



# CADWALADER CLIMATE

Connecting Climate Change and the Law

## Launch of Coalition of Trade Ministers on Finance

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Regulation



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On January 19, it was **announced** at the World Economic Forum Annual Meeting in Davos, Switzerland that the European Commission, EU member states and 26 partner countries would launch a “Coalition of Trade Ministers on Climate.” According to the press release, the coalition, which is the first ministerial-level global forum, will “foster global action to promote trade policies that can help address climate change through local and global initiatives” and seek to “identify the ways in which trade policy can contribute to addressing climate change.” Trade ministers will “provide political guidance and identify trade-related strategies to adapt to changing climate conditions and extreme weather,” such as, for example, the production and promotion of climate-friendly technologies. EU trade commissioner Valdis Dombrovskis **explained** that the creation of the coalition was “just the beginning” of international cooperation among finance ministers and other stakeholders “to become a truly global and inclusive platform for concrete actions and ideas.”

The coalition is open to all interested countries, and is currently comprised of over 50 ministers from 27 jurisdictions. The four co-leads are Ecuador, the EU, Kenya, and New Zealand. The other participants are: Angola, Australia, Barbados, Cabo Verde, Canada, Colombia, Costa Rica, Iceland, Gambia, Japan (Foreign Affairs & Trade), Republic of Korea, Maldives, Mozambique, Norway, Philippines, Rwanda, Zambia, Singapore, Switzerland, Ukraine, United Kingdom, United States and Vanuatu.

The next meeting of the coalition will take place alongside the next World Trade Organization Ministerial Conference to be held in Abu Dhabi in the first quarter of 2024.

**Taking The Temperature: This announcement reflects a continuation of recent announcements of multinational commitments such as the [agreement on loss and damage](#) concluded at COP27 and the [Global Biodiversity Framework](#) announced at COP15. While these bilateral commitments are notable, their significance will remain**

unclear until concrete action is taken to facilitate the change these coalitions seek to achieve. That being said, this coalition could have a significant impact on the environmental technology industry as trade ministers can help streamline and accelerate the trade of new products across the globe. Importantly, the coalition intends to carry out its operations in line with the [United Nations Framework Convention on Climate Change](#) alongside the [Paris Agreement](#), which should help minimize any divergence of standards which undoubtedly would increase costs and regulatory burden. It is unlikely, however, given that the next proposed meeting is not until 2024, that any change will take place soon.