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# CVF FRONTLINE

Monthly Journal of CVF-V20's  
Pathways to Progress

A photograph of a rural village scene. In the foreground, a woman in a green jacket and a child in a blue patterned dress are sitting on the ground outside a mud-brick house with a thatched roof. Another woman is sitting next to them, holding a child. The background shows more mud-brick houses and trees under a clear sky.

# CVF FRONTLINE

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This edition of CVF Frontline arrives at a defining moment: as geopolitical turbulence strains the global financial system and climate shocks intensify, climate-vulnerable nations are stepping forward with solutions of their own making.

At the 2026 Spring Meetings of the World Bank and International Monetary Fund (IMF), V20 Finance Ministers endorsed a landmark compact with development finance institutions and central banks advanced the Lifeline Fund, a first-of-its-kind multi-regional financial arrangement to deliver rapid liquidity support after climate shocks. Meanwhile, from Ghana's carbon market infrastructure to Pacific nations securing financing for regenerative agriculture, member states are demonstrating that climate prosperity is already being built from the ground up.

The message from the CVF-V20 is clear. Vulnerable nations are not waiting for the global system to catch up. They are already reshaping it, and changes are underway.

## CVF-V20 AT WORK

A look back at the most significant CVF-V20 activities

### V20 Endorses New Compact with Development Finance Institutions

Finance ministers from climate-vulnerable countries warned that the international system is suffering from severe geopolitical turbulence, eroding the rule of law, and causing economic fragmentation and accelerating damaging climate impacts on the world's poorest people.

The ministers emphasized however that any sense of despair must be countered with action, as they endorsed a landmark new partnership with major development finance institutions (DFIs) designed to improve climate finance opportunities in emerging markets.

*"We recognize that from rupture comes new cooperation opportunities, and the objective is not to substitute one partner for another, but to build mutually beneficial and enduring partnerships,"* the ministers said in a communiqué adopted during the 16th V20 Ministerial Dialogue held on April 14 on the margins of the Spring Meetings of the World Bank Group and the IMF.

The proposed V20-DFI Compact reflects coordinated moves by finance ministers to scale up concessional finance, mobilize private and philanthropic capital, align investment with country-led Climate Prosperity Plans (CPPs), and expand shock-responsive debt and financing instruments.

### New Architecture for Climate-Resilient Investment

Speaking at the dialogue, Prime Minister Mia Amor Mottley of Barbados, Chair of the CVF-V20, emphasized that CPPs are advancing a new development paradigm anchored in climate-resilient growth.

*"Across the CVF-V20, we are advancing CPPs that place energy transition and resilience building at the center of national economic transformation,"* she said. *"But even the strongest strategies cannot move forward without financing that is available, affordable, and aligned with country-specific realities,"* she added.

Ryan Straughn, Barbados' Minister of Finance and Chair of the V20 Finance Ministers, set the tone for the compact's ambition: *"In an increasingly multipolar world with a fragmented global financial architecture, CVF-V20 countries seek to shape reform, not merely absorb shocks."*



Against the backdrop of a fracturing global financial system, V20 Finance Ministers made their call clear: vulnerable nations are ready to shape reform, not merely absorb shocks. (Photo: CVF-V20 Secretariat)

## **Country Ownership and Affordable Finance**

The dialogue demanded the reversal of what ministers described as a structural outsourcing of value creation and decision-making away from developing countries. Three-quarters of climate finance still flows through intermediaries rather than national institutions.

Ministers called on multilateral climate funds, including the Green Climate Fund (GCF), the Adaptation Fund, the Global Environment Facility, and the Fund for responding to Loss and Damage, to immediately adopt direct access as the default delivery modality. They called on the GCF specifically to double the number of accredited V20 direct access entities and the direct access project portfolio by 2027, up from the current 46 national direct access entities across 30 countries.

*"Delivery, capacity, and accountability cannot be outsourced indefinitely,"* the communiqué stated.

Another focus of the CVF-V20's reform agenda is the fundamental reframing of how debt is understood, structured, and deployed in climate-vulnerable economies. *"Debt should be an instrument of development, not a constraint on it,"* Prime Minister Mottley said before finance ministers and partners. *"Our task now is to ensure that vulnerable countries can invest, grow, and stabilize through financing that is timely, sufficient, and affordable,"* she stressed.

Ministers urged the expanded use of climate-resilient debt clauses, continent credit lines, and debt-for-climate swaps, and called on the IMF and MDBs to help close the gap between real and perceived sovereign risk. They called for reforms to debt sustainability analyses and greater use of long-tenor concessional finance, priced below countries'

medium-term growth rates, particularly for adaptation, infrastructure resilience, health, and food security.

## **Voice and Representation**

Ministers reiterated longstanding calls for structural reforms to international financial institution governance, calling for the CVF-V20 to have an observer status at the United Nations General Assembly and a formal recognition by the World Bank and IMF as an intergovernmental group.

In the context of the IMF's 17th General Review of Quotas, they urged an increase in basic votes, an expanded Executive Board, and a new quota formula giving greater weight to purchasing power parity GDP and the compression factor. Similar calls were directed at the World Bank's ongoing Shareholding Review.

## **Pulling the Methane Emergency Brake**

Ministers highlighted methane abatement as a critical near-term 'climate emergency brake' capable of delivering immediate global warming impact and helping keep the 1.5 °C Paris limit in sight while unlocking significant fiscal and commercial value from currently wasted energy resources.

With 64 CVF-V20 member states (86 percent of the group) now part of the Global Methane Pledge, they emphasized the opportunity to scale implementation through the integration of methane reduction initiatives into CPPs with targeted support from DFIs and MDBs.



