



FOR IMMEDIATE RELEASE

15 November 2021

PCRIC Under the COP26 Spotlight

The Pacific Catastrophe Risk Insurance Company (PCRIC) was invited to a panel session at the Resilience Hub at COP26 to showcase its work in the area of increasing the resilience of Pacific Island States.

A key objective of the discussions was the need for the interconnectedness and interdependency that is needed when working on disaster risk financing instruments. PCRIC's CEO, 'Aholotu Palu, engaged in conversations revolving around how organisations such as theirs are using insurance and disaster risk finance instruments to adapt to climate change.

"Resilience is a fervent conversation topic these days and it has become a dominant framing for policies and programs aimed at reducing vulnerability to extreme weather and natural hazards; promoting climate change adaptation and strengthening countries' abilities to manage risk," he said.

Held on November 3rd, the panel session labelled as, 'Building Financial Resilience in the Pacific', was hosted by United Nations Capital Development Fund (UNCDF), United Nations University Institute for Environment and Human Security (UNUEHS), and United Nations Development Programme (UNDP).

With adaptation and resilience at the forefront of the agenda, participants of the panel session explored best practices in building new opportunities, strategies in which to globally accentuate messages at COP26, and to help pave the way for future action beyond the climate change summit.

Based on the theme, 'Finance & Pacific Regional Hub', Mr. Palu shared the company's undertakings by offering Pacific Island Countries (PICs) innovative financial and technical solutions to manage their disaster risks by building financial resilience through novel techniques.

"We are supporting countries in developing their own national Disaster Relief Fund strategies by mapping out all the available financial instruments. For example, budget reserves and retention, contingency funds/credit or savings facilities, and both traditional and parametric insurance. We then ensure that these instruments are used effectively to complement each other, based on a comprehensive assessment of the risks each country is facing," he explained.



A hot topic on his agenda was the enormous uptick in demand for improved technical understanding by the PICs. Mr. Palu elaborated, *“The member nations are beginning to clearly see the gaps in their knowledge base for these types of solutions and are increasingly looking to PCRIC for advisory support, while at the same time, seeking to upskill their own teams and local resources.”*

Mr. Palu also spoke about the benefits of risk pooling whereby multiple nations join together and share their risks, many times moving them individually from a category of ‘uninsurable’ or ‘cost prohibitive’ to inclusion in a group that is far more attractive to both donors and insurers alike.

He noted that, *“Risk pooling is an incredibly powerful tool to achieve more proactive Disaster Risk Management. It streamlines donor support after a disaster, mobilises resources to provide parametric coverage in a speedy payout and it encourages long-term development gains. At the same time, giving countries more autonomy to ensure post-disaster funding is spent effectively.”*

Well-positioned to serve an increasingly critical role in the DRM arena, PCRIC used the COP26 platform to clearly elocute its abilities and the benefits they offer to the island nations of the Pacific.

PCRIC is a dedicated regional provider of specialist disaster risk finance services and is owned by the island nations of the Pacific.

The company provides technical assistance, specialised collaborations and innovative products to help the Blue Pacific Continent better prepare, structure and manage finances to foster disaster resilience. The end result is to ensure rapid access to unencumbered liquid funds in post-disaster situations when nations need it the most.

For more information, please contact:

ceo@pcric.org or aholotupalu@yahoo.co.uk

-ENDS-

