

**Finance and Economy Minister Coalition for Climate Action
Meeting of the Sherpas
February 21-22, 2019. Helsinki, Finland**

The Context: At the 2018 Annual Meeting of the World Bank in Bali Indonesia, finance ministers from developed and developing countries met and proposed the creation of the Finance Ministers Coalition on Climate Action. It was conceived as a forum for sharing experiences and good practices in using fiscal policy and public finance management to support climate goals. At the same time it has the added benefit of helping countries better capture the economic opportunities of climate action as well as avoid the risks of climate change.

The climate story is fundamentally an economic story. Bold climate action could be a major economic opportunity.

- It is already delivering real results in terms of new jobs, economic savings, competitiveness and market opportunities, and improved wellbeing for people worldwide with even greater investment, innovation, and growth potential ahead.
- The New Climate Economy's latest report found that there is approximately \$26 trillion in potential global economic benefits up to 2030 from the low carbon transition.

Climate change poses an acute threat to global development and efforts to end poverty.

- If left unchecked, climate impacts could push an additional 100 million people into poverty by 2030, unravelling development gains to date.
- By 2050, as many as 143 million people could move in just three regions (Sub-Saharan Africa, South Asia and Latin America), with individuals, families and even whole communities seeking more viable and less vulnerable places to live.

The Coalition is an opportunity to show collective leadership. Ministers of Finance and Economy, along with Planning Ministers, hold the key to unlocking this economic story: they are already thinking about what sustainable economic growth looks like. The Coalition provides them with a platform for furthering their growth agenda, while helping to raise their influence in the national and international climate arena.

Meeting Objective: The Coalition supports a leading role by Finance and Economy Ministers in tackling climate change through fiscal policy and other instruments under the ministry's public finance mandate. ***The purpose of the Helsinki sherpa meeting is to produce a first draft of the Coalition's Principles that are broadly acceptable to current and prospective members of the Coalition.*** The principles are intended to be aspirational, in which countries aim to adopt good practice in areas such as environmental fiscal reform; climate-informed budgeting, planning, and public investment management; and the mobilization of private finance. We expect that consensus on such potential 'Helsinki Principles' will build following the conclusion of the meeting. The Principles would then be voluntarily endorsed and formally announced by the Finance Ministers. The Coalition has been invited to the WBG/IMF Spring Meetings in April 2019, in Washington DC.

Agenda
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February 21-22, 2019. Helsinki, Finland
Venue: Hotel Kamp (Mirror Room)

Day 1a: February 21 (Thursday)		
Time	Agenda Item	Speakers
<i>Opening session</i>		
0830 hrs	Welcome by host and founding Coalition members	Pekka Morén, Director, Head of International Financial Affairs, Ministry of Finance, Finland and Lorena Palomo, Senior Advisor, Coordination of Commercial Policy and Sustainable Development, Ministry of Finance, Chile
	Remarks by WB	Marcello Esteveao, Global Director, Macro Trade and Investment, World Bank
0845 hrs	Keynote address	Minister Petteri Orpo, Minister of Finance, Finland
<i>Getting to a positive price on carbon</i>		
0930 hrs	Introduction (10 mins)	Moderator/chair: Lorena Palomo (Chile) and Miria Pigato (WB)
	Country experiences (15 mins each)	
	- Carbon taxation in Chile	Speaker to be confirmed Ministry of Finance, Chile
	- Carbon taxation in Sweden	Kristina Åkesson, Senior Adviser - International Departement, Ministry of Finance of Sweden
	Open discussion and summary to help frame aspirational Principles (35 mins)	
1045 hrs	BREAK	
<i>Embedding climate change into budget processes</i>		
1100 hrs	Introduction (10 mins)	Moderator/chair: Lorena Palomo (Chile) and Weijen Leow (WB)
	Country experiences (15 mins each)	
	- Climate change legislation and budget processes	Albert Mwenda, Agt. Director General for Budget, Fiscal and Economic Affairs, Treasury of Kenya.
	- Sustainable Development Budgeting	Armi Liinamaa, Ministerial Adviser, Finland Ministry of Finance
	- Climate Budgeting	Circulation of materials, on behalf of Roksana Khan, Deputy Secretary, Bangladesh Ministry of Finance
	Open discussion and summary to help frame aspirational Principles (20 mins)	
<i>Climate-informed public investment management and public procurement</i>		

1200 hrs	Introduction (10 mins)	Moderator/chair: Pekka Morén (Finland) and Adrian Fozzard (WB)
	Country experiences (15 mins each)	
	- UK framework for policy appraisal and carbon valuation	Edward Hadley, Head of Climate Change, Her Majesty's Treasury, UK
	- Sustainable public procurement	Elina Ojala, Expert on Sustainable Procurement, Motiva of Finland
	Open discussion and summary to help frame aspirational Principles (20 mins)	
1300 hrs	<i>Remarks by Finland and WB on the release of "Fiscal Policies for Development and Climate Action" report</i>	
1320 hrs	LUNCH	
Mobilizing finance for climate action		
1420 hrs	Introduction (10 mins)	Moderator/chair: Pekka Morén (Finland) and Marcello Estevao (WB)
	Country experiences (15 mins each)	
	- Green finance in the UK	Chris O'Donovan, Senior Policy Advisor, Her Majesty's Treasury, UK
	- Climate Budget Tagging and Green Sukuk/Islamic Bond in Indonesia	Dudi Rulliyadi, Deputy Director for International Climate Finance Cooperation, Ministry of Finance, Indonesia
	- Green finance in France	Adrien Zakhartchouk, Head of Climate, Environment and Agriculture, Ministry of Economy and Finance, France
	Open discussion and summary to help frame aspirational Principles (35 mins)	
1550 hrs	BREAK	
Day 1b: The role of IFIs in climate financing (Venue: Nordic Investment Bank)		
1600 hrs	Coffee available	
1630 hrs	Welcome	Pekka Morén, Member of NIB's Board of Directors
1640 hrs	Panel discussion: Climate finance, the role of IFIs	Moderator: Jukka Ahonen, Head of Communications, NIB Panelists: Henrik Normann, President and CEO, NIB; Magnus Rystedt, Managing Director, Nefco; Marcelo Mena, Practice Manager, WB
1740 hrs	Panel discussion: Framework for green financing	Moderator: Jukka Ahonen, Head of Communications, NIB Panelists: Lars Eibeholm, Vice-President, Head of Treasury, NIB; Erik Brandsma, CEO Jämtkraft
1830 hrs	DINNER and speech by Sven Hegelund, NIB Chairman of the Board - Green financing the Nordic Way	

Day 2: February 22 (Friday)		
0830 hrs	Recap of previous day	WB secretariat
0845 hrs	Coalition Principles	Pekka Morén (Finland) and WB (Marcello Estevao)
	- Proposing a draft of the "Helsinki Principles"	
	- Discussion and feedback from the group	
1045 hrs	BREAK	
1100 hrs	Elements of a Coalition work plan	Moderated by Lorena Palomo (Chile) and Marcelo Mena (WB)
	- Comments from institutions and countries	
	- Governance arrangements	
1145 hrs	The way forward to WB-IMF Spring Meeting and beyond	Chile and WB
1200 – 1300 hrs	Close of meeting and Lunch	