Six countries signal intent to join as founding members of the world's first multi-regional financial arrangement aimed at climate-related balance-of-payments stress, with a capitalization target of US\$1 billion. (Photo: CVF-V20 Secretariat)

## New CIF Program Now Open for Expressions of Interest



CALL FOR  
EXPRESSIONS  
OF INTEREST

CIF ARISE  
INVESTMENT  
PROGRAM

- ODA-eligible developing countries
- Active MDB lending program required
- Apply by June 8, 2026

CIF

Our partners at the Climate Investment Funds (CIF) are inviting eligible countries to submit Expressions of Interest for ARISE—Accelerating Resilience Investments and Innovations for Sustainable Economies. Deadline: June 8, 2026.

ARISE is CIF's new resilience investment program, built on the track record of the Pilot Program for Climate Resilience, which reached 65 million people across 30 countries, invested nearly US\$1 billion, and exceeded every target.

The program embeds resilience in national economic planning and engages the private sector at the investment planning phase to mobilize additional finance from the outset.

Submit an Expression of Interest [here](#).

## V20 Central Bank Governors Advance the Lifeline Fund Following Political Launch at Spring Meetings

Central bank governors from climate-vulnerable countries advanced the operational pathway for the *Lifeline Fund* on April 15, following its political launch at the 16th V20 Ministerial Dialogue the day before. The *Lifeline Fund* is a new multi-regional financial arrangement designed to provide rapid, targeted liquidity support to countries facing balance-of-payments pressures after climate shocks.

Barbados, Ghana, Honduras, Liberia, Nicaragua, and The Gambia have signaled their intent to join the *Lifeline Fund* as founding members, reflecting broad geographic representation across the Caribbean, Africa, and Latin America. The Fund's capitalization target is US\$1 billion, with an initial operational phase of US\$300 to US\$400 million.

The *Lifeline Fund* responds to a structural gap in the Global Financial Safety Net. For over 50 member countries of the CVF-V20, including many small island developing states and least developed countries, there is no access to currency swaps or regional financial arrangements. When a climate shock strikes, these economies face immediate pressure on foreign exchange reserves, export earnings, and external financing conditions, with no dedicated instrument to provide fast, predictable liquidity to address climate-related balance-of-payments stress.

The *Lifeline Fund* is designed to fill the gap between the onset of a climate shock and the arrival of broader recovery financing. Its value lies in speed, predictability, and fit-for-purpose support when countries face immediate external pressure. The Fund complements existing mechanisms within the Global Financial Safety Net, including IMF facilities, regional financial arrangements, and bilateral swap lines, by adding a faster, more targeted, and climate-responsive layer of support.

The *Lifeline Fund* represents an institutional first: the world's first multi-regional financial arrangement within the Global Financial Safety Net. Every existing regional financial arrangement to date serves a single geography. The Fund spans the Caribbean, Africa, Asia, Latin America, and the Pacific simultaneously, drawing on the diversity of its membership as a financial strength.

Rigorous analysis conducted by technical experts from V20 central banks and the Task Force on Climate, Development, and the International Financial Architecture confirms that risk pooling across V20 members is both feasible and efficient. Twenty-five years of data show that climate shocks are weakly correlated across V20 members, meaning countries are not all hit at the same time. V20 countries also differ noticeably in economic size, trade openness, reserve adequacy, and shock absorption capacity. This heterogeneity is the financial foundation that makes mutual support viable, supporting a Fund sized at between US\$436 million and US\$984 million, equivalent to 0.1 percent to 0.2 percent of the group's combined US\$504 billion in foreign exchange reserve equivalents.

Chaired by Dr., The Most Honorable Kevin Greenidge, F.B., Governor of the Central Bank of Barbados and Chair of the V20 Central Bank Governors Working Group, the meeting advanced the operational pathway for the Fund. In his closing remarks, Governor Greenidge said:

*"The V20 has repeatedly shown that it can do more than identify the gaps in the system. It can help build the solutions. The Lifeline Fund is now part of that work. What we do next will matter, not only for the resilience of our own economies, but for the future shape of the Global Financial Safety Net."*

The *Lifeline Fund* was first presented at the political level on 14 April at the 16th V20 Ministerial Dialogue, where Barbados Prime Minister Mia Amor Mottley issued a call to member states:

*"We have spent a lot of time asking for the international community to step up to the plate, because this is not a crisis that we created. Having said that, it is incumbent on us to be able to craft our own mechanisms to help each other, and this is what we intend to do with Lifeline."*

Ambassador The Most Honourable Elizabeth Thompson, Sherpa to the CVF-V20 Presidency of Barbados, underscored the broader significance of the initiative, noting that collective action must now shape a more inclusive and responsive global financial architecture.

Following the launch, CVF-V20 members have been invited to signal membership interest, nominate technical focal points, and support capitalization pathways. The CVF-V20 Secretariat has been tasked with producing a technical brief covering pricing, access criteria, triggers, governance, and risk management ahead of a dedicated in-person technical session in Bridgetown, Barbados, on 9 to 10 July 2026.

High-level engagement with global partners is planned for in the margins of the United Nations General Assembly in September 2026, where the *Lifeline Fund* will be presented with support from CVF-V20 leaders.

