



Press Release
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V20: Climate Fight Essential to Global Recovery

- Group of more than 40 economies systemically vulnerable to climate change advance efforts to pioneer financial innovation in responding to climate threats
- Finance Ministers insist on a financial system compatible with the new 1.5°C Paris Agreement limit, calling for G7 and G20 to align development priorities with the goal
- Swifter progress towards the \$100 billion international climate finance commitment and increased concessional financing for climate action urged
- Long-term vision to establish carbon pricing regimes adopted by expanded V20 Group

14 April 2016 – Washington, DC: The Vulnerable Twenty (V20) Group of Ministers of Finance today met to collectively address economic and financial responses to climate change as a rapidly growing threat to growth and prosperity. The V20 called for an economic and financial revolution compliant with the new 1.5 degrees Celsius and global adaptation goals as enshrined in the UN Paris Agreement reached in December 2015 that was strongly welcomed by the Group.

The V20 Chair, Cesar Purisima, Secretary of Finance of the Philippines, said: “Our group has now grown to 43 vulnerable, developing countries--simply no longer accepting putting economic growth, and even the lives and livelihoods of our populations at severe risk, amid the slow pace of progress in climate finance mobilization, especially from bigger and richer countries further along in development. We see the financial system as a weapon to fight climate change with tremendous potential. So we are working hard to be pioneers in concrete and innovative economic and fiscal responses to climate change. Our voice and effort has been strengthened here in Washington and we are going to keep pushing other economies, the G7 and the G20 to follow our lead. It’s a fight for our survival.”

“We welcome the new World Bank Climate Change Action Plan and are requesting additional concessional finance in the context of debt sustainability to help realize our ambitions and scale up our own contribution. We are encouraged by the progress we've made on climate accounting, risk pooling mechanisms, carbon pricing, and expanding financial access. We likewise expect developed countries to make good on their climate finance mobilization commitments,” added Secretary Purisima speaking at the V20 Ministerial Dialogue held in conjunction with the 2016 Spring Meetings of the International Monetary Fund and World Bank Group. The V20 gathering released a Ministerial Communiqué calling climate change “a weight on the global recovery” arguing that strengthened climate responses would “restore robust, sustained and balanced growth” while highlighting the “clear compatibility of economic and climate change policies.” The communiqué also urged the G7 and G20 to undertake urgent efforts to realign development strategies and emission commitments with the new international target of limiting the rise in global temperatures to not more than 1.5 degrees Celsius above pre-industrial levels.

The V20 ministerial recognized new members with the expanded Group now spanning 43 economies systemically vulnerable to climate change and representing a combined population of more than one billion. Speaking as an incoming V20 member, John Silk, Minister of Foreign Affairs of the Marshall Islands, said: “The Marshall Islands is honoured to join the V20. The world needs ambitious action by all countries if we are to decarbonise globally and keep the window open for the 1.5 degree limit needed by vulnerable countries like mine to survive. The V20 is devising solutions to ramp up action. We need climate finance flows to make clean energy available to all.”

The V20 body approved implementation plans to advance its effort to mobilize unprecedented levels of finance from all sources including pioneering innovation in climate finance and fiscal measures to support local actions to the limits of the capabilities of the Group’s members. Decisions included a vision to implement carbon pricing regimes within the decade and calls for a Financial Transaction Tax to meet the urgent finance mobilization needs of climate action. The body also moved to create a platform for collaboration with business acknowledging the significant role of the private sector for achieving transformational change. It additionally established three Focus Groups of V20 members to specifically address the embedding of climate change costs in public and private accounting, to increase advocacy to promote V20 priorities in the international financial system, and to further work towards the creation of a V20 Risk Pooling Mechanism.

The V20 was founded in October 2015 at Lima, Peru as a dedicated cooperation group of the Ministers of Finance of the Climate Vulnerable Forum (CVF), a sister-initiative. Currently chaired by the Philippines, the V20 originally consisted of 20 developing countries from Africa, Asia, the Caribbean, Latin America and the Pacific. The Washington, DC ministerial served to recognize the 23 new members that joined the CVF in 2015 as incoming members in the V20 initiative.

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Notes for Editors:

Founding V20 Members:

Afghanistan, Bangladesh, Barbados, Bhutan, Costa Rica, Ethiopia, Ghana, Kenya, Kiribati, Madagascar, Maldives, Nepal, Philippines (current Chair), Rwanda, Saint Lucia, Tanzania, Timor-Leste, Tuvalu, Vanuatu and Vietnam.

Incoming V20 Members:

Burkina Faso, Cambodia, Comoros, Dominican Republic, Democratic Republic of Congo, Fiji, Grenada, Guatemala, Haiti, Honduras, Malawi, Marshall Islands, Mongolia, Morocco, Niger, Palau, Papua New Guinea, Senegal, South Sudan, Sri Lanka, Sudan, Tunisia and Yemen.

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