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GROUP



17TH V20 MINISTERIAL COMMUNIQUÉ

Adopted during the 17th V20 Ministerial Dialogue:

Development and Delivery in a Multipolar World

12 October 2026 (Monday) | Level 1, Ballroom 3, Queen Sirikit National Convention Center, Bangkok, Thailand

1. As V20 Finance Ministers,¹ representing 1.9 billion people and nearly four (4) percent of global gross domestic product (GDP), we meet in Bangkok in conjunction with the 2026 Annual Meetings of the International Monetary Fund (IMF) and World Bank Group, while facing uneven development and stalled delivery as the Sustainable Development Goals (SDGs) go unmet: billions of people still lack safe water and sanitation, quality health care and education, while a worsening geopolitical situation and the largest physical energy supply shock in history compound uneven development still further. However, we do not intend to accept these headwinds passively, and we pledge to push forward with renewed determination to build a fairer system for all our people.
2. Ours is a moral case before it is a financial one. The needs encapsulated in the unmet SDGs are measured in lives and livelihoods: families without safe water, children without classrooms, clinics without power. This is largely a public investment problem, because the systems that deliver clean water, health, and education, as foundational public assets that remain productive for 50 to 100 years, can today be financed only on 15- to 20-year horizons. This profound mismatch between the life of the asset and the maturity of the financing used to build it is the clearest evidence that the current architecture of development finance is misaligned with the imperatives of development itself. This means high annual debt-service costs and chronic under-investment in the systems that underpin economic resilience, public health, productivity, and security. It impedes transformational development, undercuts resilience, and leaves countries and people vulnerable in an increasingly uncertain world.
3. We review with grave concern the findings of the Fourth Edition of the V20 Debt Review.² As of September 2025, of the 48 V20 members eligible for the IMF's Poverty Reduction and Growth Trust (PRGT) assessed under the IMF-World Bank Debt Sustainability Framework, five (5) are in debt distress, 17 are at high risk, and 22 are at moderate risk, while roughly nine (9) in 10 of our assessed members fall outside the more favorable low-risk category. In 2024, 25 of our members devoted between 10 and 20 percent of government revenue to external debt service and eight (8) spent 20 percent or more, while domestic interest payments alone now absorb more than a fifth of government revenue in more than a dozen members. This kind of unsustainable cycle of debt distress and vulnerability is keeping our countries locked in a cycle of debt and poverty,

¹ Representing 77 member-countries from small island developing states (SIDS), least developed countries (LDCs), low-to-middle income countries (LMICs), landlocked developing countries (LLDCs), and fragile and conflict-affected states (FCS)

² [V20 Debt Review \(4th Edition\)](#)

where prosperity and development will remain out of reach within the constraints of the current financial architecture. We call for support to countries that have completed restructuring to restore durable market access and macroeconomic stability.

4. Resilience must become a key metric for measuring economic progress. We need tangible and measurable approaches to assess whether economies are gaining the capacity to anticipate and withstand shocks, with clear signals for the private sector to measure resilience. The fastest way to build resilience is to upgrade infrastructure across health, energy, transport, logistics, supply chains, food supply, and urban services, while redirecting public spending toward upgrades that create jobs, pool in private investment, and steer capital to these vital sectors.
5. Our ability to absorb, recover, and bounce back from shocks is determined by fiscal space, meaning the availability of long-term financing at concessional rates, with the appropriate tenor for investments in resilience, access to technology, and institutional capacity to ensure effective delivery.