## CVF-V20 Board Advances Governance Reforms as Secretary-General Nasheed Concludes Tenure



H.E. AKM Sohel, Chair of the International Climate Finance Cell of Bangladesh Ministry of Finance's Economic Relations Division; H.E. Mohamed Nasheed, former CVF-V20 Secretary General and former President of Maldives; H.E. Elizabeth Thompson, Ambassador Extraordinary and Plenipotentiary for Climate Change, Small Island Developing States and the Law of the Sea, and Sherpa to Prime Minister Mia Amor Mottley, CVF-V20 Chair; and H.E. Issifu Seidu, Minister of State for Climate Change and Sustainability. (Photo: CVF-V20 Secretariat)

The Governing Board of the CVF-V20 convened its second meeting on April 14 to review organizational priorities, strengthen governance arrangements, and guide the Forum's next phase of leadership and institutional development.

Board members recognized the contributions of H.E. Mohamed Nasheed, former President of Maldives and outgoing Secretary-General of the CVF-V20 Secretariat, whose leadership helped elevate the voices of climate-vulnerable countries in global climate discussions and strengthen the organization's advocacy on climate justice.

Secretary-General Nasheed was instrumental in the transition toward an independent CVF-V20 Secretariat—a role he was uniquely prepared for, having been part of the foundational effort to establish the CVF in 2009. A bridge-builder and tireless voice for the world's most vulnerable peoples, his place in the history of climate leadership is written in stone. His remarkable journey from former dissident and political prisoner, to journalist and intellectual, to parliamentarian and the Speaker of the People's Majlis of the Maldives, to Head of State, and ultimately founder and

first Secretary General of the Forum, has helped to accelerate the global campaign for climate justice and vulnerable country prosperity.

The Board lauded Secretary General Nasheed's work with the CVF-V20. The sentiments expressed by the Board were echoed by Prime Minister Mottley of Barbados, Chair of the CVF-V20, who said, "We wish him all the best. We look forward to working with Mr. Nasheed in whatever new capacity he assumes in the near future, and we are certainly among the most eager to read his long-awaited storied memoirs as soon as they are published and available to the public."

The CVF-V20 Board provides strategic oversight of the Secretariat and operates through a Troika structure composed of the current Presidency (Barbados) and the two (2) immediate past presidencies (Republic of Ghana and the People's Republic of Bangladesh).

### Leadership and Presidency Transition

In February, the CVF-V20 Troika issued a call for nominations from Member States for the next Secretary-General, whose term is expected to begin on 1 January 2027. In line with regional rotation principles, candidates are being sought from Africa, the Pacific, Latin America, or the Caribbean.

In early March, the Troika also issued a call for expressions of interest (EOIs) from Member States to assume the next Presidency of CVF-V20, as part of the organization's structured leadership transition process.



## CVF-V20 and GCF Advance Cooperation on Country-Led Delivery

Senior officials and technical staff from CVF-V20 member countries joined Green Climate Fund (GCF) officials on 13 April 2026 for a candid exchange focused on how climate finance commitments can translate into capital deployed on the ground.

The session marked the first formal collaboration between the organizations since the CVF-V20 was granted observer status to the GCF early this year. The timing was deliberate: the GCF is in the early stages of developing its Third Updated Strategic Plan (USP-3) for 2028-2031, and the voices of climate-vulnerable economies have never been more critical to bring in early to shape strategic direction, operational modalities, and resource allocation.

The knowledge session was attended by 19 CVF-V20 member countries, participating in person and online: Bangladesh, Barbados, Benin, Bhutan, Cabo Verde, Democratic Republic of Congo, Fiji, The Gambia, Ghana, Haiti, Kyrgyzstan, Madagascar, Malawi, Maldives, Marshall Islands, Namibia, Pakistan, Philippines, and Sri Lanka.

## CPPs as Investment Platforms

For CVF-V20 economies, the climate crisis is fundamentally a financing challenge. These economies stand on the frontline of climate impacts while navigating some of the highest capital costs globally, constrained fiscal space, and fragmented access to international finance. The problem is not the absence of national ambition but the persistent mismatch between country investment opportunities and the structure of available financing.

Climate Prosperity Plans (CPPs) are one of the CVF-V20's flagship responses to this challenge.

CPPs are built around bankable pipelines of investment opportunities, grounded in macroeconomic realities and implemented through delivery structures known as Country Platforms, typically anchored in Ministries of Finance. These platforms coordinate line ministries, development banks, and capital mobilization institutions under a single architecture with the objective of accelerating climate-resilient growth and inclusive prosperity.

During the session, representatives from The Gambia and Bhutan shared country experience in developing their CPPs and Country Platforms,



Moving plans to pipelines and translating pipelines to implementation at scale. This was the focus of the CVF-V20 and the GCF's dialogue. (Photo: CVF-V20 Secretariat)

which were launched early this year. Both underscored the importance of national ownership, alongside effectively structured strategic partnerships designed to catalyze delivery. Country Platforms, which are national delivery units, work best when governments remain firmly in the driver's seat, developing bankable project pipelines, mobilizing resources through country-led and regionally driven partnerships rather than externally imposed agendas.

### **Strengthening Country Platforms as Delivery Units**

There is an opportunity for the GCF to be a key partner in building this climate prosperity ecosystem in CVF-V20 countries.

The GCF Readiness and Preparatory Support Programme provides upstream institutional and capacity support. GCF announced, at COP30, support for 17 Country and Regional Platforms, seven (7) of which are CVF-V20 member countries (Cambodia, Colombia, Dominican Republic, Mongolia, Pakistan, Rwanda, and Togo).

Examining what it takes for Country Platforms to graduate from coordination mechanisms to genuine delivery units, officials from the CVF-V20 member countries identified the following as priority areas: faster readiness funding, stronger project preparation linked to investment pipelines, and more responsive private sector engagement.

