



80th Session of the Economic and Social Commission for Asia and the Pacific

Side Event: Accelerating financing for climate action: Progress across the Asia-Pacific region

Meeting Room H, United Nations Conference Centre, Bangkok and online
Thursday, 25 April 2024, 12.45-13.45 hrs, Bangkok Time (UTC+7)

CONCEPT NOTE (version dated 4 April 2024)

Description

Climate change continues to present growing challenges for all countries across the globe, but its adverse effects are proving particularly severe for countries in Asia and the Pacific. Six of the ten most affected countries from climate change and adverse weather events are in Asia and the Pacific. If carbon emissions continue at their current rate, the Asia-Pacific region is likely to experience even more severe heat waves, extreme precipitation, hurricanes, drought, and drastic changes in water supply and availability.

Ministries of finance play an essential role in accelerating climate mitigation and adaptation action in the public sector and setting the enabling conditions for the private sector to scale up investments in climate and nature solutions.

The *Coalition of Finance Ministers for Climate Action*, which currently has over 90 member countries globally, aims to contribute to the global climate response and secure a just transition towards low-carbon and resilient development pathways. Currently co-chaired by the Netherlands and Indonesia, the *Coalition's* work is driven by the Helsinki Principles: (1) Alignment of policies and practices with the Paris Agreement commitments; (2) Sharing of experience and expertise to promote collective understanding of policies and practices for climate action; (3) Working towards measures that result in effective carbon pricing; (4) Taking climate change into account in macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices; (5) Mobilizing private sources of climate finance by facilitating investments and the development of a financial sector which supports climate mitigation and adaptation; and (6) Engaging actively in the domestic preparation and implementation of Nationally Determined Contributions submitted under the Paris Agreement. A new report from the CFMCA called *Strengthening the Role of Ministries of Finance in Driving Climate Action* will be discussed in this event regarding implications for the Asia-Pacific region.

The *Coalition* currently includes 17 members from Asia and the Pacific: Australia, Bangladesh, Cambodia, Fiji, Indonesia, Japan, Kazakhstan, Kyrgyzstan, Malaysia, Maldives, the Marshall Islands, New Zealand, Pakistan, the Philippines, Republic of Korea, Singapore, and Sri Lanka.

The *Independent High-Level Expert Group on Climate Finance* was tasked to put forward policy actions and recommendations to facilitate public and private investment and finance, as well as to assess how the climate finance system must change to support investment to deliver the goals of the Paris Agreement. The second edition of the report, which will be discussed in this Side Event, was published for COP28. In the second edition of *the Group's* report, they highlight the need for US\$2.4 trillion in investment a year in emerging markets and developing economies, excluding China, by 2030 to finance the just energy transition, adaptation and resilience, loss and damage, and the conservation and restoration of nature, highlighting how off-track the world is from the Paris goals. Among the other issues highlighted in the report include how to accelerate and implement investments and the setting up of an integrated climate finance framework that includes all sources of finance.

This side event convened by Finland and co-sponsored by the Netherlands, in collaboration with ESCAP, is a follow-up to the side event at the 78th Commission held in 2022 and will dive deeper into perspectives from ESCAP member States on the possibilities and challenges in implementing the Helsinki Principles in the region, and how regional cooperation and peer-learning could further accelerate the financing of climate action.

Objectives

The objectives of this side event are the following:

- I. To set the context for best practices by Ministries of Finance in Asia-Pacific regarding financing climate action, according to the Coalition of Finance Ministers for Climate Action;
- II. To discuss the recommendations of the Independent High-Level Expert Group on Climate Finance with regarding to reforming the international financial architecture, in the Asia-Pacific;
- III. To learn about the experience of selected Ministries of Finance from the region on the potential and challenges in implementing the Helsinki Principles, in the context of Agenda 2030 for Sustainable Development and the upcoming Summit of the Future; and
- IV. To discuss synergies between *the Coalition*, *the Independent High-Level Expert Group on Climate Finance* and ESCAP in furthering regional cooperation to accelerate climate finance.

Programme

Time	Description
12.45-12.50	<p>Opening Remarks</p> <ul style="list-style-type: none"> <input type="checkbox"/> H.E. Mr. Remco van Wijngaarden, Ambassador of the Kingdom of the Netherlands to Thailand and Permanent Representative to ESCAP <input type="checkbox"/> Ms. Lin Yang, Deputy Executive Secretary of ESCAP
12.50-13.05	<p>Opening Presentations</p>

	<p>This session will include a presentation from <i>the Coalition</i> and the Independent High-Level Expert Group to provide the context for the subsequent panel discussion on the possible pathways to accelerate climate financing.</p> <ul style="list-style-type: none"> □ Mr. Pekka Morén, Special Representative of Finance Ministry, Finland and Co-Founder of the Coalition of Finance Ministers for Climate Action □ Mr. Amar Bhattacharya, Executive Secretary, Independent High-Level Expert Group on Climate Finance and Senior Fellow in the Center for Sustainable Development, Brookings Institution
13.05-13.40	<p><u>Panel Discussion</u></p> <p>Moderator: Ms. Suba Sivakumaran, Section Chief, Financing for Development Section, ESCAP</p> <p>Panelists</p> <ul style="list-style-type: none"> □ Mr. Pekka Morén, Special Representative of Finance Ministry, Finland and Co-Founder of the Coalition of Finance Ministers for Climate Action □ Mr. Amar Bhattacharya, Executive Secretary, Independent High-Level Expert Group on Climate Finance and Senior Fellow in the Center for Sustainable Development, Brookings Institution □ Representative from the Ministry of Finance, the Netherlands □ Representative from the Ministry of Finance, Indonesia
13.40-13.45	<p><u>Closing Remarks</u></p> <ul style="list-style-type: none"> □ Mr. Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development Division, ESCAP