador’s Network was launched in 2023 to enhance the Coalition’s impact through member expertise and dedication. Our survey confirms that peer-to-peer learning is essential for our success. Accordingly, the purpose of an ambassador is to promote peer-to-peer interactions, enhance the visibility of the coalition, connect Coalition outputs (especially the Guide) to capacity building programs, and empower members to take ownership of their involvement in public engagement efforts.

Capacity leveraging through the capacity building catalogue: Over the course of the year, [two workshops](#) were held where all the Coalition’s capacity building programs available to members were presented. Alongside this, [an initial catalogue](#) was developed that showcases the rich array of capacity building programs of our Institutional Partners. The catalogue concisely offers members a central place for the key and relevant information of our Institutional Partners’ capacity building programs – so that all information is accessible and in one place.

Capacity leveraging through C3A Institutional Partnerships: The C3A program, [launched in 2023 in support to the Coalition](#), is currently covering 20 members (and growing) with specialized management, core, and analytical teams, and establishing two advisory committees. Through various events (Paris Summit, LAC platform of finance ministers, Annual WB-IMF meeting, and COP28), C3A has become a visible actor in the landscape of capacity building programs. Launching its thematic and regional hubs, C3A has forged partnerships to co-create climate-related models and analytical tools supporting Ministries of Finance.



Promoting Carbon Pricing Measures & Phasing Out Inefficient and Harmful Subsidies (HP3)

Country leads: Ecuador, Sweden

Contributing countries: Argentina, Austria, Chile, Denmark, France, Finland, Ghana, Iceland, Indonesia, Ireland, Italy, Korea, Luxembourg, Malaysia, Mexico, Netherlands, Rwanda, Singapore, Switzerland, UK, Uruguay, Uzbekistan

Contributing IPs: ADB, EBRD, EC, GGGI, IADB, IMF, OECD, UNDP, WB

Secretariat coordinator: IMF

Priority policy areas within workstream for 2024-2025

In 2024-2025, HP3 will continue to provide guidance and support on the design and implementation of carbon pricing measures, including fossil fuel subsidy reform, by facilitating bilateral and multilateral experience and knowledge exchange among members, and by matching members with institutional partner support/existing tools and resources. Guided by members’ needs and priorities, the focus will increasingly be on practical aspects (the “how”) of implementation, addressing the most pressing barriers to members as well as the support. In that context, members have identified the following specific policy priorities for further work in 2024-2025:

1. Phasing out inefficient fossil fuel subsidies
2. Carbon pricing

1. Phasing out inefficient fossil fuel subsidies

- HP3 will work to advance progress on methodological issues related to fossil fuel subsidies. A core issue in phasing out fossil fuel subsidies is how to define and measure subsidies in a meaningful way which is coherent with different reform commitments (e.g., under G7, G20 and at COP28) and which leads to decreased net carbon emissions when the subsidies are phased out. The Coalition aims to advance work in this area by mapping and assessing definitions and methodologies in use and promoting a coordinated approach among members and relevant stakeholders.
- HP3 will facilitate experience and knowledge exchange on the main barriers to phasing out fossil fuel subsidies and how to overcome them, with a focus on political economy challenges. This work will be done through a series of webinars or similar interactive settings and peer-to-peer exchange. This

will include a deep dive into the nature of the most pressing national and international barriers for members and reflecting on solutions, e.g., the type of reforms that could/should be prioritized, what constitutes an “enabling environment” for reform, which strategies (including communication) could be used to facilitate reforms, the alternatives to subsidies/alternative uses of freed-up resources, and the needs in terms of additional support/cooperation. Countries will be invited to share their experiences as case studies, to identify different approaches to subsidy reform as well as existing initiatives and available support. These will then be used as a basis for discussions, and will be turned into a practical policy note by the end of 2024.

- Phasing out inefficient fossil fuel subsidies is also one of the topics on the agenda of the Spring Meetings Ministerial agenda in 2024, which will be based on a discussion note and result in a policy note on the topic.

2. Carbon pricing

- HP3 will facilitate experience and knowledge exchange on the main barriers to introducing carbon pricing instruments and how to overcome them, with a focus on political economy challenges. This work will be done through a series of webinars or similar interactive meetings and peer-to-peer exchange, coordinated with the corresponding exercise above on fossil fuel subsidies.
- HP3 will explore and facilitate experience and knowledge exchange through a workshop or seminar on the effectiveness of carbon pricing instruments in different industries and macroeconomic contexts, drawing on member country experience.

Timeline and Milestones

| Time period | Milestone | Objective | Member(s) in Charge | Possible Partners |
|----------------------|--|--|---|------------------------------|
| 2024 | | | | |
| Q1-8 (rolling basis) | Deliver training for the wider Coalition on the IMF-World Bank Climate Policy Assessment Tool (CPAT) | Raise awareness of and facilitate use of CPAT, a spreadsheet-based ‘model of models’ that allows for the rapid estimation of effects of mitigation policies for over 200 countries. | Ecuador, Sweden | IMF, WB, IABD, ADB |
| Q1 | Contribute to discussion note and policy note on phasing out inefficient fossil fuel subsidies related to Spring Meetings side event | Facilitate knowledge exchange during Spring Meetings Ministerial side event discussion on phasing out fossil fuel subsidies and disseminate new insights on effective strategies to reform fossil fuel subsidies. | Ecuador, Sweden | IMF |
| Q2-4 | Deliver workshop and possible papers on different methods of measuring fossil fuel subsidies, including discussion notes | Promote a coordinated approach among relevant stakeholders on the measurement of fossil fuel subsidies. | Ecuador, Sweden, Finland, Netherlands, France | IMF, WB, OECD |
| Q2-4 | Organize exchanges on developing and introducing carbon pricing measures, including phase out of fossil fuel subsidies | Exchange among members of experiences and approaches in implementing carbon pricing measures and phasing out fossil fuel subsidies, as well as lessons learned, with a focus on the political economy of reforms. The insights of these discussions will be brought together in a policy note. | Ecuador, Sweden, Chile, Uruguay | IMF, WB, IABD, ADB, EC, UNDP |

| | | | | |
|-------------|--|---|---------------------------------|-------------------------|
| Q4 | Deliver webinar on financing mechanisms offered by relevant IPs | Increase awareness among members of available financing options, such as the Resilience and Sustainability Trust. | Ecuador, Sweden | IMF, WB, IADB, ADB |
| 2025 | | | | |
| Q2 | Deliver seminar/workshop on carbon pricing effectiveness | Experience exchange on carbon pricing instruments and their effectiveness in different contexts. | Sweden, UK, Denmark (tentative) | IMF, WB, OECD |
| Q3 | Carbon leakage risk in the context of increased climate ambition | Discuss ways to address carbon leakage in the context of increased climate ambition, including measures such as border carbon adjustment mechanisms (BCAs) and product standards. | France, Sweden, UK | IMF, WB, EC, OECD, UNDP |

Co-Chair, Secretariat and Institutional Partner support requests

The co-leads will rely on the Secretariat and relevant institutional partners to assist in the coordination and organization of proposed activities, events, and notes. In addition, the co-leads will also seek to leverage existing analytical work of relevant institutional partners and practical experience from member countries in delivering the work plan.

Workstream background and previous key outputs

Pricing carbon through a carbon tax or an emission trading system (ETS) is a cost-efficient way to reduce emissions. It creates a clear signal for the market, generates revenues which can be used to further support the climate transition and strengthens the competitiveness for alternative solutions. HP3 promotes and supports the development and implementation of robust carbon pricing systems, including the phasing out of inefficient fossil fuel subsidies, as a central part of an effective climate policy.

- Recent publications: [International Coordination Mechanisms for Climate Change Mitigation](#), April 2023
- Recent events: [Two-day in person Workshop on International Carbon Pricing and Taxation in Jakarta, Indonesia](#), October 2023, organized with Ministries of Finance of Indonesia and Sweden and the Asian Development Bank (ADB)



Mainstreaming Climate in Economic Policy (HP4)

Country leads: Denmark, United States

Contributing countries: Austria, Bangladesh, Canada, Chile, Finland, France, Greece, Honduras, Indonesia, Ireland, Italy, Luxembourg, Mexico, Portugal, Seychelles, Sierra Leone, Slovakia, Spain, Sweden, Uganda

Contributing IPs: EC, GRI/LSE, IMF, NGFS, OECD, UNDP, UNEP, WB, WRI

Secretariat coordinator: Abdulaziz Almuzaini and a macro-fiscal climate expert (*to be hired in 2024*)

Priority policy areas within workstream for 2024-2025

1. Integrate climate into the macroeconomic modelling tools and approaches and develop better answers to the policy challenges faced by Ministries of Finance in assessing the economic and fiscal implications of climate change.

2. Identify current gaps and opportunities in green budgeting to catalyze climate action, including other cross-cutting issues such as disaster risk management and disaster risk financing.

1. Macroeconomic Modelling

The workstream seeks to develop deeper knowledge around macroeconomic modeling approaches and challenges – while also bringing opportunities for knowledge sharing and collaboration to the forefront of the agenda in 2024. Through both Coalition HP4 activities and work to support and reach out to the wider research and modeling community, the aim will be to bring together Ministry of Finance policy practitioners and modelers with experts and influential and innovative economic modeling teams from around the world to understand current practices for integrating climate into economic analyses, identify key gaps, and suggest a path forward to close the gap between needs and current practices. This will be pursued as follows:

- **Building a community of practice around the macroeconomics of green and resilient transitions:** HP4 co-leads will work together with member countries and more stakeholders (IPs, external experts, etc.) to help build a community of practice on integrating climate into the macroeconomic modelling tools and approaches. The aim of the community is to gain clarity on the specific questions and needs of Ministries of Finance and to help develop better answers to these policy challenges through assessing the economic and fiscal implications of the green transition and dealing with the effects of climate change. The community of practice and member leads will leverage existing Coalition engagements around modelling approaches (e.g., IPs, C3A, HP2, green transition) to share best practices, challenges, and engage in wider peer to peer learning and outreach to researchers and modelling communities on a joint agenda to advance research and support the development of more decision-useful models.
- **Developing a White Paper:** HP4 co-leads will work with the Grantham Research Institute at the London School of Economics and the wider community of practice to develop a paper on the state of climate macro-economic analysis and modelling that that can be of use for the Coalition of Finance Ministers for Climate Action and beyond. The report will aim to 1) Provide an up –to date, detailed, granular review of the experiences of a number of finance ministries in integrating climate change into modelling and other economic analysis. 2) Set out key asks and needs from finance ministries in terms of the big policy challenges and questions they face and the need for macro-models and other analytical tools to help provide answers. 3) Provide an overview of a future agenda for making better use of existing tools, developing new analytical approaches, aiming to synthesize both cutting edge modelling and other relevant analytical tools being used by finance ministries, as well as new ideas and approaches developed by major institutional players and the wider analytical community. The development of the White Paper will be overseen by a steering group of Finance Ministries chaired by HP4 co-leads United States and Denmark and accompanied by a diverse group of senior experts, high-level champions and institutional partners.