The Country Platform Hub, a specialized coordination mechanism launched by the COP30 Presidency last year, was welcomed as a vehicle for South-South peer learning to address gaps in platform design and implementation, provided it complements rather than duplicates existing coordination efforts.

### **Priorities for the Next GCF Strategic Cycle**

Considering their experiences from USP-2, CVF-V20 countries called for stronger support across the full project cycle and for processes that reduce transaction costs on already-stretched public finance and delivery systems.

Priorities for the next strategic cycle include concessional, non-debt-creating financing for adaptation; risk-sharing and early-stage financing, blended finance structures that crowd in private capital; and trigger-based instruments, such as climate-resilient debt clauses and parametric insurance, to accelerate response to climate shocks.

Participants urged that the USP-3 process be shaped from the outset through sustained engagement with vulnerable countries. Doing so ensures the country informs the Fund's strategic priorities, design, and operational modalities before the updated strategic plan is finalized. The overarching message from the session was clear: the resources needed already exist within the global system. The challenge is building the delivery infrastructure to capture and deploy them effectively.

Frontline countries, capital providers, and implementation partners gathered to explore how multilateral financing can bolster fiscal resilience and scale pre-arranged climate and disaster risk finance and insurance solutions. (Photo: CVF-V20 Secretariat)

## Global Shield Roundtable Calls for Coordinated Action to Strengthen Financial Resilience to Climate Risks

The Global Shield against Climate Risks, together with its partner countries and financing vehicles, convened a roundtable at the premises of the Climate Vulnerable Forum and V20 Finance Ministers (CVF-V20) in Washington D.C., on the margins of the World Bank and International Monetary Fund Spring Meetings. Bringing together climate-vulnerable countries, development banks, donors, regional risk pools, and private sector leaders, the discussion focused on how multilateral financing can strengthen fiscal resilience and scale pre-arranged Climate and Disaster Risk Financing and Insurance (CDRFI) solutions.

As climate-related disasters become more frequent and severe, participants highlighted the growing strain on public finances in vulnerable countries, where shocks often force governments to divert resources, cut budgets, or rely on costly emergency borrowing. Against this backdrop, the roundtable underscored the urgent need to move beyond reactive responses and accelerate the deployment of timely and reliable financing—helping countries manage residual risks while safeguarding financial stability and long-term development.

The roundtable created a space for partners to share their experience of engaging with the Global Shield and the results achieved to date.

The roundtable created space for partners to share experiences in engaging with the Global Shield and the results achieved. Ghana's Minister of State for Climate Change and Sustainability, the Honorable Issifu Seidu, shared that Global Shield's In-Country Process had helped Ghana identify and prioritize critical financial protection gaps to address the country's most pressing climate needs. Mohamed Qamar, Economist and Economic Advisor to Somalia's Minister of Finance, spoke to the need for comprehensive, adaptive, and proactive responses to climate shocks, particularly in fragile nations, and articulated his pride in Somalia's recently submitted request for support to the Global Shield.

The roundtable explored:

- How development banks and climate funds can better align their financial instruments to support pre-arranged disaster risk financing;
- How the Global Shield's country-led approach is catalyzing investment in pre-arranged finance, with examples drawn from countries' Requests for Support.
- The role of public-private partnerships in mobilizing additional capital, expanding coverage, and delivering scalable financial protection solutions;
- The importance of risk layering approaches that combine different financial instruments to strengthen financial resilience; and

- Lessons emerging from early implementation include the need for sustained coordination, capacity development, and long-term system strengthening.

Participants emphasized that scaling pre-arranged finance requires greater international collaboration—bringing together governments, development banks, climate funds, and private sector actors to align efforts and deliver solutions at scale. Strengthening collaboration is essential to closing remaining financial protection gaps and ensuring that financing supports immediate response and long-term climate-resilient growth.

The discussion also highlighted the Global Shield's role in providing a continuum of support—from identifying financial protection needs, through mobilizing and structuring finance, to supporting implementation and capacity development—helping countries embed CDRFI solutions systematically within national systems. Chairing the session, Ambassador Elizabeth Thompson highlighted how the Global Shield has helped nations move from abstract commitments to practical action, and noted that closer collaboration is needed to scale impact. Chloë Horne, Ireland's Deputy Director of the Multilateral Unit at the Department of Foreign Affairs and Trade,

spoke to her conviction that the country-led approach that defines the Global Shield builds ownership and strengthens the vital institutions and frameworks needed for international cooperation.

The event reaffirmed the Global Shield's role as a collaborative platform that enables vulnerable countries to take the lead in shaping the solutions they need while strengthening coordination across partners, mobilizing finance more effectively, and accelerating delivery at the country level.

### **Climate-Vulnerable Countries Assert Carbon Market Leadership**

Climate-vulnerable nations from across Africa, Asia, the Caribbean, Latin America, and the Pacific convened in April to spotlight concrete steps they are taking to harness high-integrity carbon markets as a driver of economic resilience and climate prosperity, demonstrating that they are not waiting for climate finance to arrive, but actively building the architecture to attract it.

The event was convened by the CVF-V20 and the Voluntary Carbon Markets Integrity Initiative (VCMI) on the sidelines of the Spring Meetings of the World Bank and the IMF.



