

New Member Application

The Coalition of Finance Ministers for Climate Action

Introduction

The Coalition of Finance Ministers for Climate Action (the Coalition) brings together Finance Ministries to advance climate adaptation and mitigation through economic planning and financial policy. By embedding climate considerations at the heart of macroeconomic and financial decision-making, the Coalition empowers governments to unlock new engines of growth, boost competitiveness, create jobs, enhance productivity, and strengthen energy, food, and social resilience.

Founded in April 2019, the Coalition's core objectives are to raise awareness, build capacity, and promote collective global action on climate and finance. Its work is anchored in the six Helsinki Principles, which provide a shared framework for integrating climate considerations into economic and financial policy.

Membership is open to any country committed to addressing climate risks through concrete policy measures and to positioning itself in the transition to a low-carbon, climate-resilient economy. No formal climate commitments are required. Members, however, are expected to actively support the Coalition's objectives, share experiences, and collaborate on common technical and policy challenges. New Members are welcomed in accordance with the processes and criteria set out in the Organization and Governance Charter and its accompanying Explanatory Note.

Steps to Joining the Coalition

To join the Coalition, a country must demonstrate: (a) a political commitment to addressing climate change through economic, fiscal, and financial policy; and (b) a readiness to share knowledge and provide mutual support to the Coalition.

Membership is then obtained through the following steps.

Step 1: Submit this New Member Application, containing the Helsinki Principles Endorsement Form (page 3) and Deputies Nomination Form (page 4), to the Coalition Secretariat via coalitionsecretariat@financeministersforclimate.org.

Please complete pages 3 and 4 of this application form and email it to the Coalition Secretariat (coalitionsecretariat@financeministersforclimate.org), CCing Ana Zoric, Croatia Co-Chair Deputy (ana.zoric@mfin.hr) and Sam Mugume, Uganda Co-Chair Deputy (Sam.Mugume@finance.go.ug).

Step 2: Receive confirmation of Membership from Coalition Members on an absence-of-objection basis.

The Helsinki Principles

The Helsinki Principles (the "Principles") are the Coalition's shared, non-binding, and aspirational commitments, designed to give common purpose to member countries. First drafted during the Deputy meeting on 21–22 February 2019 in Helsinki, Finland, the Principles were subsequently refined and are set out below.

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 supports climate mitigation and adaptation
6. Engage actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement

Helsinki Principles Endorsement Form

We are pleased to announce that <COUNTRY> is joining the Coalition of Finance Ministers for Climate Action.

We hereby endorse the Helsinki Principles and commit to contributing actively to the objectives of the Coalition.

<Signature of the Minister>

<Name of Minister>

<Name of Department/Ministry>

<Country>

<Date/Month/Year>

Deputy Nomination Form

Please fill in the contact details of the nominated Deputies to the Coalition. The Deputy should be a senior official in the ministry. If desired, please fill in the contact details of an additional representative who will also participate in Coalition activities. To add additional individuals to the Coalition's internal distribution list, please email the Secretariat: coalitionsecretariat@financeministersforclimate.org.

Part 1) Deputy	
Salutation (Mr., Ms., etc.)	
Full Name	
Job Title	
Unit/Department/Ministry	
Email Address	
Mailing Address	
Telephone	Office: +
	Mobile: +
Part 2) Additional Representative (OPTIONAL)	
Salutation (Mr., Ms., etc.)	
Full Name	
Job Title	
Unit/Department/Ministry	
Email Address	
Mailing Address	
Telephone	Office: +
	Mobile: +

Annex 1: Additional Membership Information

Relevant excerpts from the Organization and Governance Charter

(Full text available [here](#))

Membership

As is common in international fora, 'Ministers of Finance' broadly refers to Ministers or Secretaries leading government departments with responsibility for economic policy, planning, public finances and financial systems. It is recognized that mandates of 'Finance Ministries' vary across countries. In some countries, the portfolio of Finance Ministers may not include functions such as financial regulations or economic policy planning. Reflecting their portfolio, they may be called Ministers of 'Finance and Economy', Ministers of 'Finance and Planning', or Ministers of 'Economy'.

