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### **PCRIC Serves a Recipe for Disaster and Relief at FEMM**

**Port Vila, Vanuatu, 17 August 2022:** At the recent Forum Economic Ministers Meeting (FEMM) sponsored by the Pacific Islands Forum Secretariat (PIFS) and held in Port Vila, Vanuatu, attendees were captivated by a unique presentation by the region's Pacific Catastrophe Risk Insurance Company (PCRIC).

Invited to present on the subject of disaster relief financing, PCRIC challenged the large audience of Ministers, government officials, donors and regional stakeholders with a simulated major disaster impacting the entire Pacific Islands region.

Presented with this unique and unexpected approach, the key message is that the unpredictable timing, nature and scale of the disasters impacting our region calls for sound disaster risk finance planning, was well received.

By highlighting the advantages of PCRIC's pooled-risk approach to disaster risk insurance, the presentation demonstrated how commitment to a collaborative approach to the financial challenges confronting nations in the wake of a major disaster can serve to deliver better outcomes for all in their most pressing time of need. Not only does it enable nations to receive a financial injection in the immediate aftermath of an insured event occurring, but by scaling up to a larger insurance pool, each participating nation receives the additional benefit of lower insurance policy premiums than otherwise would be the case.

This collective, self-help approach clearly resonated with those in attendance, evidenced by the solid support for PCRIC voiced by Ministers and other stakeholders both at the conclusion of the presentation and in subsequent formal meetings. This was backed up by staunch support from Mr. Garth Henderson, Financial Secretary and head of the Ministry of Finance and Economic Management (MFEM) in the Cook Islands, where PCRIC is domiciled.

*"The Cook Islands has been with PCRIC from the very beginning. We believe in its purpose and we believe in its future," he said. "The advent of additional products in the coming months to meet the risk transfer needs of a greater number of island nations means that every last Pacific Island nation should now step up to the plate and tangibly commit to being part of the PCRIC family. This is particularly so with the decision by the World Bank to conclude its involvement with PCRIC effective the end of this year."*

This move will provide PCRIC, which originated in decisions made during the FEMM in 2015, with far greater autonomy and allows for self-determination and direct donor engagement in ways not previously possible. Indeed, having earlier secured financial support from Germany to



help subsidise premiums to make them even more affordable to island nations, PCRIC is encouraged by the great interest shown by a number of other donors in recent months.

Speaking after the presentation at FEMM, Chair of the PCRIC Board, Ms. Sarah-Jane Wild said that she was greatly appreciative of the opportunity provided by PIFS to present at such a high-profile regional event. *“Since its inception, PCRIC has always been dedicated to serving the region and our presence at this year’s FEMM provided a great opportunity to reiterate that fact,”* she said. *“We’ve received clear messages of support for our unique parametric insurance model and now urge development partners to commit to strengthening their engagement and partnership with PCRIC.”*

For more information, please contact: [ceo@pcric.org](mailto:ceo@pcric.org) or [aholotupalu@yahoo.co.uk](mailto:aholotupalu@yahoo.co.uk)

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