

Launch of New Training Initiative of the Coalition of Finance Ministers for Climate Action at the 2022 World Bank/IMF Spring Meetings

April 19, 2022

To respond to Member demand for capacity building, the Coalition of Finance Ministers for Climate Action is launching a training initiative during the 2022 World Bank/IMF Spring Meetings. As stated in the report [Strategies for Mainstreaming Climate Action in Ministries of Finance](#) (February 2022), existing training and capacity building programs organized by the Coalition’s Institutional Partners (IPs) will be utilized to build-up the program, which will be further developed through special training-focused events organized by the Coalition.

The Coalition’s work on training and capacity building will be structured around three pillars: 1) Economic Policy and Finance; 2) Sectoral Aspects; and 3) Governance. The program will be rolled out in two phases.

Phase 1

The initial phase of the initiative will focus on: (1) sharing existing training courses and other capacity building opportunities with Coalition Members, especially those developed by the Coalition’s IPs; (2) organizing and hosting workshops and webinars on pertinent topics; and (3) curating, organizing, and posting relevant training material on the Coalition’s Member Portal. The initiative will focus on the transfer of knowledge and skills through learning-by-doing techniques and through the sharing of policy tools designed by policymakers for Finance Ministries (see the “Delivery Mechanisms for Capacity Building” table in Annex 1 for more detail).

The first training program to be shared with Members is the newly launched **IMF Climate Change 101 course**. This course, which was initially internal to the IMF, has been repurposed for policymakers, especially for finance ministries and central banks. The course aims to expand learners’ knowledge bases and enhance their capabilities when dealing with policy challenges related to climate change.

The first module of the six-part course, *Overview of Climate Change issues: Science, Economics, and Policies*, will be launched during the 2022 WB/IMF Spring Meetings, with a launch event held on **Tuesday, April 19 from 3:00-4:00 PM (ET)**. The course is structured as follows (see Annex 2, 3 and 4 for more details):

- Module 1: Overview of Climate Change issues: Science, Economics, and Policies
- Module 2: Mitigation Strategies
- Module 3: Macroeconomic Implication of Net-Zero Transition
- Module 4: Economics of Climate Change Adaptation
- Module 5: Financial and Monetary Policies to Manage Climate Risks
- Module 6: Greening Public Finance

Other capacity building efforts currently under development will be designed with a view to support the Helsinki Principles training agenda. These include:

The World Resources Institute’s Resilience and Adaptation Mainstreaming Program (RAMP). This is a long-term capacity building program (over three years) for government central ministries (finance, planning, economics) based on a core curriculum designed around the macro-critical aspects of climate change (see table below for details). It is supported by a network of technical partners, including the IMF, World Bank, NDC Partnership, UNDP, the Global Resilience Partnership, and the Coalition for Climate Resilient Investment.

A fundamental feature of RAMP is that it is implemented with and through local universities, since they can help improve content quality, ensure the local context is reflected, and underpin program sustainability. During the initial stage, the program will focus on five lower-middle and low-income countries and will be implemented through local universities. The World Resources Institute is engaged in activities under the Helsinki Principle 2 (HP2) workstream to explore avenues for engaging members and making its material available to the Coalition.

RAMP Core Curriculum for Ministries of Finance

Theme	Learning Goals
Financial markets and instruments	Knowledge of finance tools and requirements for greening financial systems, as well as an understanding of transmission channels of climate change-related risks into the economy.
Macroeconomic analysis	Identifying the potential pathways through which climate change acts as a macro-critical risk for economic growth and shaping responses consistent with low-carbon and resilient development.
Fiscal policy	Designing fiscal incentives that encourage climate change mitigation and adaptation, including investments for the transition to clean energy and to increase resilience.
Budget planning and reporting	Identifying spending and execution rates of public investments that strengthen climate resilience.
Economic and financial appraisal	Ensuring that major capital spending programs are ‘climate-proofed’ at the investment stage.
Evaluation	Bringing a consideration of climate change impacts into the evaluation stage of public financial management.
Public procurement	Ensuring procurement systems factor in climate-related externalities in their costs and are responsive to climate change events over the procurement cycle.