2. Climate-Informed Public Financial Management

Ministries of Finance play a critical role in the achievement of climate objectives. They must translate policy objectives into instruments considering the relative merits of information, regulation, taxation, and public spending as policy tools. Policymakers also have to offer incentives to both the public and private sectors and to be able to enforce implementation. To that end, member countries have recognized existing gaps and the need for more guidance around i) identifying and reducing government fiscal risk to climate change, including disaster risk management and disaster risk financing; ii) using public investment to drive climate action; iii)

reducing emissions and climate risk through public procurement; and iv) incorporating the social cost of carbon into the budget. The workstream aims to raise awareness about these issues as follows:

- **Provide a stock-take on how green budgeting tools have been put to use in Coalition member countries** and how they can be further developed and improved to both enhance cost-effectiveness and deliver impact on green transition and resilience objectives.
- **Showcasing how Ministries of Finance can use green budgeting tools and practices to drive investments** towards low greenhouse gas emissions and climate-resilient development. This will involve workshops under HP4 and the aim would be to produce a Coalition paper that can help support and inform debates at COP29 and other fora on how Ministries of Finance make use of budgetary policymaking to help achieve the goals of the Paris Agreement.
- **Enhancing coordination and seizing future opportunities for member countries to get more actively engaged** in green PFM will be a priority. Green budgeting engagements with IPs and members will be identified and/or planned to help showcase progress, needs, and opportunities of ministries of finance. There will be an increased focus on adaptation and resilience alongside other cross-cutting thematic areas within the Coalition.

Timetable and Milestones

| Time period | Milestone | Objective | Members in Charge | Possible Partners |
|-------------|---|---|-------------------|---|
| 2024 | | | | |
| Q2 | Annual meeting OECD Paris Collaborative on Green Budgeting Meeting | The meeting will highlight the latest trends in green budgeting and showcasing progress made by various countries. | | OECD, TBD based on proposed agenda and topics |
| Q2 | Coalition High-Level Event on Integrating Climate into Macro Modeling | HP4 Co-leads are planning a high-level Ministerial side event during Spring Meetings to set out the political case for improving macroeconomic modeling tools in Ministries of Finance to better assess and economic and financial effects of the green transition and the physical impacts of climate change. | Denmark, USA | |
| Q2 | 1 st Forum on the Macroeconomics of the Green Transitions | As part of the effort to develop a wider community of practice, HP4 co-leads United States and Denmark and the Bezos Earth Fund will organize a forum bringing together policy practitioners and economic modelers from finance and economic ministries, development banks, universities, and think tanks. | Denmark, USA | Bezos Earth Fund |
| Q2 | HP4 Seminar on Green Budgeting | The workshop will gather Coalition member countries and institutional partners to showcase country experiences and set out the case for how green budgeting tools and practices can support the capacity of Ministries of Finance to drive investment towards low greenhouse gas emissions and climate-resilient development. | Denmark, Austria | Switzerland, Sierra Leone, Mexico |
| Q3 | Workshop on Initial Findings from White Paper | The workshop will aim to showcase progress in building initial findings from the White Paper and provide the community of practice with an opportunity to share inputs. | Denmark, USA | GRI LSE |
| Q4 | Coalition Paper on Green Budgeting | Under HP4, engaged country members and institutional partners will work with the Coalition secretariat to develop | Denmark, Austria | |

| | | | | |
|-------------|---|--|------------------|---------|
| | | a paper setting out the case for how green budgeting tools and practices can support the capacity of Ministries of Finance to drive investment towards low greenhouse gas emissions and climate-resilient development. | | |
| Q4 | Presentation of the White Paper on Integrating Climate Change into Macro- | Economic Modeling Presentation of the white paper at COP29 – possibly as a side event. | Denmark, USA | GRI LSE |
| 2025 | | | | |
| Q1 | HP4 White Paper Dissemination Events | To share findings with members and IPs and gain a better sense of how the Paper can be used to inform macroeconomic decision-making as well as next steps. | Denmark, USA | |
| Q1 | HP4 Green Budgeting Paper Dissemination Events | To share findings with members and IPs and better understand remaining gaps to prioritize certain elements of green budgeting in 2025. | Denmark, Austria | |
| Q2 | Workshop on the Social Cost of Carbon | Integrating the social cost of carbon (SCC) into green public financial management can be a crucial step in ensuring that public investments and expenditures are aligned with climate change mitigation and adaptation goals. This topic area will be a focus for the workstream over the course of the next two years. | Denmark, USA | |

Co-Chair, Secretariat and Institutional Partner support requests

The Secretariat will be responsible for coordinating outputs and workshop organization with co-leads. IPs will be requested to provide technical inputs and presentations at workshops. The co-leads also welcome additional involvement from member countries and institutional partners, particularly from emerging economies and developing countries to set out the policy and analytical needs they would like the Coalition to work on as well as country experiences and engagement in further work. To that end, Co-Chairs will be requested to facilitate more active member engagement on public financial management, particularly around adaptation and resilience, participate in the working group discussions and workshops.

Workstream background and previous key outputs

HP4 aims to mainstream climate change across macro-fiscal, budgeting, investment, and procurement processes. Since 2020, HP4 has hosted several joint workshops with the OECD Paris Collaborative on green budgeting while also developing guidance around climate budget tagging by collaborating with institutional partners including the World Bank, IMF, OECD, and IDB. HP4 has also focused on climate-informed public investment management and disaster resilient public financial management (including disaster risk financing). Additionally, HP4 has focused on emerging priority areas including the need to climate change into macroeconomic models for economic policymaking. To date, these conversations have centered around implications of climate change on several key economic sectors; the availability of reliable data or accurate macroeconomic modeling and forecasting; pressure testing macroeconomic models regularly to identify gaps and find solutions; and to make modeling approaches accessible to member countries.

Key outputs include:

- How Sovereigns Can Build on the Work of the International Sustainability Standards Board (Joint HP5 Workshop; February 10, 2022)

- Joint World Bank and Coalition Technical-Level Climate-Smart Public Investment Management in Africa Week (Workshop; April 4 – 7, 2022)
- [Driving Climate Action Through Economic and Fiscal Policy and Practice](#) (Report; April 14, 2022)
- Roundtable Discussion: Driving Climate Action Through Economic and Fiscal Policy and Practice (Report Launch Event; June 16, 2022)
- Using Economic Tools to Adapt and Build Resilience to Climate Change (Workshop; June 27, 2022)
- Integrating Climate Change into Macroeconomic Models for Economic Policymaking (Workshop; April 13 – 14, 2023)
- Leveraging Climate-Smart Public Investment Management to Address Climate Change (Workshop; May 25, 2023)
- Addressing Climate Change from a Disaster Risk Management and Financing Perspective (Joint HP5 and Adaptation Workshop; September 20, 2023)
- World Bank and IMF Annual Meetings in Marrakesh Side Event on Modelling and C3A (Workshop; October 12, 2023)
- Green Macroeconomic Modelling in the margins of the Integrated Assessment Modelling Consortium (IAMC) Annual Meeting (Workshop; November 13, 2023)
- Mainstreaming climate economic policies: Success stories and forward priorities (COP28 Side Event; December 5, 2023)



Mobilizing Private Climate Finance (HP5)

Country leads: Luxembourg, Mexico, Switzerland, United Kingdom

Member countries: Argentina, Australia, Bangladesh, Canada, Chile, Croatia, Finland, France, Germany, Indonesia, Italy, Morocco, the Netherlands, Philippines, Singapore, Uganda

Contributing IPs: Brookings, C3A, EBRD, EIB, IMF, LSE/GRI, NGFS, NIB, WB

Secretariat coordinator: Olha Krushelnytska and a financial sector climate expert (*to be hired in 2024*)

Priority policy areas within workstream for 2024-2025

- Leveraging greater private finance - via providing better enabling conditions, strengthening inter-ministerial collaboration, enhancing projects bankability and broadening investors base, as well as using blended finance instruments and green, sustainability and other climate-related bonds. Greening private climate finance, including developments in reporting, data and disclosure.
- Work on voluntary carbon markets and potentially biodiversity carbon markets.

1. Leveraging greater private finance for climate action

To support the transition to a net-zero, climate-resilient and nature-positive future, members will focus on various aspects of leveraging greater private finance. This will include:

- Blended finance (Luxembourg, others, to co-lead)
- Inter-ministerial cooperation on climate finance (joint with OECD)
- Green, sustainability and other climate-related bonds
- Leveraging private finance for Nature (Mexico) and Adaptation (Uganda) – joint work with Nature and Adaptation workstreams
- Voluntary carbon markets, part of this topic, are described separately as point 3 below.

To understand and cooperate on this priority policy area, there is a need to start a work on **mapping**:

1. Instruments to mobilize finance – what kind of financing (de-risking, guarantees, blended finance, etc.) works for particular projects and being deployed by each member;
2. Creating links with other line ministries to better understand the demand side of finance;
3. Rankings of the investment climate for green investments of different countries to better understand the role of MoFs in ensuring an attractive investment climate.

To leverage private finance at scale, this mapping exercise is important to identify what particular projects/sectors can actually be financed by private finance and for what purposes/sectors (Brookings will provide support here). This mapping could lead to the creation of a ‘toolkit’ on private finance mobilization.

2. Greening private climate finance

Together with relevant partners and exploring the synergies between nature and climate, this will cover developments in sustainability disclosure requirements (SDRs), comparability and accessibility of data, and other alignment approaches. Including developments in reporting, data and disclosure – with annual updates from ISSB and TNFD as per members’ demand, and as has been done in the past few years. This will help members make robust and well-informed policy decisions.

3. Work on voluntary carbon markets and biodiversity carbon markets (with Nature)

Carbon markets were in focus at COP28, however countries failed to reach an agreement on Article 6.2 (rules for bilateral carbon trading between countries) and Article 6.4 (rules for international carbon market). The talks will resume next year – which puts additional pressure and creates an opportunity for the voluntary carbon market. A number of actors came forward articulating the importance of transparent, well-functioning voluntary carbon markets and outlined their actions:

- The World Bank released its [Engagement Roadmap for Carbon Markets](#) and announced plans for 15 countries to earn up to \$2.5 bn from the sale of credits
- Major voluntary carbon credits standard setters signed [an agreement](#) to work in partnership to “amplify the impact of carbon markets.”
- Several European governments issued a [statement](#), proposing a framework “to prevent greenwashing and restore integrity in voluntary carbon markets” on the claims side. The US CFTC proposed [guidance regarding the listing of voluntary carbon credit derivative contracts](#).
- Large conservation organizations, put out a [statement](#) endorsing transparent, high integrity carbon markets as important in “moving climate action further, faster.”

Members expressed interest in learning about the issue, key actors, and the role that MoFs can play in supporting voluntary carbon market development. There is potential for joint work with the Nature workstream on biodiversity credits and offsets.

