

The Role of Ministries of Finance in Driving Climate Action

A Guide to Economic Transformation and Resilience

Policymaker summary · First action areas released for consultation at the 2026 Annual Meetings of the World Bank Group and the IMF, Bangkok · Prepared with member ministries under the guidance of a Country Steering Group of 13 member countries, co-chaired by Croatia and Uganda.

Your decisions determine the pace of climate action

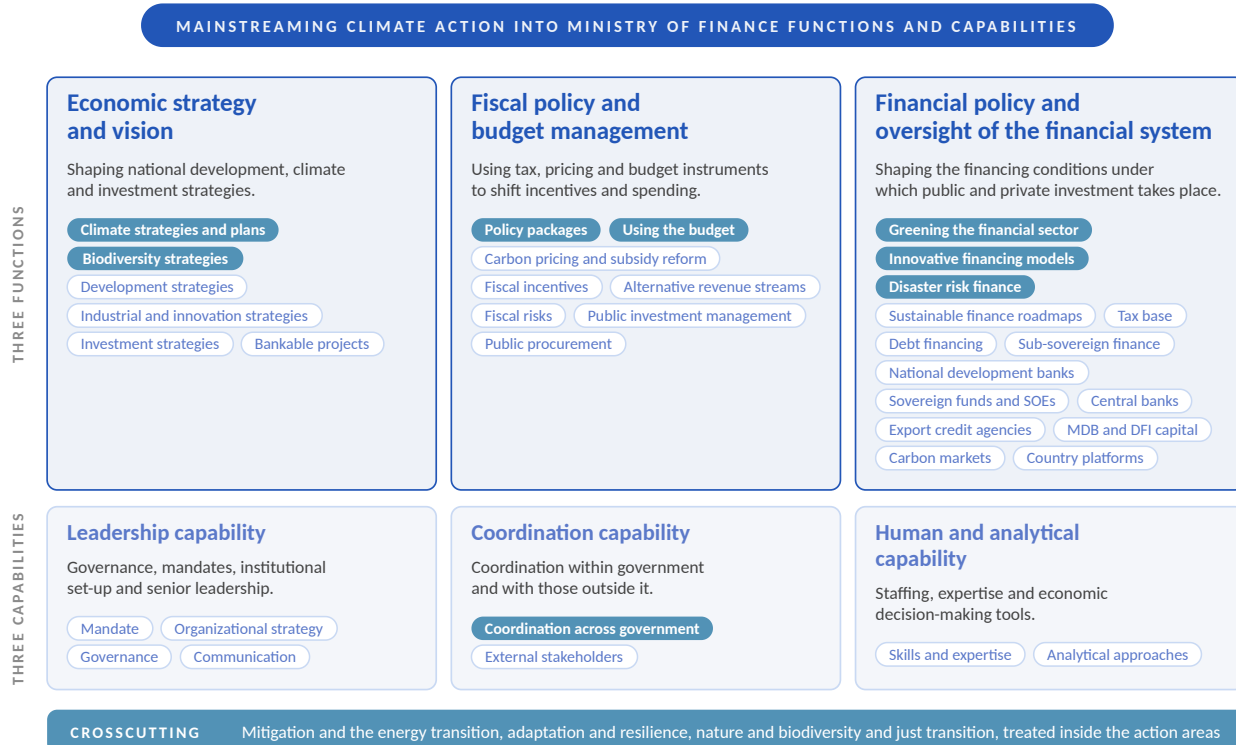
Ministries of Finance play a central role in the transition to a low-carbon, climate-resilient and nature-positive economy through economic strategy, fiscal policy and financial policy. Climate change affects the variables that Ministries of Finance manage most directly, including growth, productive capacity, public revenue and expenditure, and the cost of finance, and the effects on these variables create fiscal risks as well as opportunities for growth. Investment that reduces these risks can limit damage and contingent liabilities and can support energy security, competitiveness and jobs.

About the Guide

The Guide illustrates the strategic, fiscal and financial instruments Ministries of Finance can use to address how climate change and nature loss interact with growth, jobs, competitiveness and fiscal sustainability, and the capabilities they need to do so successfully. It presents a menu of options that Ministries of Finance can choose from depending on their circumstances and priorities. On each topic, it presents the context, the barriers and opportunities for action, and case studies.

Three functions and three capabilities organize the Guide

The Ministry of Finance framework for climate action sits at the heart of the Guide. It is based on the existing core functions of Ministries of Finance (what they do) and on their capabilities (how they can perform those functions well). The Guide is divided into action areas under each function and capability, shown in the figure below.



Highlighted topics are released as consultation drafts in October 2026. The remaining topics follow as consultation drafts in 2027.
Topic names are short versions of action area titles.

What the update adds

New and updated content, including on three member priorities

Adaptation and resilience, nature and biodiversity, and industrial policy, trade and competitiveness.

