

# Principles of the Coalition of Finance Ministers for Climate Action

We, as Finance Ministers from around the world:

*Cognizant* that climate change poses a significant threat to our economies, societies, and environments, including risks to economic growth and macroeconomic stability, and that there is an urgent need to accelerate action;

*Recognizing* that climate change is also an opportunity, and that taking action can generate substantial benefits for our societies by stimulating technological innovation, improving human well-being, and accelerating economic growth;

*Noting* our unique position as Finance Ministers to help accelerate a just transition to a low-carbon and climate-resilient economy through macroeconomic and fiscal policy, public financial management and, where applicable, financial regulation;

*Acknowledging* that such policies and actions will support global collective action on climate change under the Paris Agreement;

*Cognizant* that Finance Ministers have a common purpose, and can benefit from a forum for sharing experiences and facilitating the adoption of best practices and policies for low-carbon and climate-resilient growth; and

*Supported* by technical assistance from development partners.

Hereby establish a Coalition of Finance Ministers to demonstrate our leadership in the response to climate change, wherein we will operate within our national framework, competencies, and mandate to support the following 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 support climate mitigation and adaptation;
6. *Engage* actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement.

Signed,

Name	Title	Country
Felipe Larraín Bascuñan	Minister of Finance	Chile
Petteri Orpo	Minister of Finance	Finland