Commitment to the Coalition's objectives is a core requirement of membership, demonstrated through active participation in the Working Groups and meaningful cooperation with other member states.

'Members' refers to Finance Ministries of participating countries. Ministries are represented by Ministers and Deputies. If the Finance Minister is unable to participate, she/he will be represented by the Vice-Minister or State Secretary in a usual way. In some cases, the Deputy has been specially mandated and deputized by the Ministers. While national practices differ, Deputies should represent sufficient seniority and continuity.

Membership is valid until a Member resigns from the Coalition by a written notice signed by the Finance Minister. The resignation note is addressed to the Co-Chairs of the Coalition with a copy to the Secretariat and Deputies Co-Chairs.

Membership can also end due to a breach towards the Coalition. This can be, for example, a malicious act against the Coalition and its objectives.

Role of Members

Highest-level representatives of Members are Finance Ministers. Deputies are senior officials designated to represent the Minister while ensuring the Minister's full engagement. If Ministers' views are needed to advance the Coalition's work in between Ministerial meetings, Deputies are expected to manage this.

Each Member is expected to appoint an expert to at least one working group. This does not mean the Deputy himself/herself, but a professional expert in that field of work in the Ministry. Engagement and dedication of resources do not require extensive human resources to be appointed. Still, the active involvement of Deputies and sufficient engagement in the key work areas is expected. It is recognized that Finance Ministries are in the process of developing competencies in climate matters.

Annex 2: Explanatory Note to the Helsinki Principles

This note clarifies the language in the Principles to guide Finance Ministers' understanding and provides illustrative examples of actions that may be taken. It does not bind signatories to specific measures, nor does it form part of the Principles themselves. The measures mentioned below are neither exhaustive nor listed in any order of importance or priority, and they are not prescriptive. The specific responsibilities of Finance Ministers vary across countries, and it is acknowledged that Coalition Members work within their respective mandates to implement the Principles.



HP1: Align our policies and practices with the Paris Agreement commitments.

'Paris Agreement commitments' refer to countries' respective commitment and contribution to the Paris Agreement and its objective to hold the increase in the global average temperature to well below 2° C and pursue efforts to limit the temperature increase to 1.5° C above pre-industrial levels. Countries' commitments to prepare, communicate, and maintain a Nationally Determined Contribution (NDC) contribute to this objective. It also refers to the commitment to make finance flows consistent with a pathway towards this objective and increasing countries' ability to adapt to the adverse impacts of climate change.



HP2: 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.

'Policies and practices for climate action' refers to actions supporting climate change mitigation and adaptation and spurring investments. Sharing of experiences and expertise between Members could take place at regular ministerial or working-level meetings, bilateral or multilateral visits, exchanges of staff (secondments), and other ways to generate peer learning and collective understanding among Members. Members or groups of members could also take up the role of global or regional "Champions", hosting workshops and other peer-exchange mechanisms among finance ministries of other countries supported by development partners.



HP3: Work towards measures that result in effective carbon pricing.

‘Carbon pricing’ refers to measures which put a price on the emissions of carbon dioxide or other greenhouse gases. Such measures provide incentives for emitters to reduce emissions, through energy conservation, increases in energy efficiency, or innovation and dissemination of low-carbon technologies. Effective carbon pricing means that countries adopt measures to achieve carbon price levels that are sufficient to incentivize the emission reductions needed to meet their own emission reduction targets, subject to their national circumstances, and with a view to reaching carbon price levels consistent with the Paris Agreement’s long-term objectives.

Such carbon pricing measures could include:

- Reducing or eliminating fossil fuel subsidies;
- Taxes and tax-like measures, in particular carbon taxes but also including fuel taxes, environmental duties, levies, and charges which are scaled in accordance with carbon emissions;
- Emissions trading systems (ETs) and similar permit-based or crediting mechanisms; and
- Regulatory policies which result in an implicit marginal price on carbon, such as tradeable performance standards.