Timetable and Milestones

| Time period | Milestone | Objective | Members in Charge | Possible Partners |
|-------------|--|---|---------------------------------|-------------------|
| 2024 | | | | |
| Q2-Q3 | Inter-ministerial coordination workshop with OECD and potential input to the paper | Enhanced inter-ministerial coordination on climate is one of the Coalition’s intended outcomes and a key area of focus. Upcoming paper on inter-ministerial cooperation for climate mitigation, to be published in Sept 2024, with a draft ready and a workshop organized by the OECD in May. It will provide useful case studies (and members are welcome to submit their own if interested). | Switzerland, others | OECD |
| Q1-Q4 | Mapping exercise on Private Finance mobilization, including Blended Finance | To leverage private finance at scale, a Mapping exercise (in the form of survey) was proposed – to map MoFs actions on blended finance (what partners, deals. Projects/sectors can actually be financed by private finance and for what purposes/sectors. This mapping could lead to creation “of a ‘toolkit’ on private finance mobilization. Update from 2022 Blended finance paper is another potential deliverable. | Luxembourg, Switzerland, others | Brookings, others |
| Q2-3 | Update from TCFD and ISSB on disclosure and reporting | For the past 2 years, members have requested to provide climate- and sustainability related disclosure updates by TCFD and ISSB. They requested the same for 2024. | Secretariat | TCFD |
| Q4 or 2025 | Voluntary carbon markets | With carbon markets talks to resume at the next COP, there is additional pressure and opportunity for the development of transparent, well-functioning voluntary carbon markets. Members are interested in learning about the issue, key actors, and how MoFs can get engaged. | Switzerland, UK, others | UNDP |
| 2025 | | | | |
| Q2-3 | Update from TCFD and ISSB | Annual update on climate- and sustainability related disclosure by TCFD and ISSB (as in previous years and as requested by members) | | |

Co-Chair, Secretariat and Institutional Partner support requests

The Secretariat will be responsible for coordinating the output with member co-leads, drafting papers (with co-leads and IPs input) and workshop organization. IPs will be requested to provide technical input. Co-Chairs will be requested to facilitate more active member engagement and to participate in the working group meetings workshops.

Workstream background and previous key outputs

Work plan 2023 areas of focus:

- Leveraging greater private sector finance, including blended finance
 - Workshop [Paris Agreement Article 2.1c Implementation](#) for Ministries of Finance
 - [COP28 Ministerial Meeting: Mobilizing private and public finance for climate action, Summary Note](#)
 - Joint workshop with Nature workstream on [Nature Investments](#)
 - Blended finance work was postponed to 2024-2025

2. Greening private finance – including data, reporting and disclosure
 - Workshop Update on climate-related and nature-related disclosure requirements (Joint HP5+Nature workshop, presentations by ISSB and TNFD)
 - Blog Supporting private sector net zero commitments – the role of Ministries of Finance – based on 2022 report Supporting Private Sector Net Zero Targets
3. Transition finance
 - Transition Finance: Net Zero Data Public Utility (NZDPU), Its Relevance to MoFs, and Challenges with Respect to Private Sector Commitment Tracking
 - 9th Ministerial Meeting summary, including on Transition Finance
4. Financing adaptation and climate-related disasters
 - Joint workshops with Adaptation on Adaptation Finance, with HP4 on Disaster Risk Management



Adaptation

Country leads: Honduras, Netherlands, Uganda

Contributing countries: Ghana, Greece, Kenya, Mexico, Mozambique, Indonesia, Philippines, Sierra Leone, United Kingdom

Contributing IPs: ADB, AfDB, Commonwealth, EBRD, EC, EIB, GGI, IMF, UNDP, UNEP, WB, WRI

Secretariat coordinator: Frank van Lerven

Priority policy areas within workstream for 2024-2025

1. Climate-related adaptation risks and opportunities
2. Best practice management strategies
3. Access to adaptation finance

1. Climate related adaptation risks and opportunities

Objective: Develop better understanding of macro-critical adaptation risks and opportunities, so that MoF can gauge these risks/opportunities against what actions they are taking to mitigate/realize them – for Spring Ministerial 2025.

Outcome: Finance Ministries have enhanced their understanding of adaptation risks and opportunities, more importantly, where to go to improve this understanding.

- Form IP and member working group dedicated to this theme (ADB, AfDB, WRI, LSE GRI, OECD, EIB, UNDP and UNEP demonstrated interest).
- Literature review end of 2024 draft.
- **Workshop Part 1:** With members/IPs end of 2024 based on risks and opportunities of adaptation, preparation for Spring meeting ministerial briefing note.
- Gain insight and feedback through workshop – drafting briefing early January 2025.
- By Spring of 2025, have a very draft and concise framework/taxonomy to better understand these risks and opportunities written-up in concept note.

2. Best practice management strategies

Objective: In tandem with risk and opportunity assessments, work with members and IPs to identify best practices in terms of planning risk reduction (opportunity enhancing) policies, instruments and investments

at both at the macro-level and sectoral levels, to help inform interventions (i.e. via LT-LEDS, NDCs, and NAPS). Members engage in peer-to-peer learning, and exchange best practices in actions to help reduce risks and seize opportunities.

Outcome: Members are better informed of the practical policies to mitigate adaptation risks and realize associated opportunities.

- High level roundtable sharing best practices at Africa Caucus 2024.
- **Workshop Part II:** January 2025 on best practices to reduce risks and seize, opportunities in preparation for Spring meeting.
- By February 2025, have identified 10 leading best practices by MoFs.
- Continue building on these into late 2025.
- Merge best practices and key lessons into short concept note on risks, for Spring meeting 2025 (in line with objective 1).

3. Access to adaptation finance

Objective: Focus on ways to improve MoF’s access to increased climate finance for adaptation, among others by gathering/sharing information on the mapping of different adaptation-related funds, their guidelines, and how to access financing for adaptation projects.

Outcome: Members are increasingly aware of the funding and financing opportunities available to them, and how to access these.

- Continued evaluation of access to adaptation finance and associated issues throughout 2024 and early 2025, with linkages to objective 1-2.
- Literature review of problems in relation to finance and of best practices (instruments and funding opportunities) June 2025.
- Workshop July 2025.
- Briefing toolkit end of 2025, perhaps for annual meeting.

Timetable and Milestones

| Time period | Milestone | Objective | Members in charge | Possible Partners |
|-------------|--|--|--------------------------------------|---|
| 2024 | | | | |
| Q1 | Form IP and member working group dedicated to this theme. | To support the creation of upcoming literature review and deliverables at behest of co-leads and active members. | Uganda, Honduras and the Netherlands | ADB, WRI, LSE GRI, OECD, EIB, UNDP, AfDB, GCF, UNEP |
| Q2 | Continued evaluation of access to adaptation finance and associated issues throughout 2024 and early 2025, with linkages to objective 1-2. | To maintain and advance the understanding of the relationship between finance and adaptation. | Uganda, Honduras and the Netherlands | UNEP, OECD, AfDB, ADB, Oxford Smith School |

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|-------------|--|--|--------------------------------------|---|
| Q3 | High level roundtable sharing best practices at Africa Caucus 2024. | To put adaptation firmly on the agenda of MoFs before Spring meeting 2025, acting as a sort of prelude. | Uganda | AfDB |
| Q4 | Literature review – adaptation risks and opportunities – end of 2024 draft. Workshop Part 1: With members/lps end of 2024 based on risks and opportunities of adaptation, preparation for Spring meeting ministerial briefing note. | To inform upcoming deliverables, discussion and dialogue from co-leads, active members and wider members. Members to respond to literature review, exchange experiences on identifying risks and opportunities – informing future deliverables. | Uganda, Honduras and the Netherlands | ADB, WRI, LSE GRI, OECD, EIB, UNDP, AfDB, GCF, UNEP |
| 2025 | | | | |
| Q1 | Workshop Part II: January 2025 on best practices to reduce risks and seize opportunities in preparation for Spring meeting. Drafting concept briefing early January 2025. By February 2025, have identified 10 leading best practices by MoFs. | Members to continue discussion from previous meeting, exchanging experiences on best practices – informing future deliverables. To have a deliverable for Spring meeting 2025 on Adaptation for ministers to discuss. To continue to identify best practices and ensure that members are engaging in peer-to-peer exchange, so as to inform future deliverables. | Uganda, Honduras and the Netherlands | ADB, WRI, LSE GRI, OECD, EIB, UNDP, AfDB, GCF, UNEP |
| Q2 | By Spring of 2025, have a very first draft and concise framework/taxonomy to better understand these risks and opportunities written-up in concept note. | Ministers have a deliverable that can be discussed – the deliverable would ideally also help to increase the profile of the Coalition and gain press coverage. | Uganda, Honduras and the Netherlands | ADB, WRI, LSE GRI, OECD, EIB, UNDP, AfDB, GCF, UNEP |
| Q3 | Literature review of problems in relation to finance and of best practices (instruments and funding opportunities), June 2025. Workshop Part III: Access to Finance, July 2025. | To maintain and advance the understanding of the relationship between finance and adaptation – to inform future output for Annual meeting. To better understand the experiences and allow members to engage in knowledge sharing best practices for adaptation finance. | Uganda, Honduras and the Netherlands | ADB, WRI, LSE GRI, OECD, EIB, UNDP, AfDB, GCF, UNEP |

Co-Chair, Secretariat and Institutional Partner support requests

The Secretariat is expected to take a strong coordinating role in helping organize events and drafting relevant material with IPs. Co-Chair support would be welcome when designing, reviewing, and approving activities and outputs. Speaking at relevant events would also be a key area of support from the Co-Chairs.

Workstream background and previous key outputs

The importance of adaptation efforts to minimize climate change losses is increasingly recognized by Finance Ministers. The year 2022 saw the recognition of adaptation as a horizontal area of work by the *Coalition of Finance Ministers for Climate Action*, with the ministerial meeting at COP27 stressing the importance of long-term strategies for adaptation and the overall need to scale up adaptation finance.

Key outputs include:

- Side event during Spring Meeting 2022
- [Adaptation report](#), 2022
- Side event at COP27, 2022
- [Workshop NAPs and NDCs](#), 2023
- [Workshop Private Finance for Adaptation](#), 2023
- [Workshop Disaster Risk Management](#), 2023
- Side event at COP28, 2023



Country leads: Finland, United Kingdom

Member countries: Cambodia, Chile, Colombia, Ecuador, France, Germany, Luxembourg, Mexico, Rwanda, Slovakia, Switzerland

Contributing IPs: Brookings, Commonwealth, EIB, NGFS, OECD, SITRA, TNFD, UNEP, WB, WRI

Secretariat coordinator: Olha Krushelnytska

Priority policy areas within workstream for 2024-2025

1. Implementation of relevant targets of the Global Biodiversity Framework by member countries: aligning financial flows (target 14), disclosure (15), subsidies (18), mobilization of resources (19).
2. Data, reporting and disclosure – especially biodiversity-related taxonomies, and annual TNFD update.
3. How to value nature capital, including data and decision-support tool needed to assess risks and design policies (e.g. natural capital accounting and other tools).
4. Nature financing, including phasing out subsidies harmful to nature.

1. Implementation of Global Biodiversity Framework (GBF)

The GBF was adopted during CBD COP15 in December 2022 in Montreal. The message during the COP was clear – the MoF play a critical role in achieving commitments set out in the GBF. A [high-level roadmap](#) for aligning financial flows with the GBF, released in July 2023, provides a plan of action for the financial industry. The Coalition’s [Note](#) on GBF published in 2023 highlighted those actions particularly relevant for the Ministries of Finance. In 2024, members are interested to follow up on work done by members on targets 14 (aligning financial flows) 15 (disclosure), 18 (subsidies), 19 (mobilization resources) in light of preparation for CBD COP16 (to be held in Colombia in November 2024).

