

MR. NAKAO: Thank you, Madam Administrator, and thank you also to the Philippines and Ethiopia for your leadership. Now that the Paris Agreement is going into effect very, very soon, it is time for concrete actions.

Japan has already announced 13 billion U.S. dollars' contribution to mitigation and adaptation activities in developing countries, particularly for those countries which need special attention.

We are very enthusiastic to continue to work together with V20 member countries. We are in close cooperation with organizations such as GIF, CIF, GCF, and also MDBs for various initiatives, including new infrastructure finance scheme under a program with African countries, and renewable and energy efficiency programs with Latin American countries.

On that note, disaster risk management is a high priority agenda for Japan, and we have been working together with World Bank on PCRA, that is Pacific Catastrophe Risk Assessment, to establish a disaster risk insurance system for Pacific Island countries, as mentioned by our colleague from Germany just now.

We now have Germany, the U.S., the U.K. as new donors, and it will be launched on November 1 of this year. We hope we will see more of this regional cooperation with financial solutions, and we would welcome any ideas or suggestions from V20 member countries. Thank you very much.

ADMINISTRATOR CLARK: Thank you very much, Deputy Vice Minister. Could I now call on Leonardo Martinez-Diaz, Deputy Assistant Secretary for Environment and Energy, U.S. Treasury?

MR. MARTINEZ-DIAZ: Thank you very much, Madam Chairwoman. I have only a very few short points, but first of all, let me congratulate the V20 for what has been a really remarkable achievement, which is to put on the table an institution, a grouping, that can bring together finance ministries and others to focus on the most vulnerable countries in the world.

I want to emphasize how important it is to have finance ministries join the conversation that is traditionally at the province of foreign ministries and others, and that is something that the Minister from Ethiopia raised in his opening comments.

Finance ministries can play a crucial role in the interministerial coordination process inside many vulnerable countries, and this is very important because it allows the governments to have a more strategic approach to climate finance and to have a more coordinated effort to blend international assistance for climate as well as domestic resources.

Finance ministries are often crucial partners in helping the rest of government understand both the importance of finance and different kinds of financial instruments, including insurance guarantees and so on. We very much want to congratulate you on that effort, and you can count on us to remain active observers of this Group.

I just want to focus on three items that are really crucial. Now that Paris is going to come into force very soon, we are moving very firmly into the implementation stage. We see three crucial obstacles that have to be addressed.

The first has to do with access to finance. There is, of course, a lot of finance that has been put on the table, more will be coming, but it is not very helpful unless countries are able to access that finance.

We are taking very active efforts to try to ensure that countries are able to do that. For example, at the Green Climate Fund, we have restructured the so-called "readiness program" to assist countries who are trying to build capacity, to better access the GCF's funds.

We have also put in place a project preparation facility, which will assist countries, including many in this room, to put together projects that can then be submitted to the GCF for funding. We are also through our bilateral programming at USAID and other agencies shifting our capacity building efforts on the ground so that we are better complimenting the work of the GCF and others that are trying again to improve capacity for access.

This is a long-term proposition, but we need to start today on the access front.

The second obstacle is understanding and managing climate risk. This is now a topic for everyone, from institutional investors to the multilateral banks, to local governments. What we are doing here is twofold. One is we

understand the importance of data, climate data, to help countries understand the risks they are running and to help manage them, and through the climate data initiative announced by the president last year, we are trying to make the data that the U.S. government collects more user friendly and more accessible to countries and to the private sector. I want to join others who have already spoken in lending our support to catastrophic risk insurance facilities that are helping countries pool their risks and access the international reinsurance markets at affordable rates. We have joined both the efforts to expand the Caribbean catastrophic insurance facility to Central America as well as to upgrade and expand the Pacific Islands reinsurance facility.

Finally, a very important point raised by Norway, we need to be able to bring the private sector into the resilience space. For a long time, we have simply thought the private sector would not be interested in adaptation work, and have sort of become resigned to the idea that adaptation is just a public sector effort.

I think we need to challenge this idea. We need to put on the table financial transactions, financial models, that can help bring in the private sector. Indeed, it is the only way we can really succeed in raising the money that is going to be needed to meet the challenge. For that reason, we are focusing on pushing the MDBs, the Funds, to work in this space, first, at an experimental level, but to put on the table some lessons and some proof of concepts about how some of these resilience transactions

can be of interest to the private sector, both international and local.

We will continue to work with many of you on this effort. I think it is something the V20 should actively consider with private sector partners.

Once again, let me congratulate you on this important effort started by the Philippines and now taking on new efforts, and we remain strong supporters of this Group.