

Honourable Leaders, with all protocols observed, I shall start.

In July this year, the Fiji Commerce & Employers Federation (FCEF) with assistance from Government of Fiji, ILO & Pacific Corporation Foundation hosted the Global Employers Climate Action Forum (GECAF), part of the Marrakech Business 4 Climate Network (MBA4 Climate) which enabled businesses, government representatives & civil society to discuss the difficulties surrounding *insurance* and *climate finance*. These two issues were also reinforced at the Pacific Private Sector Dialogue, held in NZ in August.

With respect to Insurance, specifically disaster risk insurance & business continuity the ease of access to commercially viable insurance products for disaster resilience is out of reach for most MSMEs. As it stands, most businesses in the Pacific Island Countries (PIC's) could not afford this and go without insurance. With the increase in frequency and intensity of the natural disasters, more and more businesses are not only becoming vulnerable but the insurance cost is rising.

With the recent disasters in USA, South America & Caribbean, PIC's are feeling the effects because insurance companies have started to scale down the insurance cover they offer and are increasing the premiums being charged because of the cost to their business. As an example, a large corporate in Fiji was paying \$2M in insurance premiums and recently could not get their local insurance broker to get insurance for them and they had to go to London to have this underwritten at a cost of \$3M. A cost that was not budgeted for.

We understand that through the Forum Economic Ministers, a regional Insurance Facility is under discussion and we commend those involved in this initiative and would request if this can be fast tracked and collaborated with the Private Sector to bring to fruition a compulsory appropriate Insurance.

### **Access to Climate Financing**

An outcome from GECAF determined that accessing funding through the Green Climate Fund (GCF) can take in excess of 24 months. Business leaders unequivocally at GECAF as well as the Climate Action Pacific Partnership (CAPP) meeting agreed that this should not be any more than 3 months. Either it takes too long to process the application or the application forms of a few hundred pages and processes are too cumbersome.

More resources are going into GCF yet only 8 % of the global portfolio of \$3.7b is filtering to PIC Governments, and an even smaller percentage to the Pacific private sector.

**We the private sector, request Leaders to:**

- Strengthen pre and post disaster financing with the further development of financial mechanisms such as insurance, addressing the inability to get adequate and comprehensive coverage in the face of increasing extreme storm event strength and frequency;

We, the Private Sector, will consider and explore opportunities in compulsory & appropriate insurance for the local vulnerable communities and businesses.

**We the private sector, request Leaders to:**

- Create enabling environment and incentives that support investment in adaptation efforts, disaster resilience and mitigation activities and effective recovery.

In regards to climate financing, **we, the Private Sector**, will:

- support and build capacity in assisting businesses to access climate finance;
- address policy and regulatory requirements to accessibility & delivery;
- raising awareness; and
- increasing education and training.

Our theme for this year is “Building a Strong Pacific: Our People, Our Island, Our Will”. We urge the Leaders of the Pacific to show their Will at this Forum to assist the Private Sector in bringing about the changes.

The Pacific needs to set an example and be the Leaders of the change that we are striving for. We may be a small group of countries but collectively we can make a difference as well as lead the way for the bigger countries.

3 September 2018

Nauru