CVF-V20 nations are taking ownership of carbon market opportunities—building the architecture needed to attract climate finance and drive prosperity on their own terms. (Photo: CVF-V20 Secretariat)

Ambassador The Most Honourable Elizabeth Thompson, Sherpa to Prime Minister Mia Amor Mottley of Barbados, Chair of the CVF-V20, set the tone for the discussions, underscoring that carbon finance is one of the super levers to catalyze finance in climate-vulnerable countries, with the potential to *"unlock an additional US\$20 billion by 2030, which can be used to support the climate prosperity agenda and boost nature-based solution investments."*

### **CVF-V20 Nations Showcasing Action**

Earlier this year, Bhutan launched the Carbon Market Information Platform, designed to enhance transparency, reduce transaction costs, and strengthen carbon credit integrity. The platform includes a first-of-its-kind, interactive private sector engagement manual to help private participants navigate key sections of Bhutan's carbon market guidance.

*"Bhutan's approach focuses on bridging the gap between frameworks and a functioning market by developing a credible pipeline of activities, strengthening institutional coordination, and engaging early with sovereign and private sector buyers,"* H.E. Lyonpo Lekey Dorji, Minister of Finance of The Kingdom of Bhutan, said.

Ghana is among the most advanced CVF-V20 countries at mobilizing finance under Article 6 of the Paris Agreement.

*"Several projects on the National Carbon Market Pipeline include the Ghana Forest Investment Program, which is expected to generate 10 million carbon credits; the Ghana REDD+ Program, which targets 5 million carbon credits; and the Solar Irrigation Project, which is estimated to gain two million carbon credits,"* H.E. Issifu Seidu, Minister of State for Climate Change and Sustainability of the Republic of Ghana, cited.

H.E. Tiaone Hendry, Chairperson of the Natural Resources, Energy and Climate Change Committee of the Parliament of Malawi, stressed that strong legislative foundations are non-negotiable as carbon projects begin to scale in her country. *"Parliamentary engagement is not optional. It is essential,"* she said, noting the ongoing questions around legal frameworks, benefit-sharing, and community rights.

The veteran parliamentarian made it clear, *"Success will not be measured by the number of carbon credits generated. It will be measured by whether livelihoods are improved, whether communities see tangible benefits, and whether revenues are clearly contributing to national development."* She warned about avoiding a situation where carbon becomes another extractive industry, and highlighted the vital role of parliamentarians to ensure the interests of their constituents are heard in emerging legislation.

John Narag, Director at the Philippines' Department of Finance, presented the country's newly adopted Roadmap to Readiness in the Voluntary Forest Carbon Market, establishing a strategic framework spanning policy development, data analytics, institutional mechanisms, and sustainable financing for forest carbon. He also shared that the Philippines, as the current ASEAN Chairman, will host a Carbon Market Forum for the region in September 2026 to help advance carbon market initiatives across the country and the wider region.

Pakistan, meanwhile, announced the signing of its first-ever carbon market deal—another milestone following the launch of its National Policy Guidelines for Trading in Carbon Markets. Zulfqar Younas, Additional Secretary and Member of the Federal Board of Revenue in

Pakistan, highlighted the country's plans to scale investment-ready project pipelines across key sectors, including water, transport, industry, agriculture, forestry, and other land uses.

### **Addressing Bottlenecks, Enabling Market Conditions**

Despite rising momentum, significant barriers remain. The 45 least developed countries globally accounted for just 1.5 percent of all projects registered under the Clean Development Mechanism. Without significant technical support, there is a significant risk that this pattern will repeat under Article 6, with those countries that most need the carbon market finance that is available unable to access it. Discussions identified low technical capacities, fragmented institutional uptake and coordination, accounting challenges, regulatory uncertainty, and social safeguards as the principal constraints holding both countries and private sector investors back.

*"Countries need to take ownership of carbon market initiatives. An appropriate legislative framework and fiscal infrastructure are needed to ensure efficiency in carbon market engagement and management,"* Sara Jane Ahmed, Managing Director and Finance Advisor of the CVF-V20 Secretariat, said.

The technical session, the first of three to be delivered this year, examined what policy and regulatory conditions are needed to unlock Article 6 and voluntary demand for high-integrity carbon credits at scale.

*"The world cannot achieve its climate targets without dramatically scaling up flows of finance to climate-vulnerable nations. As carbon markets grow, it is vital that climate-vulnerable nations are well equipped to leverage these channels of finance to support domestic*

*priorities and global goals. VCMI's partnership with the CVF-V20 is already building the foundations for high-integrity carbon markets that support climate prosperity across the CVF-V20 membership,"* Mark Kenber, Executive Director of VCMI, said.

VCMI has launched the [Carbon Markets Access Toolkit](#) that political leaders and key market actors from host countries can use to decide whether and how to engage with regulated and voluntary carbon markets, as well as those facilitated under Article 6 of the Paris Agreement.

As the global carbon market continues to grow, the CVF-V20 Secretariat and VCMI will continue empowering climate-vulnerable countries with knowledge, tools, and capacity-building activities on the development of robust carbon market infrastructure that attracts investment.

### **100 Farmers in Sri Lanka to Receive Solar Irrigation Systems**

Farmers in Sri Lanka's North Central Province will soon gain access to affordable solar-powered irrigation systems through a new initiative launched by the [Our Movement of Lanka \(OML\)](#) and [Pan Asia Bank](#), with support from the CVF-V20 Secretariat.

The program, through Pan Asia Bank's financing facility, will allow farmers to acquire relocatable solar water-pump systems to be deployed by OML through a four-year seasonal financing plan that aligns loan repayments with agricultural harvest cycles.

