

UNESCAP Committee on Macroeconomic Policy, Poverty Reduction and Financing for the Development 20-22. October 2021

**Agenda item 3: Vitalizing innovative and digital financing strategies in support of the Sustainable Development Goals**

Speech by Ambassador of Finland, Permanent Observer to UNESCAP, Jyri Järviaho

Mr/Madame Chairperson, Excellences, Distinguished Delegates,

It is a great honor to address the UNESCAP Committee on Macroeconomic Policy, Poverty Reduction and Financing for the Development today. Finland as a new Permanent Observer of the UNESCAP is participating the Committee meetings the first time. As a fresh “green” observer we are delighted that our topic is equally green today.

Mr/Madame Chairperson,

The forthcoming recovery will be a chance to steer our societies and economies towards a more sustainable development paths. We not only can, but simply must build forward better. Climate change is altering the climate and weather patterns around the globe as we speak. We are losing biodiversity in an accelerating pace.

Excellences, distinguished delegates,

Finland believes that in order for the world to be effective in our battle against climate change, we need to mainstream it in all our financing decisions. This is why Finland has set the ambitious target to achieve carbon neutrality by 2035 and why our Finance Minister initiated the Coalition of Finance Ministers for Climate Action.

**Finance Ministers from over 60 countries** have already joined in Coalition of Finance Ministers for Climate Action. We are especially happy that several countries in Asia and the Pacific have already joined the coalition. Currently Finland and Indonesia co-chair the Coalition of Finance Minister’s for Climate Action.

The Coalition is supported by **20 institutional partners**, with secretariat in the World Bank in close cooperation with the IMF. The Coalition of Finance Ministers for Climate Action brings together fiscal and economic policymakers in leading the global climate response and in securing a just transition towards low-carbon resilient development.

**The key objective** of the Coalition is to find ways how to best integrate climate aspects as an integral part of economic and finance policies. The Coalition can help by bringing Finance Ministers together to share experiences and design economic policies. The Coalition works together towards solutions; and contribute to the joint global efforts.

Some **basic principles** of the Coalition are: First, this is a Coalition of like-minded countries that does not negotiate or argue on climate goals. Second, there is no obligation to commit to any particular goals, but the members are encouraged to work to align their policies according to so called Helsinki Principles that govern the Coalition's work.

The **six Helsinki Principles** are: 1) Align policies with the Paris Agreement, 2) Share Experiences and Expertise, 3) Promote Carbon Pricing Measures, 4) Mainstream Climate in Economic Policies, 5) Mobilize Climate Finance, 6) Engage in Nationally Determined Contributions.

Excellences, distinguished delegates,

The Coalition **warmly welcomes new members**, to share their experience and knowledge, and to work closely together towards common climate friendly future!

The Coalition has been working lately on the following themes:

1. Promoting a **green recovery** from the COVID-19 crisis
2. Supporting the **enhanced involvement** of Finance Ministries in the design of **climate policies**.
3. Analyzing **long-term transition strategies** and the **fiscal impacts of carbon neutrality**.
4. Deepen our understanding on **carbon pricing policies**
5. Promoting the **greening of financial systems**
6. Identifying ways to include climate in **macro-modeling**
7. Enhancing understanding on **biodiversity loss** and its economic implications

We see that the Coalition can play a pivotal role globally in promoting green recovery from COVID-19, advancing carbon pricing and bringing biodiversity-related financial risk considerations into the picture.

In addition to our intervention today, Mr Pekka Morén, Special Representative of Minister of Finance of Finland and Co-chair of the Coalition of Finance Ministers for Climate Action, is participating the Committee Side Event on Friday on Regional Conversation on Financing for Development - "Financing sustainable development and addressing debt risks in the aftermath of the COVID-19 pandemic: Potential of innovative sustainable financing strategies".

Finland believes that UNESCAP could benefit from the extensive work of the Coalition of Finance Ministers for Climate Action. We remain ready to support and facilitate any future cooperation in this area.

Thank you.