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PACT
FOR PROSPERITY,
PEOPLE
AND THE PLANET



ACS2 LEADERS' ONE-PAGE DECLARATION

Breaking the Vicious Circle: Debt, Nature & Climate
African Heads-of-State Dialogue to Advance Solutions to the Debt Crisis

PREAMBLE

We, Heads of State and Government gathered at this event on “*Breaking the Vicious Circle*” at ACS2 on African Heads-of-State Dialogue to Advance Solutions to the Debt Crisis, recognize that debt distress, climate change, and nature loss reinforce one another and constrain sustainable development and growth. We recognize that investing in climate is accelerating growth. Building on recent African commitments, along with the Independent Expert Review on Debt, Nature & Climate, the Independent High Level Expert Group on Climate Finance, and the V20 Debt Review, we commit to accelerating evolutionary, pragmatic reforms within the existing international financial architecture that restore fiscal space, protect nature, tackle climate change and deliver resilient, inclusive growth.

IMMEDIATE POLITICAL DELIVERABLES

- a.) **Debt Sustainability Analyses – integrate climate and nature risks and economic benefits.** Countries need adequate fiscal space to grow and respond to the climate crisis. We call on the International Monetary Fund and World Bank to immediately begin to incorporate climate- and nature-related risks and opportunities in their Debt Sustainability Analyses (DSAs) and related program design, and to publish staff guidance and a clear timeline for integration. Subsequently climate nature variables should be integrated into all macroframework analysis. We urge the Credit Ratings Agencies to follow the IMF and World Bank lead in their own DSAs.
- b.) **Contingency clauses – mainstream in debt contracts.** We call on all Multilateral Development Banks, bilateral sovereign creditors and private sector creditors to embed Climate-Resilient Debt Clauses (CRDCs) and other types of contingency clause (e.g., pause or suspension clauses triggered by disasters or severe shocks) in new sovereign lending, and to offer retrofit options for eligible existing debt contracts. We request a joint progress report by COP30 and targets for broader coverage to be published in 2026.
- c.) **Debt swaps and sustainability financing – standardize and scale up.** We call on Multilateral Development Banks and nature conservation organisations to publish standardized structures for debt-for-climate and debt-for-nature swaps, sustainability-linked financing and other green debt operations, and urge them and other sovereign creditors to commit to expanding their use where appropriate, consistent with national circumstances and transparent climate-nature outcomes. We request a joint progress report by Spring 2026. We call on climate funds to play a catalytic role in mobilizing private sector finance to support this process.
- d.) **Technical advice and capacity building – coordinate.** We call on the World Bank Debt Management Facility, the African Legal Support Facility, UNCTAD and other MDBs and providers of sustainable debt management technical advice and capacity building services to work together to coordinate such services and developing countries' access to them.

DELIVERY & ACCOUNTABILITY

- a.) **Country milestones:** Each signatory will set at least two national milestones by mid-2026, each with a named lead institution.
- b.) **Sherpa mechanism:** Designated Sherpas will convene quarterly to track delivery, share solutions, and address bottlenecks, under the auspices of the Pact for Prosperity, People and the Planet (4P) coalition.
- c.) **Public update:** A concise public progress update will be provided at the IMF / World Bank Annual Meetings in October 2025 and at subsequent major convenings, by the Pact for Prosperity, People and the Planet (4P).

Adopted by acclamation — Addis Ababa, 8 September 2025.