The pilot phase will deliver 100 solar irrigation systems, each valued at LKR500,000 (US\$1,588). Farmers will contribute LKR100,000



Farmers working in a rice field in Kurunegala, Sri Lanka, taken on August 15, 2016. (Photo: Shutterstock, edited)

(US\$317, 20%), while Pan Asia Bank will finance the remaining LKR400,000 (US\$1,270). The total project value is LKR50 million (approximately US\$158,500), consisting of LKR10 million (US\$31,750) in farmer contributions and LKR40 million (US\$127,000) in bank financing.

*"By combining affordable financing with reliable solar irrigation, OML and Pan Asia are helping farmers reduce costs, boost productivity, and secure stable incomes, all while investing in a sustainable future," Sara Jane Ahmed said.*

### **A Scalable Model for Climate-Smart Agriculture**

Beyond individual farm benefits, the project supports the implementation of the [Sri Lanka Climate Prosperity Plan \(CPP\)](#), the nation's official Long-Term Strategy under the UNFCCC. The [CPP initiative](#) is mobilized by the CVF-V20 to position climate-vulnerable nations as investment hubs for the future while building prosperity and climate resilience.

The solar irrigation systems are designed to replace diesel and other fossil-fuel-powered pumps widely used by farmers. By eliminating fuel costs and reducing greenhouse gas emissions, the systems will provide a more reliable and sustainable irrigation solution. Improved irrigation reliability is expected to strengthen water management, stabilize crop yields, and increase farm productivity and incomes.

The pilot project will serve as a proof of concept for a larger national rollout. The OML aims to expand the model to 15,000 farmers nationwide, increasing access to clean irrigation technology and strengthening climate resilience across Sri Lanka's agricultural sector.

### **Strong Risk Management**

The initiative includes multiple safeguards to protect farmers, lenders, and project partners while ensuring long-term sustainability.

Farmers will participate in groups of ten, jointly guaranteeing repayments and reinforcing peer accountability. Land ownership and water access will be verified through the Grama Niladhari and Divisional Secretariat offices, while collateral is released only after full repayment, backed by a corporate guarantee from OML. The solar pump systems are relocatable if necessary, and Divisional Secretariat-level coordinators will oversee monitoring, coordination, and collections.

Beyond improving agricultural productivity, the initiative is expected to support local employment through system installation, technical maintenance, and after-sales services. It will also strengthen long-term engagement between farmers and agricultural service providers.

## FROM WHERE WE STAND

A reflection piece for CVF-V20 leaders, fellows, and partners.

### Bhutan's Journey Toward Prosperity

By Tshering Choden

*Development Coordination and Debt Management Division  
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CVF-V20 Climate Prosperity Fellow*

Bhutan's graduation from Least Developed Country status marks both a milestone and a moment of transition. As concessional financing gradually declines, the Bhutan Resource Mobilization Plan (BRMP) signals a deliberate shift, from reliance on external aid toward building a resilient, self-sustaining economy anchored in our natural capital.

From my perspective, working in climate finance, the BRMP is not simply about mobilizing more resources; it is about mobilizing the right kind of resources. Bhutan's comparative advantage lies in its hydropower potential, vast forest cover, and strong environmental stewardship under the philosophy of Gross National Happiness. The plan strategically leverages these assets through energy exports, carbon market

participation, and emerging instruments such as green bonds and a national climate fund to generate predictable and sustainable revenue streams.

Equally important is the BRMP's emphasis on targeted investments that strengthen resilience at the local level. Expanding climate risk financing, including agriculture insurance and Dzongkhag-level interventions, ensures that communities most vulnerable to climate impacts are protected while contributing to national economic stability.

What makes this transition compelling is its alignment with Bhutan's long-term vision: balancing economic growth with environmental integrity. By crowding in private sector participation and aligning climate finance with national priorities, the BRMP provides a pathway to reduce aid dependence without compromising our development philosophy.

Ultimately, Bhutan's approach demonstrates that for climate-vulnerable countries, resilience and prosperity can and must be pursued together.





### **Global Energy Think Tank: Nearly Half of Climate-Vulnerable Countries Already Outpace U.S. in Solar Adoption**

As the US-Israel strikes on Iran send oil prices surging and deliver another fossil fuel shock to the world's most vulnerable developing economies, a [new report](#) by global energy think tank Ember finds that the alternative is already being built.

Nearly half of the countries in the Climate Vulnerable Forum and V20 Finance Ministers (CVF-V20), a group of 74 climate-vulnerable nations across Africa, Asia, the Caribbean, Latin America, and the Pacific, representing 1.7 billion people, have already surpassed the United States in solar penetration.

More than half have overtaken the US in economy-wide electrification. For these nations, the fossil development path is no longer just unnecessary: it is now the slower and more expensive option.

The shift is happening faster than official data suggests. In eight out of ten CVF-V20 countries, solar imports since 2017 are at least three times higher than officially recorded installed capacity, pointing to a rapidly growing but undercounted decentralised energy revolution.

Across supply, demand, and connections, climate-vulnerable economies are at the

frontier of electrotech uptake today: Namibia (35%) and Togo (18%) in share of solar generation, Jordan and Kyrgyzstan in battery sales, Nepal (70%) and Sri Lanka (64%) in share of EV sales.

This is driven by a dramatic fall in costs across solar, batteries, and electric technologies, down 30-95% over the past decade. Solar's upfront cost is now lower than fossil power, removing a key barrier for capital-scarce economies. Solar is cheaper to build, off-grid systems can outperform grid extension in remote areas, and electric technologies, from transport to cooling, are becoming affordable to households long excluded from modern energy services.