HP4: Take climate change into account in macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices.

Taking climate change into account in policies and practices referred to here could, inter alia, include:

- ‘Macroeconomic policy’ – consideration of climate change targets, risks, vulnerabilities and policy objectives in economic forecasts, debt sustainability analyses, fiscal risk assessments and other macroeconomic policy instruments; tracking of tax expenditures on fossil fuels and tax incentives for the consumption and production of fossil fuels, feed-in tariffs, investments in low-carbon technologies, and other relevant incentive measures;
- ‘Fiscal planning’ – consideration of climate change targets, risks, vulnerabilities and policy objectives in the formulation and implementation of fiscal plans and frameworks and when undertaking expenditure reviews and program evaluations used to inform fiscal policies;
- ‘Budgeting’ – integration of climate change policy considerations in budget guidelines, pre-budget statements and budget documents and the tagging of climate-related expenditures, including those that have either a positive or adverse impact on climate outcomes, such as fossil fuel subsidies;

- 'Public investment management' – integration of climate change considerations and policies in the guidance, procedures and methodologies used for program and project selection and appraisal, including the use of a shadow price of carbon in economic analysis and appropriate assessment of climate change risks and vulnerabilities; and
- 'Procurement' – integration of climate change considerations in the guidance, procedures and methodologies for public procurement, including appropriate measures to improve energy-efficiency and favor low-carbon solutions.



HP5: Mobilize private sources of climate finance by facilitating investments and the development of a financial sector which support climate mitigation and adaptation.

'Climate finance' in this context refers to finance which aims at reducing emissions, enhancing the removal of greenhouse gases, or reduces the vulnerability of human, infrastructure, and ecological systems to negative impacts of climate change. A financial sector which supports climate change mitigation and adaptation is one which incorporates the risks and opportunities resulting from climate change into investment decision making and leads to increased flows of climate finance.

Measures which Finance Ministers could take to mobilize private sources of climate finance could include policies and practices which:

- Promote or develop a financial sector that supports climate change mitigation and adaptation, such as the voluntary disclosure of exposure of financial institutions and real sector companies to carbon-intensive sectors and climate risks;
- Promote cross-border investments supporting climate change mitigation and adaptation;
- Promote financial flows through loans, guarantees, grants and other risk-sharing instruments, long-term credit lines, by engaging institutional investors, as well as through tax-advantaged provisions for financial instruments such as green bonds, capacity building for financial sector stakeholders, and provision of data;
- Promote climate finance in the real sector through grants, blended finance, R&D exemptions, national procurement policies, direct fiscal stimulus, development and dissemination of rules for the disclosure of greenhouse gas emissions, risks and opportunities due to climate change, and capacity-building efforts, in addition to the incentives provided by carbon pricing (Principle 3) and other measures which seek to provide an enabling environment for the private sector;
- Encourage domestic public financial institutions or funds to include climate change mitigation and adaptation in their key strategic frameworks, or to consider climate change objectives in their investment risk assessment and decision-making, or to support relevant public private partnerships;
- Support an active role for international financial institutions (IFIs) in mobilizing finance for climate change mitigation and adaptation and aligning their activities with the objectives of the Paris Agreement.



HP6: Engage actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement.

Active engagement in domestic preparation and implementation of NDCs could include:

- Taking a leading role in the formulation and update of NDCs or supporting government entities responsible for NDCs;
- Working with other ministries and financial institutions to ensure that policies are coordinated, coherent and aligned with the achievement of the NDCs;
- Providing technical input relevant to NDC formulation, such as macroeconomic forecasting, least-cost pathways for emissions reduction, and costing guidelines for specific measures;
- Supporting the integration of NDC requirements into climate-informed appraisal and analysis of policies and programs sponsored by other ministries; and
- Coordinating technical assistance and financing provided by international institutions for NDC preparation and the integration of NDCs in government's policies, programs and procedures.