

CLIMATE AND DEVELOPMENT MINISTERIAL STRATEGIC REVIEW

OCTOBER 2025

KEY RECOMMENDATIONS

Background |

The Climate and Development Ministerial (C&DM) was established in 2021 to address the significant gaps in adaptation and financing needs of the Least Developed Countries (LDCs) and Small Island Developing States (SIDS). Over the years, despite the rise of numerous climate and finance initiatives, the C&DM has proven to be a uniquely valuable platform. It remains the only ministerial initiative supported by non-state stakeholders that brings together government and non-government partners from both the Global South and the North to discuss progress and gaps in climate finance and responses to climate impacts in highly vulnerable countries. This strategic positioning gives the C&DM a distinctive role in bridging political and technical dialogues, fostering inclusivity, and catalyzing coordinated action to enhance the needs and priorities of SIDS and LDCs.

After 5 years of operation, this strategic review was conducted from April to October 2025 to ensure the C&DM's ongoing relevance, effectiveness, impact, and adaptability, particularly in light of the changing landscape of global climate finance. It focuses on strengthening political ambition, promoting measurable progress, and addressing the differentiated needs of LDCs and SIDS.

Methodology |

A team of three representatives from SIDS, LDCs, and developed countries conducted the strategic review to assess the achievements, challenges, and future opportunities for the C&DM. The methodology used combined tools, including literature review, qualitative information from 25 in-person and virtual semi-structured interviews, and a short questionnaire. Those interviewed and surveyed represented both external and internal actors of the C&DM, focusing on a geographical range that includes LDCs, SIDS, and developed countries.

While seeking to ensure balanced representation in data collection, the review team faced challenges engaging all stakeholders and ensuring equal representation across the three groups due to time zone differences, interview unavailability, and cancellations, among other factors. Despite these challenges, there was a wide range of insights from representatives with 4 developed countries, 4 LDCs and 3 SIDS being interviewed, along with the C&DM Secretariat, several organisations and networks, including AOSIS, LDC Group, representatives from the Champions Group on Adaptation Finance, the Brain Trust,

Coalition of Finance Ministers, and the Adaptation Fund, among others. This provided a rich set of insights and reflections which have informed the recommendations.

Six key recommendations from the strategic review team are shared below.

1. ENHANCE POLITICAL ENGAGEMENT FROM SIDS AND LDCs

C&DM is focused on Small Island Developing States (SIDS) and Least Developed Countries (LDCs), hence it is essential to amplify their voice and influence through strong leadership and ownership. To achieve this, a more supportive system of engagement, structured outreach, and tailored incentives must be established to empower SIDS and LDC leaders to play a more prominent role. More specifically, it is recommended to:

- A. Secure stronger political champions from the SIDS and LDCs.
- B. Provide comprehensive capacity development to LDCs and SIDS members, in particular by enhancing the co-champions modality to ensure continuity in shaping the agenda and pushing for collective ambition. This could include technical advisers for LDC/SIDS co-champions, quarterly briefs, donor/fund mapping and funding/support for co-champion engagement. This could enable both political and technical action.
- C. Develop a focused, targeted advocacy strategy and action plan for the C&DM through a strongly co-created process to support priorities and address the most pressing challenges faced by vulnerable countries.
- D. Promote objective-driven collaboration and alliances with strategic networks and coalitions, in particular the Climate Vulnerable Forum (CVF), the Vulnerable Twenty Group (V20), and the Coalition of Finance Ministers for Climate Action (CFMCA).

2. ENHANCE GOVERNANCE AND SECRETARIAT STRUCTURE & FUNCTION

In order to enhance legitimacy and bring C&DM closer to its focused constituencies, there is a clear need to strengthen ownership and inclusive governance of the C&DM for SIDS and LDCs. The concept of inclusivity needs to be reflected in the Secretariat's functioning for it to remain impactful and relevant. Similarly, while the Brain Trust was found to be an essential and unique component of the C&DM, providing direction and input to the C&DM, it needs to be more strategically brought into play.

- E. Establish a tripartite co-chairmanship of the Secretariat, comprising a member from an LDC, a SIDS, and a developed country of the C&DM.
- F. Enhance transparency by developing clear governance documents that outline the roles and responsibilities of the Secretariat, the Brain Trust, and the Co-champions.
- G. The Secretariat should include staff from LDCs and SIDS.
- H. A full-time Head of Secretariat, ideally from an LDC or SIDS, should lead high-level political relationship-building and outreach, whereas a communication lead should be responsible for

reputation management, strategic brand narrative and identity, social media, press releases, and the virtual platform of the C&DM.

- I. Enhance the Brain Trust's proactive engagement with a dedicated work plan that can strengthen strategic direction and support discussions of actual technical solutions.

3. ACCOUNTABILITY BETWEEN MINISTERIAL CONVENINGS AND IMPACT

It is crucial for C&DM to maintain credibility and deliver meaningful results; hence, there must be stronger accountability linking political commitments, technical outputs, and tangible impact. This will require more clarity on the focus and scope of the C&DM, which could also balance expectations of what the C&DM should deliver and avoid the C&DM spreading too thin.

- J. The C&DM Secretariat should capture the outcomes of ministerial convenings and monitor the progress of its commitments, building on the C&DM advocacy strategy and action plan (See recommendation 1).
- K. The PreCOP, as the space for the high-level ministerial meeting of C&DM, could be revisited. Several respondents found that the PreCOP does not meet expectations for providing sufficient political space for high-level engagement and visibility, partly due to selective, limited participation. A high-level meeting in the margins of the COP could be a strategic option. In this setting, developed countries might be more inclined to launch pledges and new initiatives, potentially gaining greater visibility and support. This approach could also enhance transparency and potentially alleviate some tensions within the broader developing countries group when positive bias is applied to just LDCs and SIDS.
- L. A Monitoring, Evaluation and Learning (MEL) component of the C&DM should be developed to track outcomes and enhance accountability. This would enable the C&DM to receive continuous feedback, reflect on and respond to the needs of LDCs and SIDS, while also fostering accountability and adapting to their changing priorities.