*"The economics of energy have fundamentally changed,"* said Daan Walter, Principal at Ember. *"Falling solar and battery costs do not just undercut fossil fuels; they begin to price in the billion people the fossil system left behind."*

*"The old trade-off between climate and development is over. Vulnerable countries are leading a rapid clean energy shift, leapfrogging fossil fuels and even richer nations. Expanding solar and electrification is reducing import dependence, strengthening energy security, and shielding economies from global price shocks,"* said Sara Jane Ahmed, Managing Director and Finance Advisor of the CVF-V20 Secretariat.

## The Cost of Staying Fossil-Dependent

CVF-V20 importers spent US\$155 billion on net fossil fuel imports in 2024, a major drain on public finances and foreign exchange reserves. These economies remain exposed to price shocks beyond their control: if oil averages US\$100 a barrel through 2026, their collective import bill could rise by more than US\$30 billion. In 19 CVF-V20 countries, net fossil fuel imports account for over half the trade deficit—79% in Morocco, 67% in Pakistan, and 59% in Bangladesh.

The human impact is just as stark. Around 500 million people across these countries still lack access to electricity, while another 500 million face unreliable supply. Expanding electricity access offers a direct alternative to traditional biomass use, without locking economies into long-term fossil fuel dependency and its associated price volatility.

Many of these countries have yet to commit to large-scale fossil infrastructure, leaving open a faster and more flexible path to electrification, one that is increasingly viable today. The current crisis underlines the risks of fossil dependence, but it also highlights that alternatives are already within reach and increasingly being adopted.

## STORIES FROM THE FRONTLINE

Inspiring accounts of climate action and leadership from CVF-V20 countries

### Africa's Great Vision: Water for All

Water is a fundamental staple for life and now, development. But the warming planet threatens its quality and quantity faster than anyone has ever imagined, placing the present and future generations at stake.

Africa takes on a greater mission to advance water security and community resiliency through the [Africa Water Vision 2063 and Policy](#), under the leadership of the African Union Commission and the African Ministers' Council on Water. This blueprint values water as a strategic asset in pursuing continental security and advancing economic power. It is anchored on eight long-term aspirations and policy actions: promote universal access to safely managed water, increase the productivity of water use, leverage blue economy, foster good water governance systems, recognize water basins as a natural asset, manage water-related disaster risks, raise human capital development in the water sector, and invest in integrated water information systems.



Forested landscape of the Akwapim-Togo Ranges in southeastern Ghana, illustrating ecosystems that support biodiversity conservation and carbon sequestration initiatives. (Photo: Naeem/Shutterstock, edited)

These eight pillars of the Africa Water Vision 2063 and Policy recognize water both as a resource and an investment. With only half of the region's population having access to safe water and just 45 percent able to access basic sanitation and hygiene services, the policy stands as a critical framework for advancing sustainable and equitable water security across the continent. It places water, sanitation, and management as core elements in achieving well-being, social inclusion, and human development. Key provisions center on a shared vision of mobilizing public and private investments in the water sector, which is critical to financing safe and sustainable sanitation and hygiene services.

Recognizing water not only as a basic human necessity but also as a powerful driver of development pipelines and economic growth, the Africa Water Vision 2063 and Policy will invest in the region's coastal, marine, and inland aquatic ecosystems to unlock blue economy opportunities and nature-based solutions initiatives. These efforts are expected to promote inclusive growth, strengthen food security, enhance regional value chains, build climate resilience, and generate employment across the region.

Regional leadership governing the Africa Water Vision 2063 and Policy ensures that implementation of these pillars is grounded on environmental integrity principles and sustainable production practices. Locally-led

ecosystem stewardship positions indigenous knowledge and community realities as central to realizing the policy's long-term ambitions. This approach aims to unlock local knowledge to foster long-term conversation commitments and reduce vulnerabilities, leading to more sustainable and socially just outcomes

### **Ghana Scales Carbon Market Leadership to Drive Development**

Carbon finance is emerging as a critical driver of economic growth and a key enabler of Ghana's ambitious climate commitments. This was underscored at the [Carbon Finance Workshop](#), co-hosted by the CVF-V20 Secretariat and the Voluntary Carbon Markets Integrity Initiative (VCMI), held in the margins of the 2026 Spring Meetings of the World Bank Group and the International Monetary Fund.

At the workshop, H.E. Issifu Seidu, Ghana's Minister of State for Climate Change and Sustainability, outlined the country's significant progress in scaling the high-integrity carbon market to support climate and development priorities.

Ghana has established a National Carbon Registry to collect, verify, and track emissions data and carbon market transactions. It has also created a Carbon Market Office to provide administrative and technical support for the implementation of both the international carbon market and non-market approaches.

In addition, Ghana has invested in a capacity-building roadmap to expand the pool of experts who can support the carbon market value chain. The training yielded 15 skilled carbon-market investment analysts, carbon-market lawyers, and corporate sustainability managers. A national carbon pricing strategy was also developed to explore innovative financing mechanisms and encourage industrial decarbonization.

With these efforts to establish a robust regulatory framework for carbon markets in Ghana, the country achieved key milestones. The country was able to authorize the transfer of one million carbon credits under Article 6 of the Paris Agreement. High-impact results of the national carbon market infrastructure include conserving over 50,000 hectares of forest through the REDD+ project, benefitting 100,000 people through climate-resilient agricultural practices, and mobilizing US\$10 million in carbon revenue.

At the time being, Ghana has standing bilateral agreements with Switzerland, Singapore, and South Korea to explore cross-border carbon market development and advance carbon credit cooperation. Several projects are also lined up for the national carbon market pipeline. This includes the Ghana Forest Investment Program, expected to generate 10 million carbon credits;

the Ghana REDD+ Program, targeting 5 million carbon credits; and the Solar Irrigation Project, aiming for 2 million carbon credits.