2. Biodiversity and nature-related data, reporting and disclosure

Especially work on biodiversity-related taxonomies, and annual reporting update from TNFD – to update members on the developments in the above disclosure requirements, what these standards would mean in practice, and the role of Finance Ministries in implementing them at national levels.

3. Valuation and decision-support tool needed to assess risks and design policies

Valuing natural capital is an important tool for members. MoFs (together with other relevant Ministries and agencies) can support the implementation of national and subnational natural capital accounting (NCA) practices and ensure this information is integrated into national accounts so that it is considered in budgeting, policy, and planning alongside other economic information to ensure effective ‘asset management’ of all forms of a nation’s capital. MoF can also use new metrics (applying advance technology to measure ecosystem health) and Macroeconomic and financial modelling could give MoFs information on the fiscal implications of nature loss and enable evaluation of potential trade-offs and complementarities of different nature-related policy instruments.

4. Nature financing, including biodiversity markets and phasing out subsidies harmful to nature

Phasing out subsidies harmful to nature:

- Governments are spending trillions on inefficient subsidies that are making nature degradation worse – money that could be tapped to help solve the problem. Agriculture subsidies are responsible for the loss of 2.2 million hectares of forest per year – or 14% of global deforestation. Fisheries subsidies, which exceed \$35 billion each year, are a key driver of dwindling fish stocks, oversized fishing fleets, and falling profitability.

Biodiversity offsets credits:

- Carbon credit standard body VERRA launched a public consultation on its Nature Framework that aims to certify investment in measurable positive biodiversity outcomes. The framework outlines how projects can generate Nature Credits, which “represent one quality hectare equivalent of biodiversity uplift from a baseline as a result of project intervention.” (VERRA’s web site)
- If you are interested in biodiversity offsets, it would be good to read In-depth Q&A: What are ‘biodiversity offsets’? (as distinct from nascent biodiversity credits) that provides a good primer on the offset market and looks at whether biodiversity offsets could be a reliable and predictable source of finance.

Timetable and Milestones

| Time period | Milestone | Objective | Members in Charge | Possible Partners |
|-------------|---|--|-----------------------------|-------------------|
| 2024 | | | | |
| Q1-2 | Work starts on Implementation of Global Biodiversity Framework (GBF) – this has to be aligned with COP16 deliverable | Coalition had a 2023 workshop and note “What GBF means for MoF”, where the relevant GBF targets were discussed. In 2024, members are interested to map the implementation – what work was done by members on targets 14 (aligning financial flows) 15 (disclosure), 18 (subsidies), 19 (mobilization resources) in light of preparation for CBD COP16. Possible deliverable: Investing in Nature paper (see below) | Colombia, Chile, others | |
| Q1-Q2 | Update from TNFD on nature-related disclosure requirements | This is an annual update on nature disclosures. Member’s focus is on the role of MoFs to make sure TNFD is known to financial sector, and members/MoFs do in order stakeholders take up voluntary framework. | UK, Luxembourg, Switzerland | |

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|-------------|--|---|-------------------------|-----------------------------------|
| March | Colombia is hosting an event in March on this topic (outside of CFMCA) | Members are interested in learning how to mainstream biodiversity in taxonomies – Information about different routes to take, and what are the minimum requirements. Possibility to combine this work with Transition workstream. | Colombia, Chile, Mexico | Indonesia (Transition workstream) |
| Q2-3 | Nature financing, including phasing out subsidies harmful to nature | Members expressed interest in joint work with HP3 on phasing out subsidies harmful to nature, and on biodiversity credits. This is a new topic, with the first workshop raising awareness of the issues and the role of MoF. Another possible subtheme is public-private partnerships. Possible deliverable: Investing in Nature paper, highlighting case studies on public and private financing in nature, possibly for COP16. | Chile, Colombia | |
| 2025 | | | | |
| Q2 | Valuing nature | Since 2023, members expressed interest in learning how to Value natural capital. MoFs can support the implementation of national and subnational natural capital accounting (NCA) practices and ensure this information is integrated into national accounts so that it is considered in budgeting, policy, and planning. | | |

Co-Chair, Secretariat and Institutional Partner support requests

The Secretariat will be responsible for coordinating the output with member co-leads, drafting papers (with co-leads and IPs input) and workshop organization. IPs will be requested to provide technical input. Co-Chairs will be requested to facilitate more active member engagement and to participate in the working group meetings workshops.

Workstream background and previous key outputs

In 2022, Coalition started work on Nature, producing the comprehensive report [An Overview of Nature-Related Risks and Potential Policy Actions for Ministries of Finance: Bending the Curve of Nature Loss](#).

In 2023, Nature became a separate workstream, with the following focus areas:

1. Understanding Nature work across IPs, as per member’s demand
 - Workshop: [Taking stock of Nature: Insights from Institutional Partners](#)
2. Nature-related data, reporting and disclosure – annual update from ISSB and TNFD
 - Workshop: [Update on climate-related and nature-related disclosure requirements](#) (joint with HP5)
3. What Global Biodiversity Framework (targets 14,15,18,19) means for MoF
 - Short paper on [What GBF means for MoF and Central Banks](#) (joint with NGFS)
 - Blog [Finance Ministries actions to implement the Global Biodiversity Framework and halt and reverse nature loss](#)
 - Workshop: [What the Global Biodiversity Framework \(GBF\) means for Finance Ministries and Central Banks](#)
4. Investing in nature – instruments, risks, and reporting
 - Workshop: [Nature Investments](#) (joint with HP5)



Green and Just Transition

Member co-leads: Indonesia

Member countries: Belgium, Colombia, Greece, Indonesia, Japan, Lithuania, Sierra Leone, United Kingdom

Contributing IPs: ADB, C3A, EBRD, EIB, LSE/GRI, NGFS, OECD, UNEP, WB

Secretariat coordinator: Olha Krushelnytska (*transition plans, finance*), Frank van Lerven (*just transition*)

Priority policy areas within workstream for 2024-2025

1. Transition plans and role of MoF in guiding the transition
2. Transition finance, whether harmonization or taxonomy
3. Just transition financing framework

1. Transition plans

Transition plans are documents that disclose information of a firm’s intended pathway to low or net-zero emissions. Today, a bewildering range⁴ of guidance for transition plans is available – but only for corporates. In 2024, several efforts are underway to guide countries in drafting their own, sovereign transition plans.

Sovereign transition plans can help governments (1) design and monitor climate actions in a centralized fashion, (2) identify investment opportunities for public and private investment, and (3) provide investors with confidence in their commitment to sustainability, and thus attract financing. Funders have an incentive to use existing dominant transition plan frameworks to ensure credibility and comparability, but corporate transition frameworks are an imperfect fit for governments.⁵ Work is underway at the WB to outline a sovereign transition plan that is as close as possible to existing frameworks but also includes key elements that are particular to governments.

A sovereign transition plan is centered around the Finance Ministry, which has two relevant functions in this context, namely (1) mobilize climate finance from domestic and international sources (link with HP5) and (2) manage the national budget, a share of which is dedicated to financing climate action. This includes government procurement, tax expenditures, subsidies, and other financial incentives (link with HP4).

2. Transition finance

Transition finance is an important tool for helping traditionally high-emitting sectors to transition to low-carbon production processes. A large amount of financing is required in carbon intensive sectors that need to decarbonize and turn from “brown” to “green”. Considering a crucial role that Ministries of Finance play to incentivize transition finance and the need to speed up the transition, it is of particular importance that we examine the right tools at our disposal for setting credible net zero targets by the private sector and for monitoring progress. Governments, especially the Ministries of Finance, can play a bigger role in private sector net zero alignments – from engagement and coordination with the private sector entities to the use of guidelines and regulations (see 2022 report [Supporting Private Sector Net Zero Targets](#)).

Indonesia proposed to work together with Nature workstream on a brainstorming event on links between transition finance and taxonomies on climate and nature, and to discuss a coordinated paper. A lot of ongoing

⁴ Bingle et al (2023) compare 28 transition plan frameworks.

⁵ Corporate transition plans are focused on mitigation, not adaptation. They almost never incorporate just transition concerns. Some concepts don’t apply to governments (e.g. supply chain management), others need to be adjusted (e.g. Board oversight, incentives and remuneration, products and services, CAPEX).

work in Latin America on this already. We could also consider sectors that have high abatement cost and think about the distributional impact (energy, transport, agriculture). Not to duplicate work, the Coalition’s value add could be at the higher level of the international financial architecture.

3. Just transition financing framework

To leave no one behind, it is crucial to shape a transition in a way that is just, affordable, and inclusive, reducing socio-economic impacts and incentivizing effective and timely labour reallocation for workers transitioning out of high-emitting sectors, using the tools under the behest of finance ministries such as tax and linkage with financing social protection. There is a need to expand on current initiatives for a just transition, such as those covering some key elements of country platforms⁶.

Timetable and Milestones

| Time period | Milestone | Objective | Members in Charge | Possible Partners |
|-------------|--|---|--------------------------------------|---|
| 2024 | | | | |
| Q1 | Transition plans – workshop and paper | Provide understanding on sovereign and private Transition Plans – and guidance to countries in drafting their own, sovereign transition plans in the future. UK adopted transition plan principles in July 2023, also conducted two workshops alongside GFANZ. | Indonesia, UK, Brazil, others | World Bank, G20, GFANZ, NGFS, UNPRI, LSE, others |
| Q2-3 | Just transition finance framework | Understanding what just transition is and how to manage the social cost aspects of transition. Need to leverage existing initiatives: OECD and UNEP, has ongoing work related to HP3 on just transition. UNFCCC has KCI Expert group on economic diversification and just transition. MDBs and ISSB work on just transition taxonomy. There are a lot of existing initiatives like the just transition platforms and emerging social climate funds. | Indonesia, Belgium, Colombia, others | OECD, UNEP, UNFCCC |
| Q2-3 | Transition finance products and tools | The proposed metrics is to explore varieties of transition finance products and tools , ranging from taxonomy, metrics for transition finance, and emerging transition finance products such as transition bond. | Indonesia | WB TRE on green bonds, WB FCI on blended, SCCFE on carbon markets, transition bonds |
| Q2-3 | Transition Finance workshop and paper, joint with Nature and HP5 | Indonesia proposed to work together with Nature workstream on a brainstorming event on links between transition finance and taxonomies on climate and nature, and to discuss a coordinated paper. A lot of ongoing work in Latin America on this already. We could also think on sectors that have high abatement cost and think about the distributional impact (energy, transport, agriculture). Not to duplicate work, the Coalition’s value add could be at higher level of international financial architecture. | Indonesia, others | |

⁶ An example is the Just Energy Transition Partnership (JETP) in South Africa, which committed to decarbonize its coal dependent electricity sector.

| | | | | |
|----|--|-----|--|-----|
| Q4 | C3A program: energy innovation and transition | TBC | | C3A |
|----|--|-----|--|-----|

Co-Chair, Secretariat and Institutional Partner support requests

The Secretariat will be responsible for coordinating the output with member co-leads, drafting papers (with co-leads, members and IPs input) and workshop organization. IPs are requested to provide technical input. Co-Chairs will be requested to facilitate more active member engagement and to participate in the working group meetings workshops.

