

Overview of Climate and Disaster Risk Financing in Vanuatu

World Bank and PCRIC Regional Climate and Disaster Risk Finance
Workshop, 17 Feb 2025, Nadi Fiji

Current Institutional and Policy Framework for DRF

- Disaster Risk Management Act
 - Response Phase under NDMO/MoCC
- Disaster Recovery and Resilience Act
 - Recovery and Reconstruction Phase under NRC/ DSPPAC/ PMO
 - National Disaster Recovery Framework.
- Public Finance and Economic Management Act & Government Central Tenders Act.
 - Coordinates financing for DRF for all phases.
- National Disaster Risk Financing Policy (Oct 2024) – Implementation to begin this year and coordinate by the national DRF Steering group.

DRF Instruments in Vanuatu

Response and Early Recovery	Medium to Long-term Recovery and Reconstruction
<ul style="list-style-type: none"> • Emergency Activity budget under Agencies – ministries don't set aside budget under this activity. • National Emergency Fund • Budget reallocation – through orders/instructions. • Development partner assistance for emergencies, for example: <ul style="list-style-type: none"> ○ Bilateral support (cash and in-kind) ○ ADB Contingent Disaster Financing (CDF) ○ World Bank CatDDO ○ NGOs and communities ○ Risk Pools – PCRIC – recent earthquake payout. (1.2 million USD)(sign in November December earthquake) 	<ul style="list-style-type: none"> • Normal Govt Budget (Supplementary or annual Appropriation) • Development partner assistance. • Debt financing

DRF/DRM Challenges Identified

- Frameworks:
 - Need for more awareness on PFM
 - Post-disaster budget execution guideline is outdated
 - Regular refresher trainings?
- Planning
 - MFEM plan to improve own preparedness and response planning (Business Continuity Plan)?
 - ...
- Resources
 - Insufficient resources and limited cash?
 - Resources for provinces?
 - Human resource

Challenges Cont..

- Procurement:
 - Unclear emergency procedures -> emergency regulations? – a key priority for the DRF policy.
 - Procurement planning?
 - Technical documentation from line ministries?
 - Training and Capacity building in good time.
 - Emergency Activity budget under Agencies – ministries don't set aside budget under this activity.
 - Emergency fund in most case is not enough to cater for the humanitarian responses.
- Accountability:
 - Imprest?
- Learning:
 - Implementation of lessons learned report recommendations?

Opportunities/ Lessons Learnt

- Bringing everyone to the same table.
 - Need to strengthen coordination among the 3 key agencies (MoCC, PMO & MFEM) as well as other agencies.
- Strengthening Partnership with donors and CROP agencies.
(Technical support and Finance.)

2025 Priorities onwards

- Finalized DRF Implementation plan.
- Increase funding received from current DRF instruments.
- Explore new DRF instruments.

Thank you Tumas