*"The key takeaways for us are to ensure that we support project preparation, we have transparency and fairness, and a bottom-up, localized approach to project development,"* H.E. Seidu emphasized during the workshop.

Scaling carbon markets through high-integrity, standardized projects could expand nature and climate investment pipelines, halve the cost of capital of implementing national climate plans, and generate a seven-fold impact for the host country of carbon projects. Witnessing these development-positive outcomes in Ghana, the Minister confidently urged fellow state members to unlock the potential of the carbon market and drive climate action. The CVF-V20 Secretariat and the VCMI stand ready to provide in-country capacity and expertise among its members, harnessing the growth of carbon markets to support national priorities and global climate goals.

### **Pacific Nations Embrace Regenerative Farming as Climate Threats Mount**

Samoa, Tonga, and Vanuatu have secured a five-year climate adaptation project worth US\$43.7 million through the Green Climate Fund



Top-down aerial view of tropical agricultural landscapes in Vanuatu taken in April 2018, illustrating regenerative land management and climate-resilient farming systems. (Photo: Shutterstock, edited)

(GCF), a critical step toward transforming how Pacific communities grow food in the face of accelerating climate change. The funding will drive large-scale investments across agricultural production systems, unlocking new pathways to long-term food security, improved nutrition, and expanded livelihoods across the three nations.

The urgency is hard to overstate. As global temperatures push past the 1.5°C threshold set by the Paris Agreement, the Pacific region faces a mounting barrage of hydrometeorological hazards (floods, tropical cyclones, droughts, and heatwaves) that are growing more frequent and more destructive. For communities in Samoa, Tonga, and Vanuatu, where daily sustenance depends heavily on locally grown food, the consequences are immediate: disrupted harvests, degraded soils, depleted water sources, and deepening vulnerability to food insecurity and malnutrition. The added reliance on imported goods leaves these economies exposed to volatile global markets, compounding an already fragile situation.

It is against this backdrop that access to the GCF has become not just beneficial, but essential. The newly approved project will establish Climate-Resilient, Regenerative Agricultural (CRRRA) systems across all three countries, introducing adaptive farming approaches designed to hold up under climate pressure. When fully implemented, the project is expected to improve the food and nutrition security of more than 50,000 people and restore ecosystem health across over 20,000 hectares of agricultural land.

At its core, the project champions regenerative agriculture, an approach that works with nature rather than against it. By restoring soil fertility, improving water retention, diversifying crops, and rebuilding the ecosystem services that

underpin long-term productivity, CRRRA systems offer a practical and durable alternative to conventional farming. The model blends staple root crops and vegetables with high-value commercial crops, reinforcing both household nutrition and economic resilience in a single integrated approach.

The project is built on two mutually reinforcing pillars. The first focuses on institutional capacity, fostering the policy environments and strategic partnerships needed to support a genuine transition to regenerative practices. Strengthening governance and coordination across Samoa, Tonga, and Vanuatu is foundational to the project's success, ensuring that climate-smart agriculture becomes embedded in national systems rather than treated as a temporary intervention.

The second pillar places farmers at the center of change. Recognizing that lasting transformation depends on those who work the land, the project will engage community farmers through peer-to-peer learning and on-the-ground demonstration sessions. A dedicated Farmer Support Programme will give farmers direct access to the tools, equipment, and technologies they need to navigate the transition, ensuring that progress is practical, not just policy-deep.

The initiative also carries broader regional significance. The CVF-V20 is actively supporting the expansion of the GCF portfolio across the Pacific, including in Samoa, Tonga, and Tuvalu, in line with commitments to double the number of accredited V20 direct access entities and scale up the direct access project portfolio by 2027. For Pacific nations long on the frontlines of climate vulnerability but historically underrepresented in global climate finance, this project marks a meaningful step toward closing that gap.

## INDEPENDENCE OBSERVANCES

We extend our warmest wishes to esteemed member countries celebrating their founding and independence days in April



**SENEGAL**  
4 April 1960



**SIERRA LEONE**  
27 April 1961



**TOGO**  
27 April 1960

## LOOKING AHEAD

Key dates and upcoming meetings

- **11-12 May 2026**, Africa-France Summit (Nairobi, Kenya)
- **11-12 May 2026**, CARICOM Workshop (Online)
- **12 May 2026**, V20-DFI Compact First Consultation (Online)
- **14 May 2026**, Lifeline Fund Consultation (Online)
- **25-29 May 2026**, 2026 Annual Meetings of the Africa Development Bank (Brazzaville, Congo)
- **28-29 May 2026**, CARICOM: Prosperity on Our Terms: A Caribbean Agenda for Climate Finance Access and Addressing Loss & Damage (Barbados)
- **29 May 2026**, Lifeline Fund Consultation (Online)
- **4 June 2026**, V20-DFI Compact Second Consultation (Online)
- **11 June 2026**, Lifeline Fund Consultation (Online)
- **15-19 June 2026**, 64th Session of the Subsidiary Bodies under the United Nations Framework Convention on Climate Change (UNFCCC) (Bonn, Germany)
- **23 June 2026**, Launch of the V20-DFI Compact (Vienna, Austria)
- **25 June 2026**, Lifeline Fund Consultation (Online)
- **29 June-2 July 2026**, 45th Meeting of the Green Climate Fund Board (Dushanbe, Tajikistan)
- **6-7 July 2026**, Central Bank Governors Meeting on the Lifeline Fund (Barbados)
- **23-24 July 2026**, Pacific Utilities Convening (Singapore)