

12th Ministerial Meeting

Co-Chairs' Summary

The Coalition of Finance Ministers for Climate Action (the Coalition) gathered for its 12th Ministerial Meeting during the IMF/World Bank Annual Meetings in October 2024. The event was chaired by its current Co-Chairs, Mr. Eelco Heinen, Minister of Finance of the Netherlands, and Mr. Thomas Djiwandono, Vice Minister of Finance of Indonesia. They were joined by Mr. Ramathan Ggoobi, Permanent Secretary of the Ministry of Finance, Planning and Economic Development of Uganda, representing the incoming Co-Chair.

The Coalition released its [second joint Climate Action Statement](#) (CAS), which shows the growing range and ambition of concrete climate policies from Ministries of Finance (MoFs) to drive a socially just low-carbon transition. Over [60 Members shared nearly 500 climate actions](#) – more than twice the number of actions featured [in the first CAS in 2023](#). These actions encompass a variety of areas, including climate policy coordination, strategic economic planning, increased MoF engagement in updating Nationally Determined Contributions (NDCs), the scaling-up of green finance through mobilization of public and private financial resources, implementing carbon pricing and the phasing-out of inefficient subsidies, and addressing macroeconomic climate and nature risks, along with associated adaptation and nature financing gaps.

The event opened with a high-level panel featuring the Co-Chair ministers, the IMF's Managing Director, and high-level representatives of the World Bank and the United Nations, which all underscored the magnitude of climate challenges and the significant role that MoFs play in addressing them. The closing panel consisted of the Co-Chairs, the COP29 President from Azerbaijan, and the U.S. Treasury Undersecretary. The main segment of the meeting centered on interactive roundtable discussions between ministers and partner institution principals. Gathered in small groups, they explored two topics: (i) assessing climate risks and opportunities to guide macro-economic planning for adaptation, and ii) designing tools, instruments, and policies to scale up nature finance.

On adaptation and macro-fiscal planning, the discussions emphasized cross-cutting aspects of climate action and the importance of integrating climate risks into national budgets and planning, including through long-term investment planning and climate budget tagging, with MoFs playing a central role in coordinating cross-government efforts. The importance of building capacity to collect and use reliable climate data and to improve macro-fiscal modelling of the (economic) impacts of climate change was also raised as crucial for managing risks and driving investment. Information gaps hinder adaptation efforts, especially in developing economies, where clear communication of climate impacts is needed for effective risk assessment and attracting the necessary increase in financing. The role of private sector involvement and nature-based solutions were also highlighted as critical for securing the long-term investments needed for infrastructure and adaptation projects. Long-term planning and investment in climate-resilient infrastructure emerged as key priorities, with Members underscoring various financing mechanisms, such as dedicated climate funds, sovereign green bonds, and innovative financing tools like debt-for-climate swaps. Adaptation was framed as both an investment and a development issue, closely linked to inequality and the need for sustained funding. Finally, Members emphasized the importance of global cooperation and knowledge sharing, as facilitated by the Coalition, particularly in building national capacities for adaptation finance and disaster risk management. There was a strong call for partnerships to mobilize more resources and scale up solutions that are tailored to each country's specific needs and vulnerabilities, to be supported by the Coalition's institutional partners.

Members' discussions on scaling up nature finance highlighted the importance of integrating the UN Global Biodiversity Framework (GBF) and nature-based solutions into broader fiscal policies and financing strategies. Members emphasized their increasing use of fiscal tools such as budget tagging and spending reviews, and of financial tools such as green bonds and debt-for-nature swaps to support nature restoration and biodiversity protection. Public-private partnerships and innovative funding mechanisms like sovereign wealth funds, insurance mechanisms, and natural capital accounting are being explored by Member countries to promote sustainable use of natural resources. However, Members also stressed that limited fiscal space, particularly in developing countries, necessitates greater private sector mobilization and support from development finance, including through grants and concessional financing. Capacity building, data collection, and effective institutional frameworks were seen as key to ensuring that these initiatives can be implemented and scaled effectively. Collaboration between countries and between the public and private sectors was also a major emerging theme, with participants stressing the importance of knowledge-sharing and capacity development, particularly among developing nations, to accelerate progress on biodiversity and climate goals in an integrated manner. Countries are also focusing on embedding biodiversity considerations into long-term planning, with several countries developing frameworks for sustainability-linked bonds and payment for ecosystem services. Despite these advancements, challenges remain, such as mobilizing private sector investment, reforming environmentally harmful subsidies, and ensuring transparency in nature-related investments. Partnerships, transparency, and leveraging both public and private funding will be critical to achieving nature-positive outcomes on a global scale.

Finally, two important procedural matters were addressed. Ministers endorsed the revised Coalition Charter, reflecting updates on evolving priorities and organizational structures. Additionally, Indonesia's four-year term as Co-Chair will end in Spring 2025, and Uganda, elected by Members in September 2024, will then assume the role as Co-Chair for an initial two-year term. The meeting confirmed Uganda's election, and Uganda will now work closely with Indonesia and the Netherlands to ensure a smooth leadership transition.

Moving forward, the deliberations at the Coalition's 12th Ministerial will help MoFs refine strategies related to adaptation and nature and lay the groundwork for further Ministerial engagements during and around the Finance Days at the upcoming UNFCCC COP29 and UNCBD COP16. These discussions will also shape key messages and inform countries' upcoming 2025 NDC submissions, with a particular focus on mobilizing public and private finance for NDC investments. In the coming months, the Coalition Deputies and partner organizations will further elaborate policy notes on the two discussed topics for the benefit of Member countries. Moreover, the outcomes will contribute to the HP4 workstream, which will soon develop outputs to enhance macroeconomic tools for assessing the economic impacts of climate risks and adaptation strategies. As signaled by the Co-Chairs, at the 13th Ministerial Meeting taking place during the IMF/World Bank Spring Meetings in April 2025, the Coalition plans to further discuss mainstreaming of climate considerations in macroeconomic modeling, as well as market-based mechanisms to incentivize mitigation action.