



FOR IMMEDIATE RELEASE

PCRIC Sets the Stage for Council of Members Meeting

Rarotonga, Cook Islands, 11 October 2022: The management team of the Pacific Catastrophe Risk Insurance Company (PCRIC), the Pacific Islands region's only provider of sovereign disaster risk insurance, are currently in Washington DC in preparation for the bi-annual Pacific Catastrophe Risk Insurance Foundation (PCRIF) Council of Members (CoM) meeting. The CoM is comprised of representatives of Pacific Island nations and donor countries, and acts as the ultimate governance body guiding and endorsing the strategic direction undertaken by PCRIC.

To be held on October 13th, the meeting is especially important to the future of PCRIC since being advised by the World Bank that its Pacific Catastrophe Risk Assessment and Financing Initiative (PCRAFI), which directly supported the establishment and operation of PCRIC, would cease with effect by the end of 2022.

PCRIC CEO, Mr. Aholotu Palu, said that *"With an ever-increasing need in our region for tangible support with managing the costs we suffer through the impact of climate and natural disasters, we feel the World Bank's decision sends a perplexing message to one of the most vulnerable regions in the world. Our disappointment at the decision is, however, vastly overshadowed by our commitment to actively embrace the future and continue to serve Pacific Island nations with an innovative range of disaster risk finance instruments."*

He went on to say that *"We have been in dialogue with member nations and our donors for months now, developing and refining our pathway forward. We remain supremely confident that goodwill shall prevail and mechanisms for continuing our essential support of the region will carry us forward for many years to come."*

With preparatory work now complete, Mr. Palu indicated that at the upcoming CoM meeting the PCRIC management team would be sharing their vision for the future and working with Council Members toward securing a collective agreement on a strategic direction and future pathway for the business.

Another key issue to be raised at the meeting will be the future of €10M in funds provided by Germany's Federal Ministry of Economic Cooperation and Development (BMZ) in December, 2021. Committed on behalf of Pacific Island nations who are PCRIC policy holders and intended to be used to assist with subsidisation of disaster risk insurance policy premiums, the funds remain inaccessible, held by the World Bank which is yet to provide an official indication of when it will make these funds available to PCRIC.

"One of our key agendas at the CoM is to encourage action by donor and member nations representatives whilst in Washington, leveraging their relationships with the World Bank to press for immediate release of these funds so that they can be used for the purpose intended. Knowing how government finances have been savaged by 2 years of COVID pandemic, surely this is the very least our region can expect of the World Bank now," Mr. Palu explained.



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