Vulnerability to Viability (V2V) Compact: Transforming Human Lives

6. We thank the co-chairs, Barbados and the OPEC Fund for International Development, for their leadership of the Vulnerability to Viability (V2V) Compact³. We welcome the V2V Background Paper⁴ and the proposed working group(s) as the basis to work towards the V2V White Paper, which will set out mechanisms and indicative commitments, and establish targets for concessionality, private capital mobilization, country ownership, and shock-responsive instruments.
7. We recommend: harmonization of tenors and pricing across concessional windows administered by Multilateral Development Banks (MDBs) into practical, comparable tenor bands and concessionality benchmarks within existing replenishment cycles, carried through to instrument-level terms including credit enhancement for members without concessional access; alignment of bilateral agency lending terms within the next 12 months; and broader eligibility through the inclusion of more multidimensional vulnerability assessment, especially those acutely impacted by natural hazards among other issues, operating alongside income-based classifications agreed through the IDA21⁵ and ADF18⁶ replenishment reviews. The 40-year tenors already harmonized for small island states prove this is possible; What has been done for some must now be done for all climate-vulnerable nations.
8. We welcome the introduction of climate-resilient debt clauses by MDBs and call for an expanded eligibility perimeter to ensure these clauses are standard features of multilateral development financing.

³ [V2V Compact](#)

⁴ [V2V Compact Concessional Finance Windows Background Note](#)

⁵ *21st Replenishment of the World Bank's International Development Association (IDA)*

⁶ *18th Replenishment of the African Development Fund (ADF)*

9. We encourage creditors and borrowing countries, when designing state-contingent debt clauses, to consider, where relevant, glacial lake outburst floods and other mountain-related disasters among eligible triggering events, using transparent and context-appropriate criteria that reflect their fiscal and economic impacts, with a view to enabling timely debt service suspension and preserving resources for emergency response and recovery.
10. Lower-middle-income members with acute vulnerability, including those that have recently restructured their debt, must not be excluded from concessional windows.
11. Each working group must be composed of at least five (5) and up to eight (8) V20 countries and five (5) development finance institutions (DFIs) and be supported by technical experts, meet at least quarterly, and report to the V20 Ministerial Dialogues. We mandate the establishment of a capital mobilization team within the CVF-V20 Secretariat to convert V2V Compact commitments into investable transactions, and we warmly invite additional DFIs, bilateral agencies, philanthropies, and partner governments to also join the V2V Compact.

Courage from Financial Institutions

12. We call on DFIs, including MDBs, and vertical funds to publish standardized, comparable information on pricing, tenor, and grace periods in a single accessible format. Today's fragmentation prevents borrowing countries from comparing terms and borrowing on an informed basis. We welcome progress on interoperability across MDBs, call for its scaled use, and urge harmonized reporting formats to cut redundancy. We further call for differentiated financing products for middle-income countries, including those emerging from debt restructuring, that retain large pockets of poverty: transition windows with phased pricing, longer tenors, and targeted instruments that reach poor communities.
13. We call on MDBs to expand the scope of climate-resilient debt clauses to cover hazards experienced by CVF-V20 members and provide comprehensive coverage to all of their borrowers. MDBs should offer extensive solutions to support our efforts to thoroughly shockproof our economies. We further call for the immediate replenishment of the IMF Catastrophe Containment Relief Trust, which provides vital debt relief to countries facing disasters, including through gold sales.
14. Courage means reforming the global financial architecture so that adequate financing reaches low-income and small, climate-vulnerable states for critical investments in education, health, and clean water. Building resilience requires affordable capital priced below countries' medium-term growth rates, over tenors of 40 to 50 years, with at least 25 percent of mobilized finance available on concessional terms. We welcome the concessional finance floor pioneered by the Islamic Development Bank and call on all MDBs and DFIs to adopt comparable floors.
15. We acknowledge the conclusion of the IMF and World Bank's Low Income Country Debt Sustainability Framework review and underscore the macro

criticality of climate change for climate-vulnerable economies and the importance of investments to build resilience to ignite growth and absorb shocks.

16. Courage also means reforming Debt Sustainability Analysis (DSA) frameworks to count the long-term growth benefits of public investment in social sectors, nature, infrastructure, and the energy transition; deploying up to 25 percent of MDB portfolios for guarantees and de-risking instruments that crowd in private and domestic capital; making shock-responsive instruments standard practice - meaning debt pause clauses in all new lending, and encouraging their voluntary uptake in private lending, pre-arranged liquidity, and debt-for-resilience conversions so essential services continue through the next shock; and translating the COP29 and COP30 mandates into operating models, instruments, and channels, with concrete reporting on implementation ahead of COP31.

