To build Pacific resilience in the face of more frequent and severe disasters and ongoing climate change threats, the Pacific Islands Forum will establish a regional financing facility. Our goal is to raise initial capital of US$1.5 billion.

We need your support.

WE DO NOT HAVE ANY TIME TO WASTE
Each year, severe cyclones bear down on the Pacific. They are getting more frequent and wreak greater devastation. Our sea levels are rising and directly threatening the security of our Blue Pacific Continent. We continue to endure the climate change crisis and at its heart is our people. Livelihoods are being destroyed and our communities are suffering.

We in the Pacific do not want to stand by and wait for the next disaster. We want to be able to prepare.

WE KNOW HOW TO BE SELF-RELIANT
There is a need for innovative financing to help the region build resilience and disaster preparedness. Research shows that $1 investment in resilience-building and preparedness saves $7 on post-disaster recovery and rehabilitation costs. We know the PRF will work in our Blue Pacific and we are ready to implement it.

THE PRF PROVIDES FULL GRANT FINANCING
Accessing finance can be expensive, Pacific countries can borrow now and pay back later, but the interest is crippling. We don’t want more debt financing. The PRF is a self-sustaining financial model. Once we have achieved a fund of US$1.5 billion, the interest will allow the PRF to pay for itself. This is our Pacific owned, Pacific-led solution.

Forum Leaders have endorsed the PRF. It is “a unique, sensible, prudent and forward-looking policy option to invest in upfront low-quantum community-level projects, intended to have high impact on the resilience of communities, over time. These small-scale, low quantum preparedness projects are not widely supported and financed by major development partners”.

WHAT IS THE PACIFIC RESILIENCE FACILITY?
1. The PRF will help vulnerable Pacific people exposed to climate change and disaster risks, particularly women and girls, children, the elderly and people with disabilities.
2. It will build the resilience, preparedness and adaptive capacity of poor communities before disasters strike.
3. It will allow the Pacific to invest in small grant based but high-impact projects to make communities disaster-ready.
4. It is a Pacific-owned, Pacific-led solution, answering a clear need.
5. It is a self-sustaining financial model - it will not result in debt for participating countries.
6. It will deliver grants quickly and efficiently, distributing money through national government systems.
7. PRF financial management will be global best practice, including external audits and independent monitoring.
8. It will provide predictable and ongoing support so we can
   • prepare ourselves for catastrophic events
   • ensure all our communities are safe
   • minimise loss of life
   • minimise the economic and social impacts.
THE PACIFIC IS A LEADER OF RESILIENT DEVELOPMENT SOLUTIONS

The Blue Pacific has demonstrated global leadership in developing and implementing innovative approaches to sustainable and resilient development. We act as One Blue Pacific Continent, recognising that climate change and disasters affect all of us. We are bringing the resilience and knowledge of all our countries and territories to address this challenge directly.

While there are a number of disaster risk financing options available to Forum Island Countries from Multilateral Development Banks, most of these existing disaster risk financing options are large-scale, only triggered after a catastrophic event, and focus on post-disaster response, relief and recovery.

FINANCIAL PRODUCTS OF THE PRF

The PRF will offer grants to governments for community-level projects that are:

- crucial for disaster risk reduction
- small-scale, ranging from US$50,000 to US$200,000.

These could include retro-fitting critical infrastructure like community centres and schools, and small-scale coastal protection projects.

To ensure sustainability of the PRF, it will be guided by the following two principles:

1. the capital base of the PRF is to be preserved and grown overtime; and
2. the total value of disbursements of financial products is to be no greater than the net income generated on the capital base.

It is a unique self-sustaining financing mechanism that provides critical financing for risk reduction in Pacific countries without any accompanying increase in debt.

DELIVERING CLIMATE FINANCE THROUGH THE PRF

While there are a wide range of channels and modalities for delivering climate finance commitments under the Paris Agreement, the Pacific-owned PRF facilitates your support to vulnerable Pacific Island Countries, achieving the following complementary benefits:

1. Small-scale grants targeted to the most vulnerable communities below the threshold of what existing global climate funds such as the GCF, Adaptation Fund and GEF are offering;
2. Less cumbersome access procedures;
3. Funds are disbursed using existing country systems; and
4. High-level political visibility from the Pacific Islands Forum, a block of 18 Member countries, on donor's climate finance support.

SUPPORT US

The Pacific Islands Forum is reaching out to key donors, partners, and development partners to seek their financial support to capitalise the PRF, and an international pledging event will be held in 2021.

The PRF will impact the lives of current and future generations of Pacific peoples and our home – the Blue Pacific Continent.

Join us.