Workstream background and previous key outputs

The Green Transition workstream was established in 2023, following input from HP5 (see 2022 report [Supporting Private Sector Net Zero Targets](#)) with a dedicated thematic discussion during the [9th Ministerial Meeting](#) (2023) which focused on transition finance as one of its topics. In 2023, Transition was established as a separate workstream and its [Concept Note](#) was approved with the following areas of focus:

- Taxonomy, definition of eligible activities, and performance standards
 - Workshop [Green Transition taxonomy](#) was organized, focusing on experiences and best practices to create interoperable tools
- Green transition framework and transition plans
- Access to long-term finance
- Just transition

Annex II. Results Framework

Based on the Coalition's Theory of Change (ToC) proposed during the August 2023 Deputies meeting (see *Section II* for ToC details), the following results framework is proposed.

Output results indicators are proposed as follows:

- ∕ Work program and work plans developed/updated by February each year
- ∕ Deputy meetings conducted timely and orderly
- ∕ Coalition represented at relevant international events, including member-led and/or Coalition-branded contributions to events (with gender balance)
- ∕ Number of workstream activities conducted according to work program/plans – with increased numbers of members attending and actively involved
- ∕ Increased number of active members
- ∕ Increased number of active IPs providing support to members and the Coalition
- ∕ Coalition ministerial meetings (including at COP) conducted
- ∕ Capacity building support effectively provided (via C3A, catalogue, partnerships)
- ∕ Knowledge products prepared and peer exchange workshops organized, including regionally
- ∕ Annual Climate Action Statement developed and presented at Coalition Annual Meeting





Output results indicators will be collected on a continuous basis by the Secretariat and reported once a year in the Annual Reports. Quarterly updates may be made available to members/funders on request (optional).


Outcome results indicators are proposed as follows:



- Increased member capacity on climate action, as stated by members
- Strengthened role of MoFs in national-level climate action with increased inter-ministerial coordination, as stated by members
- Increased collaboration between countries' MoFs on climate action where the Coalition has played a facilitative role, for example through cross-border initiatives, as stated by members
- Increased international collaboration and leadership of MoFs on climate action, as seen through international fora and stated by members
- Increased climate action and leadership by MoFs, including through Annual Climate Action Statement (CAS) from ministers, with specific commitments, as seen via CAS development and analysis



Outcome results indicators will be collected by the Secretariat via surveys and CAS development process, and will be reported in the Annual Reports and CAS as relevant.



Annex III. Institutional Partner Contributions and Technical Expertise Areas

| Institutional Partner | Relevant Climate-Related Capacity Building & Training Programs for MoFs | Areas of Expertise Relevant to Coalition Members | Contribution to the Coalition 2024-25 Work Program Implementation |
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| <p>African Development Bank (AfDB)</p>  | <p>Training of Trainers' Program for Developing Project Proposals to Access Green Climate Fund</p> | <p>Risk assessment of renewable energy, smart agriculture, resilient infrastructure, and adaptation projects, expertise in unlocking diverse financing solutions (public, private, blended) and de-risking investments to attract private sector participation in tackling climate action.</p> | |
| <p>Asian Development Bank (ADB)</p>  | <p>Regional Capacity-Building Training Workshop on Climate Change</p> | <p>Assessing risks in renewable energy, sustainable infrastructure, smart agriculture, and adaptation projects, expertise in innovative finance, urban challenges, climate risk assessment and modelling, and technology transfer and innovation.</p> | <p>Support to Adaptation, Carbon Pricing, and Green Just Transition workstreams, including support to generate evidence, convene meetings and capacity building – covering all HPs. Will co-organize the Lao PDR-led High-Level Policy Dialogue at 11th ASEAN AFMGM meetings, 3 April 2024, where the ADB will support Lao PDR as ASEAN Chair to organize a high-level dialogue on <i>'Enhancing the Role of Ministries of Finance for Climate Action in Southeast Asia'</i>. Indonesia CFMCA regional event 2024: ADB support.</p> |
| <p>Brookings Institution</p>  | | <p>Climate macro modelling and wider macro-economic and fiscal policy. Strong specialization in investment needs and development of policy frameworks and regulations.</p> | <p>Will continue to offer support to members in collaboration with LSE GRI (see below).</p> |
| <p>Commonwealth Secretariat</p>  | <p>The Commonwealth Climate Finance Access Hub (CCFAH)</p> | <p>Mobilizing funds through innovative financing mechanisms and wider reform of global financial architecture. Policy development expertise for Small Island Developing States (SIDS), focusing on strategies for climate adaptation and mitigation. Strong background in data and research, offering</p> | |




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| | | evidence-based recommendations for effective climate action policies and measures. | |
| <p>European Bank for Reconstruction and Development (EBRD)</p>  | <p>EBRD Corporate Climate Governance Facility</p> <p>Carbon Project and Asset Development Facility for Paris Aligned Carbon Markets</p> <p>Joint MDB LTS Programme</p> | <p>Paris-aligned investments with a private sector focus in green economy projects, including sustainable infrastructure and green credit lines. Strong experience in developing market-oriented solutions and leveraging private sector investment through innovative partnerships. Examples of delivery and support mechanisms include: EBRD’s Renewable, Energy Auction Programme; Guarantee schemes (i.e. a Climate Mobilisation Platform equipped with a €30 million first-loss guarantee; programmes utilising EU’s EFSD+ guarantees). Co-investment programmes with climate funds (e.g. GCF, CIF).</p> <p>Relevant experience on carbon pricing through policy dialogue, including integration of carbon markets in NDCs and LTS, capacity building for GHG and digital MRV, carbon pricing roadmaps and ETS policy support.</p> <p>Methodological expertise on climate finance tracking and determination of activity alignment with the Paris Agreement.</p> <p>In addition, NDC/LTS support via technical assistance and capacity building programmes, including for the development of sector low-carbon pathways (LCPs).</p> | <p>The EBRD proposes to contribute to the Coalition’s Work Program by supporting the Work Streams. In HP1, knowledge sharing on Paris alignment, e.g. by organizing a presentation on its Paris alignment approach. HP2, coordinating with CFMCA on possible events of interest. For HP3, enhance carbon pricing dialogue by sharing EBRD’s carbon market development experience. Also leveraging the MDB Article 6 workgroup. Discussing integration of carbon markets in NDCs and LTSs, capacity building for GHG and digital MRV, developing carbon pricing roadmaps and Emissions Trading Scheme policy support. For HP4, sharing information on EBRD’s support for Green Financial Systems and Corporate Climate Governance Facility. On HP5, knowledge sharing on private sector mobilization, e.g. through blended finance, guarantees and local currency. For HP6, EBRD offers technical support on NDC/LTS development via the EBRD’s NDC Support Programme and the Joint MDB LTS Programme.</p> |




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| <p>European Commission (EC)</p>  | <p>JRC Summer School on Sustainable Finance</p> <p>Technical Support Instrument (TSI) and TaieX</p> | <p>Macro-fiscal areas, integrating risks into debt sustainability, green & SDG budgeting, green taxation and wider climate macro-modelling. Similarly, in areas relevant to carbon pricing and fossil fuel subsidies, whilst also entailing excellent expertise in areas related to mobilizing private finance and supporting a just green transition. Challenges and best practices in management of disaster risk and climate change impact. Capacity building and peer to peer expertise on demand driven projects for EU MS.</p> | <p>Available to contribute to present and inform on EU processes and working methods in line with areas of expertise.</p> |
| <p>European Investment Bank (EIB)</p>  | | <p>Structuring and mobilizing finance for climate action and environmental sustainability investments, including renewable energy, energy efficiency, sustainable transport, water, bioeconomy, circular economy, innovation, nature and adaptation to climate change. Provides as well advisory services, ranging from upstream support to strategic and market development to project development and capacity building, including support for greening financial systems. Can offer insights into developing and implementing innovative financing instruments that attract private sector financing in climate action and environmental sustainability investments.</p> | <p>The EIB will support HP5, Adaptation, Nature and Green Just Transition workstreams. For HP5, the EIB could contribute with its experience in blended finance and in mobilizing private sector investment for green objectives. The EIB could also present its framework to ensure that its clients are taking steps towards decarbonizing its business activity and strengthening resilience to climate change. The EIB could contribute on the topic of green bonds and Sustainable Awareness Bonds. It could also speak about its experience in providing advisory support to greening financial systems. On Adaptation, the EIB could contribute by explaining the socio-economic benefits of adaptation investments, why it makes sense to invest on adaptation and the importance of supporting transformative adaptation projects. It could also contribute presenting its experience on adaptation financing and on providing advisory support to translate NAPs into an investment pipeline. For Nature, the EIB could contribute by presenting its experience in financing nature related investments. The EIB is co-chairing a WEF WG on biodiversity credits, so it could also contribute to the event programmed on this</p> |


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| | | | topic in Q2-3. For the Green and Just Transition, the EIB could contribute to this workstream by presenting its EIB Global approach to just transition and just resilience, which builds on its experience in the implementation of the EU Just Transition Mechanism. |
| <p>Global Green Growth Institute (GGGI)</p>  | | <p>Crafting green growth strategies, designing impactful projects across diverse sectors like renewable energy and climate-smart agriculture, and unlocking private finance for green investments. This comprehensive approach can aid the shaping of national green growth plans, prioritizing impactful projects, and mobilizing resources to accelerate the transition to low-carbon economies.</p> | <p>GGGI proposes to support the CFMCA on Green and Just Transition in 2024. GGGI is currently supporting Indonesia and Colombia (both member countries), and working with the United Kingdom (member country) to implement options for green and just energy transition to increase social inclusion and improve gender outcomes as a result of focused policy and investment tools. We look forward to defining the format of this contribution, such as a lessons learned workshop with member countries in Q3 or Q4 as a complement to CFMCA workshops.</p> |
| <p>Grantham Research Institute of the London School of Economics (GRI-LSE)</p>  | <p>From Guide to Action: Strengthening the Role of Finance Ministries in Driving Climate Action</p> | <p>Analyzing and developing economic and policy frameworks for climate action, with strong specializations in both mitigation and adaptation. Macro-fiscal expertise, including climate macro-modelling and mobilizing fiscal space – with strong understanding of climate investment gaps and innovative financing tools.</p> | <p>LSE GRI proposes to support HP1/6, HP2, HP4, HP5 and Adaptation workstreams. For HP1/6, LSE GRI plans to support NDC/LT-LEDs support initiative (support with preparatory support and requests) and the development of knowledge products and events. For HP2, LSE GRI will support the rollout of the guide (presentation, country visits, regional roll out), finalization of MoF capability assessment tool, and provide support/advise on co-chair led update of the guide, development of case study database, note on climate mainstreaming and the roll-out of ambassador network (e.g. training on guide/slides). For HP4, coordinate the technical work related to the initiative on revamping economic analysis and modelling for Finance Ministries co-led by Denmark and the US, working closely with members and leading</p> |