Domestic Resources and the MDB Financial Model

17. Over the last three (3) to four (4) years, actual international climate finance has come nowhere near the global estimates of what is needed, and this gap is about to get worse, not better. Where international finance does arrive, it increasingly arrives at a very high cost.
18. While we acknowledge domestic resource mobilization and investment efforts and opportunities, both public and private, we direct our Task Force on Climate, Development and the International Financial Architecture to establish what can be done in terms of the innovative instruments, effective institutional coordination, and conducive policy measures through which our members can mobilize domestic public and private capital for resilience and prosperity. This must also establish how international financial institutions can reinforce those efforts, and the forms of partner support that enhance rather than displace country ownership.
19. The non-concessional window is built on a spread over the institutions' long-term bond funding, raising the question of whether that model can be preserved while bringing the cost of lending down. The immediate opportunity is to establish what the MDBs can do today to lower their cost of lending. We further ask the Task Force to examine MDB operational reform and the reform of DSAs as called for in this Communiqué.
20. We welcome the steps taken to operationalize the Fund for Responding to Loss and Damage (FRLD), note the emerging consensus global temperature rise anticipated to exceed 1.5°C, and express deep concern about the intensifying climate impacts, calls for a rules-based assessment framework for contributions to the FRLD to ensure resource availability and further call for adequate, predictable, accessible, and grant-based finance at the scale of needs including the full delivery and realization of funding pledges into signed contribution and actual funding transfer to the FRLD, the establishment of a predictable and recurrent replenishment cycle for that Fund, and an ambitious third replenishment of the Green Climate Fund (GCF) for the 2028 to 2031 period.
21. We welcome the Climate Investment Funds' (CIF) new adaptation and resilience programming, Accelerating Resilience Investments and Innovations for

Sustainable Economies (ARISE), which is fully consistent with our Climate Prosperity Plans (CPPs) and country-platform agenda. We call on contributors to ensure an ambitious and timely capitalization of ARISE.

Kickstarting the Lifeline Fund, a South-South Regional Financial Arrangement

22. We welcome progress made towards establishing the Lifeline Fund, a V20-owned multi-regional financial arrangement designed to provide rapid liquidity support when climate shocks translate into balance-of-payments pressures. We endorse the principal design features developed through the V20 Central Bank Governors Working Group.
23. We welcome the Lifeline Fund's design as a South-South regional reserve fund that is open to other forms of financial contributions. We welcome an initial operational capitalization objective of US\$500 million, and call on V20 members to support a pathway to fully scale the Fund as membership, partner participation, and financial capacity expand. We call on V20 members to signal their intention to participate in the establishment of the Lifeline Fund and, subject to their respective domestic processes, to become founding members. We mandate the CVF-V20 Secretariat to convene members who have signaled their intention to join the Lifeline Fund to finalize the technical and legal arrangements required to establish the Fund. We request members to designate representatives empowered to finalize the Lifeline Fund's founding documents.
24. We mandate the CVF-V20 Secretariat to continue working with V20 central banks to complete technical preparations and advance the legal and institutional arrangements necessary to establish the Lifeline Fund with the required international legal personality. We request the Task Force to continue supporting the CVF-V20 Secretariat and the CVF-V20 Presidency in the preparatory work required to make the Lifeline Fund operational.
25. We invite partner governments, central banks, philanthropies, vertical funds, MDBs, and other development partners to support the Fund's capitalization, develop carbon market-related sources, and strengthen its financial capacity, while preserving V20 ownership and control.