Updated evidence on the economic case

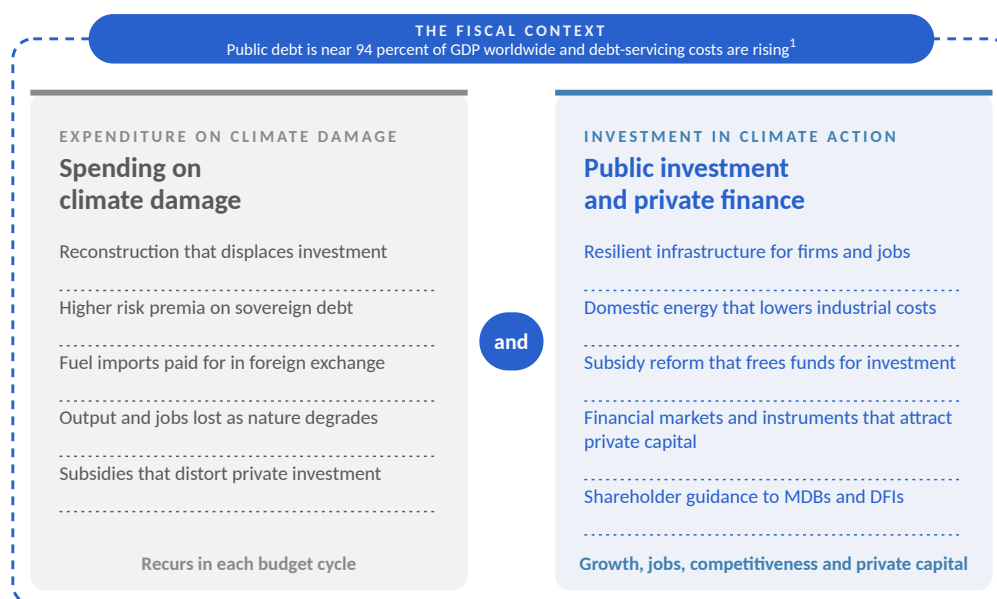
Evidence that climate and nature action supports growth, fiscal space and creditworthiness.

A modular website with a case study database

Action areas are published individually online with a searchable database of country case studies.

Climate action supports fiscal sustainability

Investment that reduces climate risks can protect public revenue, limit contingent liabilities and support the growth on which fiscal sustainability depends.



Climate change and nature loss are already fiscal issues

Nearly 90%

of Ministries of Finance surveyed see the green transition as a core economic issue²

Over USD 100bn

raised by carbon pricing in 2025³

USD 2.7tn

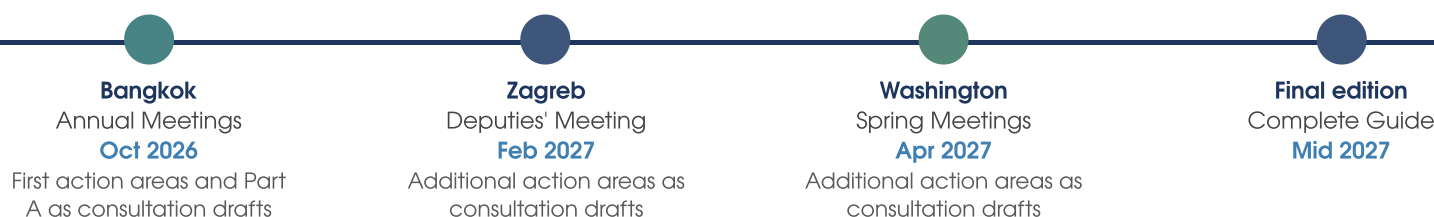
a year of global GDP at risk by 2030 if some ecosystem services collapse⁴

Near 70%

of energy and land-use investment could be private, by some estimates⁵

Phased release

The Guide is released in tranches for public consultation, so that feedback and country experience from Ministries of Finance and other practitioners make the final edition more practical and useful.



Take part in the consultation

Review each tranche

We invite you to review each consultation tranche as it is released and share feedback through the online survey. We are particularly interested in whether the guidance is practical for Ministries of Finance, and in any factual corrections you can identify.

Share country experience

The Secretariat welcomes the implementation lessons and country experiences the action areas are missing, with the fiscal cost and results of each measure. More than 50 case studies have been submitted or are in drafting for this edition.

Inform future action areas

Many action areas remain in preparation. Member input is gathered at the Annual Meetings in Bangkok and at later meetings and review windows through mid 2027.



The consultation on the first tranche is open from October 14 to November 30, 2026.
Comments may also be sent to coalitionsecretariat@financeministersforclimate.org
The QR code links to the Guide website, financeministersclimateguide.org

¹ IMF (2026) Fiscal Monitor, April 2026, public debt near 94 percent of GDP, projected at 100 percent of GDP by 2029. ² CFMCA (2025) A Global Survey of Ministries of Finance, Economic Analysis for Green and Resilient Transitions initiative, led by the Danish Ministry of Finance. ³ World Bank (2026) State and Trends of Carbon Pricing 2026. ⁴ Johnson and co-authors (2021) The Economic Case for Nature. World Bank. ⁵ Vivid Economics (2021).