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| | | | <p>academic and policy institutions to develop Coalition report and related engagement and communications strategy. LSE GRI is also available to support other areas of HP4 where relevant. For HP5, support in mapping exercise on private finance mobilization. On Adaptation, supporting workstream outputs (details to be confirmed). For the Green and Just Transition, supporting work on the energy transition, gender equality in just transition frameworks, and developing guidance for sovereign transition plans (via new GRI Centre for Economic Transition Expertise (CETEx)).</p> |
| <p>Green Climate Fund (GCF)</p>  | <p>The Readiness and Preparatory Support Programme</p> | <p>As one of the world's largest dedicated climate finance funds, providing grants, loans, guarantees, and equity investments for developing countries to address climate change can help member countries access the resources they need to implement their climate action plans. Offers transformational planning and programming to maximize the co-benefits between mitigation, adaptation and sustainable development; Catalyzing climate innovation, de-risking investment to mobilize finance at scale, and mainstreaming climate risks and opportunities into investment decision-making.</p> | <p>GCF plans to contribute to HP2, HP5, Adaptation, Nature and Green and Just Transition. For HP2, as indicated during the Hague meeting, the priorities and activities align with GCF's new readiness strategy, and GCF is looking forward to proactively contributing. GCF can send experts to inform the finance ministries on how to access capacity building funding, facilitate peer to peer learning through regional meetings and provide examples of good practices. Regarding HP5, while we are discussing with the leads, our Division of Private Sector Facility can provide plenty of good examples of and give guidance on private sector climate finance projects. On Adaptation, Nature, and Green and Just Transition, we would also be keen to provide project examples and any guidance we can provide on these sectors from our experience and knowledge.</p> |
| <p>Inter-American Development Bank (IADB)</p>  | <p>Introduction to Fiscal management for Climate Action (MOOC)</p> | <p>The IDB is at the forefront of supporting countries in the LAC region integrate climate change into their development strategies and fiscal plans. Provides technical and financial</p> | <p>Exchange experiences, lessons learned, methodologies and tools on issues such as climate public budget classification; reforming national investments systems; evaluating public expenditures; issuance on thematic sovereign</p> |

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| | <p>The Benefits and Costs of Reaching Net Zero Emissions in Latin America and the Caribbean</p> <p>Cash transfers in the context of carbon pricing reforms in Latin America and the Caribbean</p> <p>Fiscal Policy for Resilience and Decarbonization: Contributions to the Policy Dialogue</p> <p>A Conceptual Framework for the Classification of Government Spending on Climate Change</p> <p>Towards resilient and decarbonized public investment: practices for integrating climate action in public investment management</p> | <p>assistance for finance ministries to lead the development of national climate strategies, NDCs and plans that integrate fiscal and public finance measures. A key pillar of the IDB's work is strengthening the capacities of governments to assess and manage the fiscal risks associated with climate change and the transition to a net-zero economy through the work of the Regional Climate Change Platform of Economy and Finance Ministries. It supports quantifying the impacts on public finances of natural disasters, decarbonization and exposure of the financial sector, as well as adjusting fiscal rules and developing financial protection instruments. The IDB promotes public financial management that fully integrates the climate agenda, including instruments such as taxonomies and cost-benefit evaluations for public investment. Provides assistance in adopting climate spending budget classifiers, providing accountability, evaluating the efficiency and effectiveness of public spending in this area, and strengthening budget cycles. The IDB also provides technical and financial support to establish debt instruments to finance the transition, such as debt-for-nature swaps, and Sustainability-linked bonds.</p> <p>Another key line of work is to promote green fiscal policies such as the elimination of fossil fuel subsidies, the establishment of carbon taxes and the design of incentives for climate mitigation and adaptation. The IDB supports impact assessments, analysis of policy options and their effective implementation to correct market failures, mobilize private investment towards sustainable activities and generate resources to finance climate action.</p> | <p>bonds; implementing sustainable taxonomies; NDC investment plans and climate finance strategies; policy mix to improve effectiveness of carbon price instruments; and improving climate institutions.</p> |
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| <p>International Monetary Fund (IMF)</p>  | <p>Macroeconomics of Climate Change</p> | <p>Specialist in carbon pricing and fossil fuel subsidy reform. Integrating climate change into macroeconomic frameworks and fiscal policies, including analyzing the impact of climate change on economic stability, public finances, and devising strategies to incorporate climate considerations into national budgets and fiscal policies. Creating enabling environments for private sector investment, including mitigating climate related financial risks.</p> | <p>The IMF co-hosts the Secretariat of the Coalition. As part of this role, it hosts the Annual Ministerial Meeting of the Coalition each fall at the IMF/WB meetings.</p> <p>Aligned with the HP3 workstream, the IMF provides policy advice and capacity development to its members on climate adaptation and mitigation policies, such as carbon pricing and fossil fuel subsidy reform, as well as on enabling institutions including through training on climate policy analytical tools.</p> <p>The IMF is also active via the engagement of IMF focal points in the HP4 (macroeconomic policy and public financial management), HP5 (financial policy) and adaptation workstreams.</p> |
| <p>Korea Development Institute</p>  | | <p>Experience in green growth strategies, with practical guidance for developing effective green fiscal policies, designing carbon pricing mechanisms, and implementing sustainable investment strategies. Additional expertise in macroeconomic modeling – especially evaluate the economic and financial implications of climate change and proposed policies. Deep understanding of climate-related financial risks and vulnerabilities, particularly within the Asian-Pacific context. Knowledge on green technologies and innovation identify and support promising solutions for climate mitigation and adaptation.</p> | <p>KDI will share the implications of the studies on net-zero policies that KDI has conducted for last several years: covering carbon pricing, emissions trading system, renewable portfolio standard, electricity vehicle subsidies, and other green transition policies, focusing on their impacts on industrial competitiveness, firms’ performance, trade, and other economic variables, and citizens’ acceptance to them. (HP3, HP4)</p> <p>As a related activity, KDI held a joint conference on green growth with the World Bank at WB headquarter on 28th February.</p> <p>Knowledge Sharing Programs that KDI provides jointly with the Ministry of Strategy and Finance might be a channel through which KDI shares the research results with other countries.</p> |
| <p>Korea Institute for International Economic Policy</p>  | | <p>Research and analysis on global economic trends, international trade and investment, digital transformation, and specifically, climate change.</p> | |

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| | | Examines the implications of climate change policies, international cooperation for sustainable development (especially analysis of global cooperation agendas, including climate finance and green economy strategies.), and the economic impacts of environmental policies positions. | |
| <p>Korea Institute of Public Finance</p>  | | Research expertise on green tax reforms, carbon pricing mechanisms, and budgeting for climate mitigation and adaptation. Experience in fiscal performance evaluation can be helpful in assessing the effectiveness and efficiency of climate-related investments and policies. Research on government investment analysis can inform members of strategies for mobilizing public and private finance for green infrastructure, renewable energy, and other climate-friendly projects. | |
| <p>Korea Institute of Finance</p>  | | Leads research operations for the advancement of the financial industry and the realization of the 'Information Age' throughout the financial sector. Offering research and analysis of domestic and international financial market trends, alongside managerial efficiency of financial institutions for improvement of their international competitiveness. | |
| <p>NDC Partnership</p>  | <p>NDC Partnership Support Mechanisms</p> | The NDC Partnership brings together over 220 members, including developed and developing countries and institutional members, to create and deliver on ambitious NDCs that help achieve the Paris Agreement and the Sustainable Development Goals (SDGs). Governments identify their NDC implementation priorities and the type of support that is needed to translate them into actionable policies and programs. Based on these requests, the | The Partnership is actively engaged and providing substantial support to the implementation of HP1, 2 and 6. Additionally, support can be extended to Partnership member countries to advance their engagement across areas covered in all Helsinki Principles. The Partnership mechanisms outlined in this Work Program and the Catalogue outline ways in which the Partnership can leverage its wide network to |

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| | | <p>membership offers a tailored package of expertise, technical assistance, and funding. The Partnership is supporting over 90 countries, including 50 ministries of finance, many members of the Coalition.</p> <p>Given developing country requests, support can be provided in multiple areas, such as: Capacity building on climate change and interlinkages with MoF roles/mandates; Macroeconomic modeling of climate risks, impacts and opportunities; Incorporating climate actions in Public Investment Management; Climate mainstreaming in Public Financial Management; Support related to carbon pricing and fossil fuel subsidy phase-out; Greening central banks, including climate stress testing, taxonomy, disclosure, and regulations to protect financial stability and align finance with the Paris Agreement; Other climate-related needs from MoFs.</p> | <p>assist Ministries of Finance in advancing climate action.</p> |
| <p>Nordic Investment Bank (NIB)</p>  | | <p>Deep understanding of climate related issues for Nordic and Baltic regions. Financing of sustainable infrastructure has expertise in renewable energy and energy efficiency. Promoting cross-border cooperation on sustainability can share important insights on collaborative climate solutions.</p> | <p>NIB has published its Climate Strategy and targets in 2023 and recently reported the first progress against the targets in its Annual Report 2023. The strategy is supporting the national targets of NIB's member countries. If the Coalition is planning a session/workshop on climate strategies, NIB could propose an expert speaker to give a presentation, share insights and best practices. In addition, NIB could write a blog post on this topic to share experiences and learnings on this topic. Optionally, the topic could be linked to sustainability reporting (TCFD/preparing for the ISSB) or taking the first actions with nature-related disclosures. In case the Coalition is planning a regional activities in Helsinki, NIB could consider jointly participating in providing support in terms of offering a venue, speakers, moderators etc. In addition, NIB can support in raising awareness by sharing</p> |

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| | | | the Coalition's key messages and outcomes through NIB's own channels. |
| <p>Network for Greening the Financial System (NGFS)</p>  | | Climate micro and macro financial expertise – with special lens of climate/nature related financial risks and wider financial stability. Developing scenarios, conceptual frameworks and analysis papers to support the decisions of financial policy makers. | The NGFS will continue to contribute to HP%, Nature, HP\$ and Green and Just Transition. For HP5, building off its learnings from its December 2023 publication on scaling up blended finance in EMDEs. The NGFS will also continue to collaborate on Nature as it builds off its previous work, such as the September 2023 Conceptual framework for Nature-related Financial Risks. The NGFS will also provide input to HP4 based off of its learnings on macroeconomic modelling tools and approaches within central banks, as well as to the work on the Green and Just Transition where the NGFS will be able to provide input linked to its work on the transition plans of financial institutions. More generally, the NGFS will continue to develop collaboration and knowledge sharing with the CFMCA. |
| <p>Organization for Economic Cooperation and Development (OECD)</p>  | | Research capabilities and policy analysis across economic performance, environmental sustainability, green budgeting and public governance, with excellent proficiency in climate macro-modelling. In-depth knowledge of effective tax policies, such as carbon pricing and incentives for green investment. Innovative financing tools and private sector investment. | |
| <p>SITRA</p>  | | Nature, circular economy and wider sustainable development. Pioneering financing solutions for clean technologies and renewable energy offers practical examples of mobilizing investments for climate action harnessing innovation and digital solutions for sustainability. | |
| <p>United Nations Development Programme (UNDP)</p> | <p>Support on Climate Finance to Strengthen Climate Action</p> | Evaluating and planning financial strategies for the energy sector's transition, including the | The UNDP aims to provide support across HP1/HP6, HP2, HP3, HP4, and HP5. For HP1/6, the UNDP will engage on the upcoming Spring |





development of climate finance strategies aligned with NDCs and fiscal frameworks for accessing both domestic and international climate finance. Supporting the creation of sustainable finance taxonomies, methodologies for green taxonomy, and frameworks for carbon finance, including the regulation of carbon pricing and market assessments. Expertise in issuing various thematic bonds, such as sustainability-linked bonds and sovereign green bonds, while also exploring debt-for-climate swaps. Risk-informed planning, budgeting practices, and a roadmap to mainstream climate change in PFM, underpinned by climate budget tagging and expenditure reviews to ensure alignment with the Paris Agreement.