V20 Initiatives and Partnerships

26. The strongest-ever El Niño has now formed in the Pacific, with the US National Oceanic and Atmospheric Administration (NOAA) giving it a 75 percent chance that it will exceed every event since 1950. The last comparable event, the 2015-2016 El Niño, is estimated to have cost the global economy about US\$3.9 trillion, with the heaviest burden falling disproportionately on developing and emerging economies. For CVF-V20 members, severe impacts are now the central planning assumption, meaning that pre-arranged finance must urgently be put in place before disasters hit. In August 2026, the global average temperature reached 1.65°C above pre-industrial levels, tying the warmest month on record and offering a stark preview of the 1.5°C 'overshoot' the world is on track to enter around 2030. Human activities have more than doubled the Earth's Energy Imbalance, the rate at which the planet traps excess heat, in recent decades

and are now driving global heating at a record pace, as noted with extreme concern in the Fourth CVF Leaders Declaration⁷.

27. Additionally, Nepal experienced a climate change-induced glacier rock avalanche and subsequent flood, underscoring grave concern that rapid warming in the Himalayas at a rate beyond the global mean is intensifying cascading climate and geohazards beyond current adaptation limits. We therefore urge the international community, especially major emitters, to support rebuilding of multi-hazard protection measures in vulnerable high mountain areas.
28. We welcome the fact that the Global Shield against Climate Risks, established by the V20 and the G7 and supported by other advanced economies, is now active across 13 countries and one region, but insist that its reach must extend much further. We additionally welcome its expansion to the Caribbean.
29. The V20 Sustainable Insurance Facility (SIF) is addressing the persistent protection gap for micro, small, and medium enterprises (MSMEs) by working through the banks and financial institutions that provide them with credit and other essential financial services. From diagnostics to template solutions, the V20 SIF is enabling portfolio-level solutions in 15 banks, with 75 more lined up. We will deepen collaboration with regional risk pools, such as the African Risk Capacity, Caribbean Catastrophe Risk Insurance Facility, Southeast Asia Disaster Risk Insurance Facility and Pacific Catastrophe Risk Insurance Company, building on their proven regional reach to expand pre-arranged financial protection and respond to evolving needs. We also applaud their efforts to coordinate more closely with each other through a Joint Technical Facility, enabling sharing of expertise, analytics, and technical capacity.
30. The V20 Loss and Damage Funding Program has reached more than 40,000 people, demonstrating how V20-led finance can translate into direct, locally grounded support for climate-vulnerable communities. These combined efforts now require sustained capital, capacity, and co-financing to deliver at full scale.
31. We acknowledge the potential value of market-based mechanisms under the Paris Agreement, including Article 6 carbon markets, to mobilize additional finance. We urge the United Nations Framework Convention on Climate Change, MDBs, and other institutions to accelerate support to developing countries for building the frameworks needed to access carbon finance with environmental integrity and equitable benefits.
32. Clean electrotech costs have fallen by up to 95 percent, with solar modules halving and batteries down 36 percent since 2022, while gas-fired power carries unhedgeable fuel-price risk: if liquefied natural gas prices settle 50 percent above 2025 averages, generation costs rise 32 to 37 percent. Every new fossil commitment locks in decades of that exposure and adds to a collective fossil fuel import bill of at least US\$155 billion a year, a recurring outflow that electrifying power, transport, and logistics converts into domestic investment.⁸

⁷ [Fourth CVF Leaders Declaration](#)

⁸ Ember, [The electric fast-track for emerging markets: How electrotech can serve the billion people left behind by the fossil system and open up a faster path to prosperity](#) (April 2026)

The binding constraint is no longer generation cost but delivery: without grids, storage, and demand-side flexibility, cheap electrons strand on a weak network. Echoing the Fourth CVP Leaders Declaration, we call for partnerships in financing grids and energy access for those living off-grid and the assembly, maintenance, and servicing ecosystems that create local jobs, positioning V20 economies in global electrotech supply chains under the "Electrify Now" initiative⁹.

