

# Joint Ministerial Statement by the Coalition of Finance Ministers for Climate Action

December 9, 2019

1. We, the Coalition of Finance Ministers for Climate Action, acting under the Chairmanship of Ignacio Briones, Minister of Finance, Chile, and Mika Lintilä, Minister of Finance, Finland, convened in Madrid, Spain, on December 9, 2019.
2. Since the launch in April 2019, 51 Finance Ministers have formally joined the Coalition, endorsing the **Helsinki Principles** as our guide in mainstreaming climate change in economic and financial policies in our countries, and supporting global collective action on climate change.\*
3. As called for by the Helsinki Principles, we will work together by sharing best practices and experiences, developing knowledge and tools, and seeking analytical expertise to support our work in the drive for low-carbon and climate-resilient growth.
4. To help advance concrete actions, we hereby launch the **Santiago Action Plan**, which details ways the Coalition, alongside its Institutional Partners, will seek to make progress, adapted to each Member's context as appropriate, on the Helsinki Principles, as follows:
  - We will focus our efforts on developing toolkits for achieving a just transition to a low-carbon economy and being on a pathway of inclusive economic, social, and wider restructuring consistent with the goals of the Paris Agreement. Finance Ministries are well positioned as they wield fiscal and economic planning instruments. (Principle 1)
  - We recognize the need to build-up expertise, capacities and competencies in our Finance Ministries to better integrate climate considerations into economic policy making and undertake joint efforts to review good practices on national approaches and governance models within our Ministries, and organize technical advice for members. (Principle 2)
  - We will prepare toolkits and share knowledge to facilitate the design of measures that result in both new carbon pricing initiatives and effective carbon pricing, and prepare a menu of policy actions for approaches to supporting people, communities and businesses through the transition. We will review experiences, identify challenges to achieving solutions, analyse technical requirements, and

assess the economic and societal impacts for implementing policies that can be widely accepted. (Principle 3)

- We support the integration of climate change aspects into macro-fiscal and other relevant policy planning, budgeting (where appropriate), public investment management and public procurement. We acknowledge the need for long-term efforts to develop methodologies and toolkits to effectively address climate change. In particular, we aim to fill knowledge and expertise gaps in Finance Ministries, support macroeconomic and fiscal assessments of adaptation and mitigation policies, and facilitate the adoption of climate-smart decisions. (Principle 4)
  - We aim to develop tools and share experiences on designing National Financial Strategies for greening financial systems, consider approaches to encourage financial institutions to align their practices with the goals of the Paris Agreement, and support the efforts of Multilateral Development Banks in mobilizing climate finance and accelerate the dissemination of international best practices. We will examine the economic and fiscal costs of adaptation (including the high cost of capital), and support global efforts on transparency and disclosure of climate-related financial risks. We will identify risks to financial stability posed by climate change and examine ways to manage these risks. (Principle 5)
  - We affirm our support for ambitious Nationally Determined Contributions (NDCs) under the Paris Agreement. Building on the outputs from the Santiago Action Plan across all of the Helsinki Principles, we will provide support to lead Ministers on climate change on methodologies and toolkits for mainstreaming the NDCs into economic policies. (Principle 6)
5. We will strive towards continuously developing the effective functioning of the Coalition, and underline the importance of analytical and practical support from Institutional Partners to reach our goals.
  6. We will work towards implementing the Santiago Action Plan and look forward to further policy discussions in 2020 and the Glasgow COP26 in November 2020.

\*The countries that have endorsed the Helsinki Principles and the Santiago Action Plan are: Argentina, Austria, Bangladesh, Canada, Chile, Colombia, Costa Rica, Côte d'Ivoire, Cyprus, Denmark, Dominican Republic, Ecuador, Equatorial Guinea, Ethiopia, Finland, Fiji, France, Germany, Ghana, Greece, Guatemala, Iceland, Indonesia, Ireland, Italy, Jamaica, Kenya, Latvia, Lithuania, Luxembourg, Madagascar, Maldives, Marshall Islands, Mexico, Monaco, Netherlands, New Zealand, Nigeria, Norway, Paraguay, Philippines, Poland, Portugal, Spain, Sri Lanka, Sweden, Switzerland, Tonga, Uganda, the United Kingdom and Uruguay.