2024 ministerial discussion session on the Role of Finance Ministries in designing, financing, and implementing national climate policies (NDCs), including effective coordination with Ministries of Environment. The UNDP will support NDCs prioritization in macro-economic policy making and in public financial management cycle for two select countries through the Climate Promise. The UNDP will co-host a seminar on adaptation to build on National Adaptation Plans portfolio to sensitize ministries on the need for anticipatory risk informed financial planning to achieve the NDCs. The UNDP will integrate NDC financing plans with Integrated National Financing Frameworks in select countries and offer support to Chile in developing a Long Term Climate Strategy and costing through active MoF engagement in the design and financing of NDCs and LT-LEDS. A deep dive on adaptation – Regional Workshop – to bring together MoFs with other stakeholders involved in the NAP/NDC processes could also be organized (tbc). For HP2, the UNDP will support knowledge sharing workshops and north-south, south-south learning exchanges on climate change integration into macro-fiscal policies, adaptation financing, blended finance mechanisms. Capacity building support will be provided to for ‘Development of Climate Finance’ training modules covering the climate finance landscape, mainstreaming climate in planning and budgeting – approaches & tools, adaptation finance, private climate finance. On HP3, the UNDP will continue to implement its existing carbon markets portfolio, and will assess demand from host countries, local stakeholder, and buyers alike on what the Initiative proposes, to further hone the four service offers, their rollout and means of

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| | | | <p>operation. For HP4, regular UNDP thematic engagement under our joint Climate Hub – Sustainable Finance Hub partnership, with emphasis on whole-of-economy approach and integrating financing strategies into the next round of NDCs (also applies to HP5). THE UNDP will further develop a brief on climate change integration into budgeting in Asia Pacific based on Climate Change Budget Integration Index to be shared with members. For HP5, the UNDP can support the workstream by co-hosting private sector investment in climate change through climate investor mapping and accelerator labs. Support to members can be further offered on the issuances of thematic sovereign bonds for climate financing. This includes support on framework development, use of proceeds/KPI determination, eligible projects/SPT determination and establishment of impact measurement and management (IMM) measures; and can provide support to countries on developing frameworks and policies on blended finance mechanisms. The UNDP will also produce a brief on the Development of a Step-by-step guide on Sustainable Finance Taxonomies that can be shared with members.</p> |
| <p>United Nations Environment Programme (UNEP)</p>  | | <p>Specializing in macro-economic modeling and sustainable budgeting, integrating environmental and development principles into fiscal planning to facilitate equitable green transitions. Co-designing sustainable finance taxonomies, technical assistance for green fiscal policy, and strategic measures for reducing fossil fuel subsidies and greening public procurement. Expertise extends to policy gap assessments for financing adaptation and resilient infrastructure with Nature-based Solutions (NbS), alongside</p> | <p>UNEP intends to leverage global agendas with regional actors through partnerships, enhancing knowledge exchange in green fiscal policy via PAGE and GFPN collaborations. The creation of executive training and peer-learning modules tailored to sustainable fiscal and environmental governance, for both online and in-person learning environments is proposed. UNEP is seeking to integrate adaptation and resilience into public and sustainable transition finance, assisting in policy gap assessments for NZNPA transitions – the results of which can be</p> |

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| | | <p>capacity building for Ministry of Finance staff on green fiscal transformations. Also leads in implementing nature-based solutions and supports developing National Adaptation Plans, engaging finance ministries in climate funding strategies. UNEP FI focuses on mobilizing private climate finance for just transitions and providing guidance on adaptation risks and nature conservation to banks and DFIs, aiming for greater harmonization of impact metrics and best practices in adaptation finance.</p> | <p>shared with members. UNEP further aims to mobilize private finance for climate action, leveraging networks and expertise in collaboration with the UNEP Finance Initiative, and will make this available to members. UNEP is willing to facilitate dialogues between ministers of trade and finance to explore synergies in climate action at regional meetings, in synergy with initiatives like the Net-Zero Export Credit Agencies Alliance for sustainable development. UNEP further proposes closer engagement of CFMCA members in National Adaptation Plan processes, especially in Ghana, Uganda, and Rwanda. A Regional event or “adaptation deep-dive” could be convened on NAP implementation with UNDP. Further on Adaptation, UNEP aims to contribute to adaptation discussions in Spring 2025 ministerial sessions, and to enlarge the suggested topics to investments in nature and inclusion of mitigation objectives. UNEP further suggests 2 contributions on policy notes and practical deliverables: a) To gather information on practical experiences, challenges and good practices related to policies and incentives linked to investments in nature to reach climate objectives. b) If a sister document to the Guide was to be developed, to support the UNEP NAP countries to share their good practices in the NAP context. UNEP wishes to join the Country and Regional Follow-Up, Peer Learning and Capacity Building workstream, to contribute to developing guidance on fiscal and regulatory instruments to promote investments in nature to reach climate objectives, to provide its inputs to the capacity building and training catalogue to be updated, and support</p> |
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| | | | members to organize peer-learning events related to NAPs. |
| <p>United Nations Framework Convention on Climate Change (UNFCCC)</p>  | <p>Capacity-building resource e-booklets</p> | <p>The UNFCCC offers expertise and guidance on integrating climate change considerations into national budgeting and fiscal policies. This includes developing and implementing strategies for sustainable finance, promoting the mobilization of climate finance to support low-carbon and climate-resilient development pathways, and enhancing transparency and accountability in the use of climate funds. Additionally, through the UNFCCC's partners, assistance be provided in building capacity for the economic valuation of climate impacts and the design of financial instruments to manage climate risk, thereby supporting the Coalition's efforts to align financial flows with the Paris Agreement objectives and the transition towards a sustainable economy.</p> | |
| <p>World Bank Group (WBG)</p>  | <p>Capacity Creation Coalition for Climate Action (C3A)</p> | <p>Climate macro modelling, in areas related fiscal and debt, taxation, technology innovation to aggregate, sectoral, and welfare effects of mitigation measures to assessing country-specific adaptation needs, considering the impacts of extreme weather events as well as gradual global warming. Expertise in carbon taxation and redirecting fossil fuel subsidies - conducting economic analysis to assess the potential impacts on various sectors, advising on the optimal design of instruments, and supporting the establishment of legal and regulatory frameworks to facilitate implementation. Mobilizing private finance through project financing, risk mitigation instruments, advisory services, and support for market development.</p> | <p>The World Bank hosts the Secretariat of the Coalition, alongside the IMF. As part of this role, the World Bank hosts the Coalition's Ministerial meetings in the Spring, supports the IMF in hosting the Annual Meetings, and supports UNCCC COP Secretariat in hosting Ministerial during the COP. During these Ministerial Meetings, World Bank offers core administrative functions of the Secretariat. This includes providing technical coordination of workstreams HP2, HP3, HP4, HP5, Nature, Green and Just Transition, and Adaptation through the Secretariat.</p> <p>As an Institutional Partner, the WB will also offer expertise on technical focal points from relevant units. For HP2, experts on specific subject matters can be offered for Coalition events and meetings related to the Guide. For</p> |

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| | | | <p>HP4, in part through C3A (see below), technical expertise on green budgeting and climate macro-modelling is available – and consultation/support on the upcoming technical paper is ongoing. For HP5, the Bank supports the three main pillars of leveraging greater private finance greening private climate finance, and carbon markets. For Adaptation, experts support the development of the literature review and a side event at the Spring Meetings. On Nature, the Bank continues to support on Investing Nature deliverable. The Bank will further support the Green and Just Transition workstream through technical input on sovereign transition plans paper/workshop and best practices for ensuring the just transition.</p> <p>The World Bank will be offering demand driven capacity building services to members through the C3A capacity building programme. This will include: hosting a number of side events in collaboration with the Coalition at the World Bank and IMF Spring and Annual Meetings and the COPs. Further to this, specific demand assessment and technical review reports will be published starting in Spring 2024 in the different thematic areas invested by the program. These technical documents will be notably shared with Coalition members and lay the ground for more policy-oriented discussions. A number of seminars/trainings will be further designed and offered to Coalition members from summer 2024 onwards leading to a few selected flagship reports in coordination with championing countries. Regional conferences are planned in Central Asia and LAC before Summer 2024.</p> <p>Following the structure of the Coalition HPs: In support of HP2, C3A alongside other IPs, may</p> |
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| | | | <p>also offer specific tailor-made half day seminars to members at specific in-person moments at regional levels. In support of HP4 as well as many demanding countries, C3A is dedicating resources to strengthening an analytical toolbox to address critical climate policy issues for Ministries of Finance. In support of HP1/6, C3A will foster a reflection on common transition scenario principles for Ministries of Finance, ahead of an increased attention of Ministries of Finance for the new wave of Long Term Strategies and Nationally Determined Contributions in 2025. In support of the Nature workstream, C3A will create a training program on Nature transition issues for Ministries of Finance, while developing an assessment of existing Nature scenarios and their possible use by Ministries of Finance to support the achievement of the Global Biodiversity Framework.</p> |
| <p>World Resources Institute (WRI)</p>  | <p>Resilience and Adaptation Mainstreaming Program (RAMP)</p> | <p>RAMP builds the capacity of Ministries of Finance to better manage climate change risks and access adaptation finance. It provides training specifically related to the macro-fiscal risks of climate change, i.e., projected impacts on growth, trade flows, fiscal balances, debt sustainability, and financial sector stability.</p> <p>RAMP builds capacity by (a) training Ministry of Finance officials by providing tools to better integrate climate change into their core functions (such as macro modeling, fiscal policy, public finance, disaster risk financing, climate budgeting, monitoring and evaluation, etc.); and (b) training faculty, financing research, and creating new masters' programs in national universities. In its curriculum, RAMP shares relevant technical materials with the World Bank,</p> | <p>Building on RAMP, but also tapping other institutional programs, WRI supports HP2, HP4, Adaptation, and Nature workstreams.</p> <ul style="list-style-type: none"> - For HP2, RAMP provides a proven and sustainable model for capacity-building. RAMP has developed a unique model that taps international best practice; supports local knowledge development; ensures program sustainability; and fosters peer-to-peer learning through communities of practice. - For HP4, through our peer-reviewed curriculum and applied research, RAMP supports the adaptation aspects of macro modeling, fiscal policy, debt sustainability, public finance, climate budgeting, financial sector supervision. More broadly, through its country offices and its National Climate Action (NCA) program, WRI routinely provides guidance on developing and financing |

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| | | <p>IMF, NDC Partnership, and others. Current RAMP focus countries include Ethiopia, Ghana, Kenya, Nigeria, Rwanda, Tanzania, Uganda, and Zambia. Its university network includes additional academic partners in Asia and Latin America.</p> | <p>ambitious climate strategies aligned with international agreements.</p> <ul style="list-style-type: none"> - For the Adaptation workstream, RAMP represents an advanced network of countries and universities working together on mainstreaming climate risk, risk management, and finance. - For the Nature workstream, WRI's entire institutional focus is to promote sustainability and nature-based solutions. It has global programs in Food, Forestry, Land Restoration, Oceans, and Water that connect physical ecosystem health with the financial and economic benefits of investing in nature, including for climate change objectives. |
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Annex IV. Summary of C3A Strategic Approach and Support to the Coalition

Background

Originated at COP27 through a demand from the Coalition of Finance Ministers for Climate Action (CFMCA) to the World Bank, the C3A program was announced at the Ministerial Meeting of the CFMCA at the 2023 IMF-World Bank Spring Meetings in Washington. It was then formally launched at the June 2023 Paris Summit for a New Global Financing Pact.