G7 and G20 Presidencies: Set A New Agenda

33. We urge the France G7 Presidency and the United Kingdom and incoming Republic of Korea G20 Presidencies to advance the following priorities with dedicated resources and coordinated action.
34. To the France G7 Presidency: (i) secure agreement in the G7 Finance Track so that each G7 member will extend swaps, callable options, or guarantees to backstop the V20 Lifeline Fund; (ii) deliver the pledged capitalization of the FRLD and double the coverage of the Global Shield, building on the Paris Pact for People and Planet; and (iii) direct G7 executive directors across MDBs and DFIs to sponsor and vote for V2V Compact-aligned proposals, including concessionality floors, lower-priced non-concessional loans, and debt pause clauses as standard terms in all new lending.
35. To the United Kingdom G20 Presidency: (i) place a climate debt service suspension initiative on the Finance Track and deliver it by the Leaders' Summit, so V20 members hit by climate shocks have breathing room automatically; (ii) complete the next phase of Capital Adequacy Framework implementation, in particular, hybrid capital, callable capital reform, and rechanneling of Special Drawing Rights through MDBs—to unlock concessional lending and lower-priced non-concessional headroom; (iii) mandate full publication of GEMs¹⁰ Consortium default and recovery data, and commission independent work on structural bias in sovereign credit ratings so risk is priced on evidence and ratings promptly reflect improved fundamentals following successful restructuring; and (iv) invest in the Lifeline Fund through capital contributions, grants, and guarantees.
36. To the incoming Republic of Korea G20 Presidency: (i) carry the V2V White Paper opportunities into the 2028 Finance Track as a standing agenda item; (ii) champion a G20 electrotech supply chain partnership that positions V20 economies in assembly, maintenance, and servicing ecosystems, drawing on Republic of Korea's own industrial transformation; and (iii) secure agreement in the G20 Finance Track that each G20 member will extend swaps, callable options, or guarantees to backstop the V20 Lifeline Fund.

Capacity Enhanced and Enabled

37. Capacity is the binding constraint in our countries; however, partners must enhance and enable our capacity, not substitute for it. We call for direct access as the default delivery modality across all multilateral climate funds; for the GCF

⁹ [Electrify Now Initiative](#)

¹⁰ *Global Emerging Markets Risk Database*

to double the number of accredited V20 direct access entities and the direct access portfolio by 2027; for harmonized accreditation, application, and reporting requirements; and for MDBs, DFIs, climate funds, and philanthropies to co-fund the staffing, systems, and fiduciary capacity of national and regional accredited entities and delivery units, especially in SIDS and LDCs, backing country platforms with speed-to-disbursement commitments and frontloaded technical assistance.

38. To support execution, we will deploy: a V20 Deal Team to originate, structure, and close transactions through country platforms and delivery units - building local ecosystems rather than parallel international structures; a Business Executive Services Program to mobilize C-suite executives committed to V20 prosperity for pro bono advisory services; and a Multi-Sovereign Investment Fund to provide de-risking capital and accelerate deal closure.

Presidency Extension, Welcoming New Members and the New Secretary-General

39. Following the Fourth CVF Leaders Meeting, we warmly welcome the Central African Republic, the Republic of Zambia, and Saint Vincent and the Grenadines as our newest members, bringing our total to 77 countries. We gratefully endorse the extension of the Barbados Presidency, under Prime Minister Mia Amor Mottley, S.C., M.P., for a further year, so that the V2V Compact and the Lifeline Fund can be carried through to delivery without delay. We also call on Asia-Pacific member states to express their interest in assuming the next Presidency. We warmly welcome H.E. Carlos Alvarado Quesada, former President of Costa Rica, as the second Secretary-General of the CVF-V20, and fully support his assumption of the post without delay.

Conclusion

40. Over successive Communiqués¹¹, we have advanced the Debt-Growth Pathway, strengthened CPPs, and launched the V2V Compact with 16 DFIs.
41. Once again, we remind everyone that the fate of the world's most vulnerable will be the fate of the world. The architecture for success exists, the evidence for it is settled, and our partnership is hereby formed and cemented. What remains is the courage to deliver for all of us. History is not made by promises. History is made by delivery.

¹¹ 15th V20 Communiqué adopted 18 October 2025: https://cvfv20.org/wp-content/uploads/2025/11/V20_Communique2025-Oct_ADOPTED_15th-V20-Ministerial-Communique.pdf; 16th V20 Communiqué adopted 14 April 2026 during the 16th V20 Ministerial Dialogue, Washington D.C.