



STATE OF PLAY

Six interconnected constraints on climate-vulnerable economies

01

Sovereign debt distress

Constrained fiscal space creates a vicious cycle of debt and vulnerability.

02

Low investment rates

Insufficient capital limits resilience and long-term development.

03

High borrowing costs

Elevated financing costs make investment and recovery harder.

04

Economic & climate shocks

Energy shocks, El Niño, intersecting crises, and trade or tariff disputes.

05

Geopolitical pressures

Conflict diverts attention and climate action loses political priority.

06

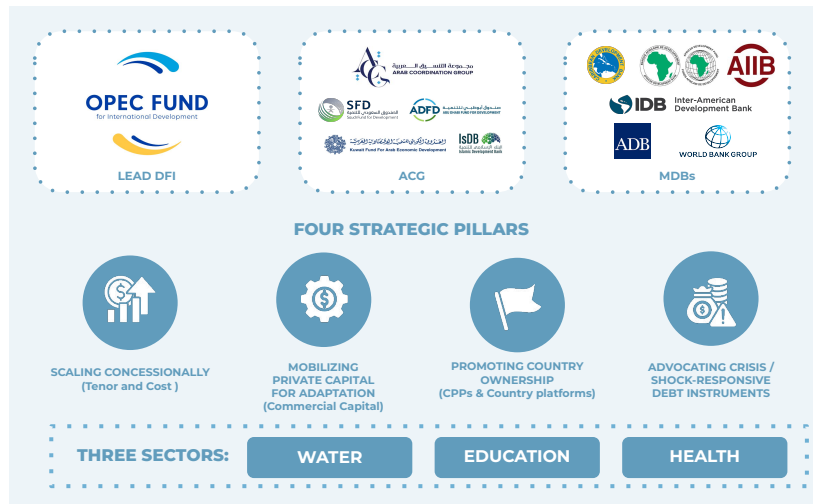
Slow GDP growth

Weak growth further narrows fiscal and investment capacity.

These pressures reinforce each other, deepening vulnerability and limiting climate action.

VULNERABILITY TO VIABILITY (V2V) COMPACT

- 77 economies | 16 DFIs
- Launched 23 June 2026 in Vienna: OPEC Fund & CVF-V20 aims to align affordable finance, mobilise private capital, ensure country-led delivery and equip member countries with shock responsive capacity



LIFELINE FUND: A FIRST-OF-ITS-KIND CLIMATE LIQUIDITY ARRANGEMENT

Rapid liquidity support when climate shocks create balance-of-payments pressures



MULTI-REGIONAL ARRANGEMENT

First-of-its-kind financial arrangement designed for rapid liquidity following climate shocks.



MOVING TO OPERATIONALIZATION

Spearheaded by the V20 Central Bank Governors Working Group, led by Barbados Central Bank Governor Kevin Greenidge.



US\$500M

FLOOR TARGET

CVF-V20 members +
non-members



GLOBAL PARTNERSHIP

Support sought from G20 & G7 governments, philanthropies and other partners.

ENDORSEMENT

Statement available for countries interested in joining

GOVERNING INSTRUMENT

Draft circulated to central banks; broader government support sought

US\$1.6B+ PATHWAY TO CAPITALIZATION

Scale through member, non-member and partner support

FROM ENDORSEMENT → GOVERNANCE → US\$500M FLOOR → PATHWAY TO US\$1.6B+ CAPITALIZATION