C3A has become an Institutional Partner to the Coalition, uniquely designed to offer innovative approaches to capacity building and knowledge sharing on climate issues for Ministries of Finance:

- It is a demand-driven initiative that aims for global outreach across Ministries of Finance.
- It makes use of a privileged working relationship with the CFMCA (through different workstreams, notably HP1/6, HP2 and HP4), as well as a wide array of emerging regional and thematic platforms of Ministries of Finance and knowledge institutions.
- It is evolutionary in its content to match a fast-evolving global climate debate.

The partnership with the Coalition is cemented through the involvement of the Coalition's Co-Chairs in C3A's governance framework, by having C3A's team actively participate in Secretariat and Co-Chair meetings, and C3A playing an active role in different thematic workstreams of the Coalition.

Key Features and Services of the C3A Program

The C3A program aims to set itself apart by offering three type of core activities, supported by in house capabilities as well as partnerships with a diverse external Knowledge Network:

- **Technical capacity creation sequences** through seminars and workshops that are structured on demand, based on the scientific and policy-oriented materials available or to be created. They can be delivered physically or virtually to high-level policymakers.
- **Expert and skill-based exchanges** are also a strategic channel for raising awareness and sharing views on existing experiences and challenges faced by countries.
- **Climate analytical tools** can also be co-developed by C3A and local partners so that Ministries of Finance can have their own analytical tools designed with local stakeholders and adapted to the national context.

Beyond existing programs, a range of tailor-made materials will be progressively made available to Ministries of Finance through collective approaches. To achieve these goals, the C3A program relies on a **knowledge network** consisting of a diverse group of world-leading academics, practitioners, and experts, mobilized around a core team with its own thematic and regional expertise.

Thematic and Regional Hubs

The two main delivery building blocks that Coalition members can access to benefit from C3A services are the **regional** and **thematic hubs**. The regional and thematic hubs play a pivotal role in connecting the specific needs for capacity creation with a diverse array of knowledge providers.

Hosted by regional institutions, the regional hubs monitor and mobilize local knowledge stakeholders to help Ministries of Finance design ambitious and effective climate policies. The mission of regional hubs is to facilitate the creation of capacity in each region by mobilizing relevant stakeholders to support the emergence of climate action-oriented economic policies within the respective regional Ministries of Finance. C3A services will be initially deployed in **four regions as part of the development of regional hubs**. These regions are:

- Latin America and the Caribbean (*launched*)
- Central Asia (*launched*)
- East Africa (*in preparation, launch expected in 1st half 2024*)
- South-East Asia (*in preparation, launch expected in 2nd half 2024*)

Thematic hubs provide decision-makers with knowledge from the latest international academic research and practitioner experience on the most critical topics. The mission of thematic hubs is to address cross-cutting issues and stimulate the knowledge creation on this topic by drawing on policy-relevant scientific work and policymakers' experiences. The thematic hubs are responsible for aggregating country requests (demand assessments), build a work plan (i.e. identifying beneficiaries and designing seminars), and stimulate the production of relevant scientific works. Initial **thematic activities will be related to five broad domains** identified through consultations with MoFs. These thematic hubs are:

- Climate macro-modelling (*launched*)
- Green innovation (*launched*)
- Fiscal and debt sustainability in the transition (*launched*)
- Nature (*soon to be launched*)
- Adaptation (*in preparation*)

Work Plan Design and Strategic Support to the Coalition

Each regional and thematic hub within the framework is tasked with the co-development of its own work plan. These plans are crafted based on demand-driven needs assessments, which are derived from a comprehensive process involving bilateral deep-dive interviews, surveys, high-level exchanges, workshops, and other forms of engagement, primarily with Coalition members.

While there may be instances of content overlap with the broader themes addressed by the Coalition, the majority of these work plans focus on distinct topics or delve deeper into technical details. And, while the Coalition workstreams serve as a unique and dynamic platform enabling members to exchange knowledge and experiences, C3A distinguishes itself by focusing on the development of technical expertise and know-how in these areas.

It accomplishes this by granting Coalition members direct and exclusive access to a broad array of technical experts within its Knowledge Network. This strategic approach is designed to complement the Coalition's broader objectives by deepening the technical capacities of its members, concentrating on the provision of empirical analyses, specialized models, and advanced analytical tools. Through this targeted initiative, C3A seeks to empower Coalition members and other Ministries of Finance with the expertise to navigate and address complex challenges effectively.

C3A Governance and the Coalition

There are three main governance bodies of the C3A program. First, **the C3A team**, which is responsible for designing and implementing the components of the work program. Second, a distinguished **Scientific Advisory Committee (SAC)** comprised of esteemed scientists and economists regularly provides guidance to the program. Third, a **Countries and Partners Advisory Committee**, currently chaired by the two Co-Chairs of the Coalition, Indonesia and the Netherlands, as well as other countries' representatives from different regional platforms. This ensures that the program is constantly evolving to meet the current needs of the countries. More importantly, it also approves and offers guidance to the work plan design – ensuring further strategic alignment with the Coalition. The two committees have so far met on the occasion of the launch of the program (June 2023) and will meet again next time on the occasion of the next Spring Meetings (April 2024).

Next Steps for C3A during 2024-2025

Based on member engagements and interactions, iterations of the C3A work program were shared and discussed in further detail at the deputies meeting of the Coalition in The Hague in January 2024. A finalized version will be made available to Coalition members ahead of the 2024 Spring Meetings.

C3A will continue to host a number of side events in collaboration with the Coalition at the World Bank and IMF Spring and Annual Meetings and the COPs. Further to this, specific demand assessment and technical review reports will be published starting in Spring 2024 in the different thematic areas invested by the program. These technical documents will be notably shared with Coalition members and lay the ground for more policy-oriented discussions. A number of seminars will be further designed and offered to Coalition members from summer 2024 onwards leading to a few selected flagship reports in coordination with championing countries.

In support of HP2, C3A alongside other IPs, may also offer specific tailor-made half day seminars to members at specific in-person moments. In support of HP4 as well as many demanding countries, C3A will dedicate resources to strengthening an analytical toolbox to address critical climate policy issues for Ministries of Finance. In support of HP1/6, C3A will foster a reflection on common transition scenario principles for Ministries of Finance, ahead of an increased attention of Ministries of Finance for the new wave of Long-Term Strategies and Nationally Determined Contributions in 2025.

Annex V. Institutional Partner In-kind Contribution Survey Form

a. In-kind pre-assessment form

The in-kind pre assessment form will need to be prepared submitted together by country co-leads and IPs involved in the project before starting the collaboration to the Co-Chairs team and the Secretariat. Upon assessment and approval from the Co-Chairs team, country leads and institutional partners can execute the project.

1. Name of the project/program:
2. Name of the country working in the program (including name of focal points)
3. Description of the project/program (500 words maximum)
4. Name of institutional partners involved
5. Short description of the institutional partners involved with name of focal points
6. Program governance and stakeholders' responsibility within the Coalition (500 words maximum)
7. Funding arrangement (if any)
8. Indicator of achievement
9. Comments of country leads
10. Co-Chair comments and approval

b. In-kind post assessment form

The in-kind post assessment form will be used by country leads to Co-Chairs team and the Secretariat. The purpose of the in-kind post assessment form is to see the progress of partnership between IPs and country leads and to provide transparency and monitoring to Co-Chairs team and Secretariat. The form will need to be submitted annually, depending on the project timeline.

1. Name of the project/program:
2. Name of the country assessors (including name of focal points)
3. Rate the IPs achievement (1 until 5)
4. Comments from country assessors (500 words maximum)

Annex VI. Organizational Changes

As of 2023 or early 2024, several organizational changes have been implemented.

- **Overlap of Co-Chair terms:** To avoid two Co-Chair countries finishing their terms at the exact same time, one Co-Chair will now start in Spring, while the other will start (and end) in Fall. As Indonesia is set to complete its four-year Co-Chairmanship in Spring 2025, this means that the Netherlands will continue until Fall 2025, unless they request for a further extension to the Fall term in the subsequent year.
- **Ministers and deputies:** Ministers are supported by and represented by deputies in the Coalition. For the first five years, the term ‘sherpas’ applied to these individuals (now ‘deputies’). However, due to concerns raised by members of among others cultural appropriation, it has been decided to use the more neutral term ‘deputies’ for the sherpa function moving forward.
- **Member onboarding and expectations:** The onboarding and induction process for new members and newly assigned deputies will be revamped as such that members are better enabled to participate in Coalition activities including working groups. As noted at the start of membership, members are required to be part of at least one working group (however, this does not need to be a leading or very active role).
- **Secretariat and funding:** The Secretariat providing Coalition core functions will now be funded through a dedicated Coalition funding window under the World Bank Climate Support Facility Trust Fund. An Operations Manual has been designed outlining the governance and operations of the window and Secretariat, including member-led decision-making on the Coalition’s work and Secretariat support. A proper Coalition Secretariat structure has been set up as a dedicated Secretariat unit, with core functions as outlined in *Section V*. The World Bank commits to facilitate this basic structure at minimum.

The Coalition Charter will be reviewed in 2024 and amendments proposed to members for approval as needed.

Annex VII. Schedule of Planned 2024 Deputy Meetings

Deputy meetings generally take place on Wednesdays during the first week of the month. Actual dates may differ based on current events. Changes will be communicated to deputies well in advance.

| <u>Month</u> | <u>Date</u> | <u>Time</u> | <u>Topics</u> | <u>Calendar Placeholder</u> |
|-------------------------|-------------------|-------------------|---|---|
| <u>March</u> | 6-Mar | 8am (EST) | <u>Work Program Finalization</u> <u>Pre-Ministerial Discussion</u> |  CFMCA Deputy Meeting.ics |
| <u>April</u> | 2-Apr | 8am (EDT) | <u>Pre-Ministerial Discussion</u> |  CFMCA Deputy Meeting.ics |
| <u>May</u> | 8-May | 8am (EDT) | <u>Workstream Presentations</u> |  CFMCA Deputy Meeting.ics |
| <u>June</u> | 12-Jun | 11am (CEST) | <u>Workstream Presentations</u> | |
| <u>July</u> | 3-Jul | 8am (EDT) | <u>Workstream Presentations</u> | |
| <u>August</u> | <i>No meeting</i> | <i>No meeting</i> | <i>No meeting</i> | |
| <u>September</u> | 5-Sep | 11am (CEST) | <u>Pre-Ministerial Discussion</u> | |
| <u>October</u> | 9-Oct | 8am (EDT) | <u>Pre-Ministerial & COP Discussion</u> | |
| <u>November</u> | 6-Nov | 8am (EDT) | <u>COP Discussion</u> | |
| <u>December</u> | 11-Dec | 8am (EST) | <u>Year In Review</u> | |