4. STRENGTHEN C&DM STRATEGIC FOCUS AND PARTNERSHIPS

Through the review, it has become clear that C&DM should evolve beyond being a platform for dialogue. The convening of ministers is an important aspect of the C&DM, which should remain a priority, as it can elevate discussions and priorities for SIDS and LDCs to a high political level. However, the C&DM should not replicate UNFCCC negotiations and engage deeply in UNFCCC politics. Rather, the C&DM should actively facilitate the implementation of commitments and decisions from the UNFCCC, while strengthening partnerships with other strong alliances working towards the same goals.

- M. The C&DM should serve as a connector and broker, rather than duplicating existing initiatives. Its added value lies in its sole focus on elevating and advancing SIDS and LDC priorities to address

climate change vulnerabilities. This should be the clear purpose of all activities and convenings coming from the C&DM.

- N. C&DM should help facilitate implementation of the strategic goals of the C&DM (current or new as per advocacy strategy) and the decisions and processes under the UNFCCC, such as advancing support to the implementation of country-driven NAPs and NDCs, USD 1.3 trillion Baku-Bélem Roadmap, NCQG, and the Baku Adaptation Roadmap.
- O. C&DM could broker 2-4 country platform pilots in LDC/SIDS with secured financing and technical assistance. The C&DM pilots could serve as practical building blocks that showcase how programmatic approaches work.
- P. Stronger collaboration between C&DM and UNDP, GCF, AF, GEF(LDCF, SCCF) and NDC-Partnership as implementing partners for the country platform pilots should be explored.
- Q. Given the overlaps and a perception of duplicity between the C&DM and Champions Group on Adaptation Finance, the C&DM Secretariat, in collaboration with the Champions Group Secretariat, should establish a clearer relationship between the two groups to deepen collaboration and ensure complementarity.

5. COMMUNICATIONS AND KNOWLEDGE PRODUCTS

The C&DM initiative aims to deliver clear messaging to stakeholders by informing them through research, publications, and the outcomes of convenings. For this to be more effective, it is essential to :

- R. Develop a communication strategy and coordinate communications for impactful engagement. e.g. a distinct logo, website, social media accounts, publication and joint press statements. The first low-hanging fruit would be to establish a dedicated website with basic information about C&DM and its knowledge products.
- S. Leverage co-developed knowledge products and dissemination through collaboration with other strategic alliances and networks, i.e. through and with the NDC Partnership and the Coalition of Finance Ministers.
- T. Coordinate and develop joint submissions to the UNFCCC and press statements with strategic alliances.

6. STRATEGIC ENGAGEMENT ON THE IFIs AND MDBs

International Financial Institutions, including the Multilateral Development Banks, play a critical role in providing adaptation finance to SIDS and LDCs. However, there seems to be less transparency on how the allocation and balance have been measured for this group of vulnerable countries. The NCQG decision invites the IFIs and MDBs to consider these aspects and address global climate change, development, and poverty in an urgent manner. Therefore, the following points could be considered for C&DM to engage with going forward.

- U. Assess the current role of IFIs and MDBs in providing adaptation/resilience support to developing countries, especially the SIDS and LDCs.
- V. Engage the Brain Trust and technical expertise to explore ways to scale up highly concessional finance and financing modalities for the SIDS and LDCs, considering both the quantitative and qualitative elements.
- W. Strengthen the co-champion relationship to engage the developed countries to advocate for their leadership in influencing policy changes within international financial institutions to enhance access features.
- X. C&DM should develop a strategy for targeted, innovative finance instruments piloted by IFIs and MDBs for SIDS and LDCs. These instruments could include, and are not limited to, reimagined insurance, debt reform, social protection and patient adaptation finance.

OVERALL REFLECTIONS

The above recommendations are the result of the review team's analytical process to condense a large amount of data and capture key elements and steps forward for the C&DM to continue to play an essential role in fostering understanding, collaboration, and support for LDCs and SIDS in the current complex geopolitical landscape. There are potentially unintended gaps and biases in the review team's data collection and analysis. The review team is not objective, but influenced by their own experiences and relationships when analysing the interviews and conversations with the stakeholders. Furthermore, the review does not fully encompass all relevant stakeholders and their views due to limited access, lack of response, and unwillingness to engage in the review process. Most of the stakeholders were reached virtually.

The limited participation of respondents reiterates the need to enhance ownership and engagement from SIDS and LDCs within the C&DM, which is considered essential for the mechanism to deliver its full potential, effectiveness and value. The restructuring of the overall C&DM governance, including a tripartite co-chairmanship, an inclusive Secretariat, and a Brain Trust with adequate representation from LDCs and SIDS, is necessary. Similarly, enhancing transparency and access to basic information are the first key steps. Secondly, finding ways to move from dialogue to action on the ground by enhancing the implementation of the needs and priorities of SIDS and LDCs to address the increasingly severe impacts of climate change is essential for the C&DM, allowing it to continue adding value and standing out in the plethora of alliances and initiatives that currently exist.

Review team: Khadeeja Hajja Naseem, Raju Pandit and Lærke Marie Lund Petersen (CONCITO)

For any questions regarding this review please contact: C&DM Secretariat, CDM@iied.org