Source: WRI

Discussions are also underway with **UNDP** on their platform for capacity building and knowledge exchange on climate change integration in fiscal policy and management. Opportunities to collaborate for trainings on integrated fiscal policy and domestic planning, and budgeting processes are also being explored under several UNDP programs. Collaborations with both these programs can expand the offerings under the Coalition’s training program to benefit its members.

Phase 2

Under Phase 2, to be launched in early 2023, the focus will be on: (3) developing new training courses or programs; (4) the creation of research networks; and (6) internships, exchange programs and networks of experts (numbering system based on the “Delivery Mechanisms for Capacity Building” table in Annex 1).

As part of the planning for this follow-up phase, during 2022 the Coalition will conduct an additional survey to identify more-specific areas of training that should be supported.¹ The best way to establish a research network to support the Coalition’s agenda will also be explored. How IPs can be leveraged to supply training will be considered, along with possibilities to organize training in partnerships with other coalitions (e.g., NGFS, G20) and academia.

The building of the training program will also be informed by the report currently being prepared under the HP 2 workstream by the Grantham Research Institute and the Brookings Institution, which looks at the critical role of Finance Ministries in promoting climate action and driving the transition to a sustainable, inclusive, and resilient economy. This will serve as a guide for Ministers of Finance in mainstreaming and building enhanced capacity for climate action.

In parallel, the World Bank will undertake an analysis of the level of awareness of climate change within ministries of finance, their priorities, and their overall capacity needs, with a view to preparing a complete curriculum. The objective of the curriculum will be to strengthen the capacity of ministries of finance and related agencies to mainstream climate considerations into the design, implementation, and governance of public policies and investment frameworks.² It will be delivered through a comprehensive online course, in-person regional courses, on-demand and tailored trainings as requested by Member countries, and virtual technical workshops. The Coalition anticipates drawing on this World Bank program as Phase 2 of the training program rolls out.

Institutional Partners (IP) under HP2 are discussing options for a broader global research network of academic institutions, think tanks, and other organizations with a view to supporting the training and knowledge activities of the Coalition, and will be made available in due course.

¹ In addition, governance related issues will be addressed as part of the HP2 work stream work program.

² The modules to be developed in the context of this course include: institutions; macro-critical aspects of climate change; climate fiscal risk and fiscal space; greening private and public finance; climate fiscal instruments; innovation and industrial development; trade and climate change and social change; equity and just transition. The program is supported by Germany and will be implemented in cooperation with regional think tanks.

Annex 1 – Key Focus Areas and Delivery Mechanism for the Training Initiative

1. Key areas of training (Modules)

Module 1: Economic Policy and Finance

This module covers the core areas of economic policy and finance of the Helsinki Principles. The training is to be targeted to MoF officials to aid their understanding of the broad economic and financial context, climate-related risks and economic impacts, and the use of tools like economic forecasting, public financial management and green budgeting, carbon pricing, regulatory developments, green finance instruments, and greening of financial systems.

Module 2: Sectoral Aspects

This module takes into account the need for enhanced understanding of sectoral aspects of climate change and their interlinkages to economic and financial policies. These cover energy, transportation, food systems, land use, and construction, as well as biodiversity and trade policy links.

Module 3: Governance

This module covers potential institutional changes within MoFs that would enable climate mainstreaming—such as changes to administration, governance, and management practices—and the boosting of climate-related competencies and skills.

2. Delivery Mechanisms for Capacity Building

(1) Sharing of Existing Training Courses or Programs	(2) Workshops and Webinars	(3) Information Management - Member Portal
<p>Joint efforts could be developed with IPs and Members to ensure the availability of relevant (existing or planned) training programs organized by IPs for Members, with due reciprocity.</p>	<p>IPs and leading experts could be invited to present and discuss relevant themes— involving policymakers of Members—with a view to developing common tools and practices. These events will benefit from the combination of academic work and research-based evidence and the experiences of policymakers in developing tools and learning from IPs and Members with specialized skills and knowhow.</p>	<p>Information could be curated, including management of relevant information, reports, and recordings in a self-learning section for Members and relevant materials that support mainstreaming and building up competencies.</p>
(4) New Training Courses or Programs	(5) Creation of Research Networks	(6) Internships, Exchange Programs and Networks of Experts
<p>Training programs could be established focusing on core areas of the Helsinki Principles targeted to MoF officials (and IPs) to improve the understanding of broad economic and financial tools, such as green budgeting, carbon pricing, taxonomies, and green bonds.</p>	<p>Local universities and think tanks could be invited to join a research network supporting Member efforts towards climate mainstreaming.</p>	<p>The Coalition could act as a hub and focal point to facilitate co-operation bilaterally and collectively through the workstreams. Concrete support is envisaged for bilateral exchanges of experts and trainees among MOFs, administrations, and tips to enhance know-how and mutual build-up of expertise.</p>

Annex 2 - IMF Climate Change 101 Course

Overview

The IMF has recently developed a Climate Change 101 course as part of the Fund's increasing engagement on climate issues. The course was rolled out for all Fund economists in the fall of 2021. It is now being repurposed for policy makers in member countries, especially in finance ministries and central banks, aiming to expand learners' knowledge bases and enhance their capabilities when dealing with policy challenges related to climate change.

The external version of the course is to be hosted on the *edX* platform. It will be made up of six modules. In total, there will be eight pre-recorded lectures, delivered by 15 economists at the Fund working on climate change, from the Fiscal Affairs Department, the Research Department, the Monetary and Capital Market Department, the Strategy, Policy, and Review Department, and the Statistics Department. Apart from lectures, the tailored package is also comprised of videos, graphics, texts, and case studies. Online quizzes and activities are being developed to enhance the effectiveness of learning. Certificates are to be issued after the learners successfully pass the quizzes at the end of each module. On average, each module will take about one hour to complete. The first module, *Overview of Climate Change issues: Science, Economics, and Policies*, will be launched during the 2022 Spring Meeting.

Outline

Module 1: Overview of Climate Change issues: Science, Economics, and Policies

- The Science and Economics of Climate Change
- Framework for Global Actions
- The IMF's Engagement on Climate Change Issues

Module 2: Mitigation Strategies

- Designing Mitigation Policies
- Quantitative Analysis of Mitigation Policies
- Political Economy for Scaling Up Carbon Pricing

Module 3: Macroeconomic Implication of Net-Zero Transition

- Macroeconomics of Net-Zero Transition
- Investing for a Net-Zero Future

Module 4: Economics of Climate Change Adaptation

- Framing Adaptation
- Adaptation Investment Modelling


Module 5: Financial and Monetary Policies to Manage Climate Risks

- Climate Change Information Architecture
- Regulation and Supervision for Climate Risk Management
- Climate Risk Stress Testing
- Central Bank Operation related to Climate Risk Management

Module 6: Greening Public Finance

- C-PIMA: A Climate Module to the Public Investment Management Assessment framework
- Green Public Finance Management

Annex 3 - IMF Module 1 Registration Information





**MACROECONOMICS
OF CLIMATE CHANGE (MCCx)**


Tackling climate change is a priority for the IMF. In this online course, you'll learn a common framework that serves as a guide to understanding policy issues at the intersection of macroeconomics and climate change.

In this course you will learn:

- The physical and economic damages of climate change
- The general investment needed for transition to a net-zero carbon economy
- How to analyze the macroeconomic impacts of mitigation policies
- How countries can mainstream adaptation policies

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Government Officials	General Public
	

 With the financial support
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IMF.org/Learning

Annex 4 - IMF Climate Change 101 Course – Launch Event



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2022 | WASHINGTON DC
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INTERNATIONAL MONETARY FUND **CAPACITY DEVELOPMENT**
EVENTS

A Peek into Training: The Macroeconomics of Climate Change

April 19, 2022
3:00 p.m.–4:00 p.m.

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