

Pacific Resilience Facility (PRF)

Invitation from the Executive Committee of the Warsaw International Mechanism for Loss and Damage (ExCom 21)

11 September 2024




PACIFIC ISLANDS FORUM



Why the PRF?

- Pacific Leaders' dissatisfaction with Pacific speed of access to Global Climate Funds
- Small sized community projects under-served by Multi-lateral banks
- Plethora of climate financing mechanisms, but not Member-owned and dedicated to communities at risk
- Need a sustainable and innovative financing mechanism that can scale access to climate financing in a transformative way for the Pacific

The PRF Journey

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- 2017 - Leaders mandated PRF concept
 - 2019 - Fund raising plan disrupted by Covid
 - 2022 - Finance Ministers mandated a PRF review post-covid
 - July 2023 - Forum Economic Ministers endorsed the post-covid review, reframing and re-design of the PRF
 - November 2023 - Leaders endorse Declaration to Establish PRF
 - August 2024 – Leaders decision on PRF Country of Domicile
 - 2025 - PRF Legal Establishment window
 - 2026 – PRF First Call for Community Project proposals – Pilot projects kick off



What is the PRF?

- First Pacific-led, Member-owned and managed regional financing facility
- First International Financial Institution owned by Pacific Member Governments
- The PRF is a transformative and integrated grant investment facility, that will generate an annual return, for disbursement to Member communities
- Sustainable and self-funding mechanism to serve the niche for community resilience financing for PIF Member countries
- Co-designed based on Member climate and disaster risk profiles to be responsive to member needs

The PRF has been re-designed....



With the future in mind –

Endorsed strategic resourcing mechanism for the 2050 Strategy



To be integrated and scalable –

As a credible, efficient alternative climate and disaster community financing vehicle for donors' regional climate investments into the Pacific



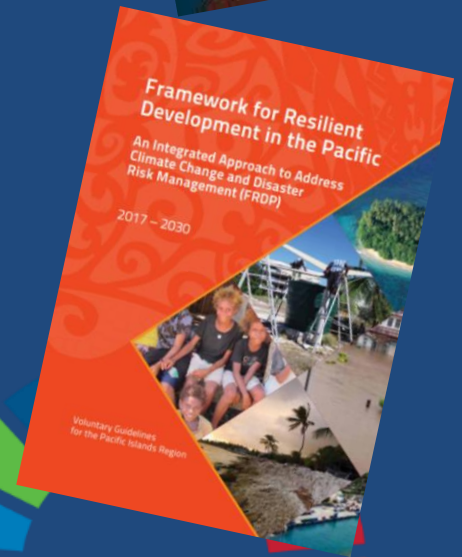
To be a sustainable financing mechanism –

For the Framework for Resilient Development in the Pacific (FRDP)



To support systemic resilience to strengthen community climate and disaster resilience –

Importance of financing SDGs to strengthen sustainable resilience in communities at risk



Approved re-designed PRF resilience windows



Re-designed Pacific Resilience Facility

Climate & Disaster Resilience Grant

Disaster Preparedness projects
(includes Disaster Rapid Response)

Climate Adaptation projects

Framework for Resilient Development
in the Pacific (FRDP) projects

Nature-based Solutions projects

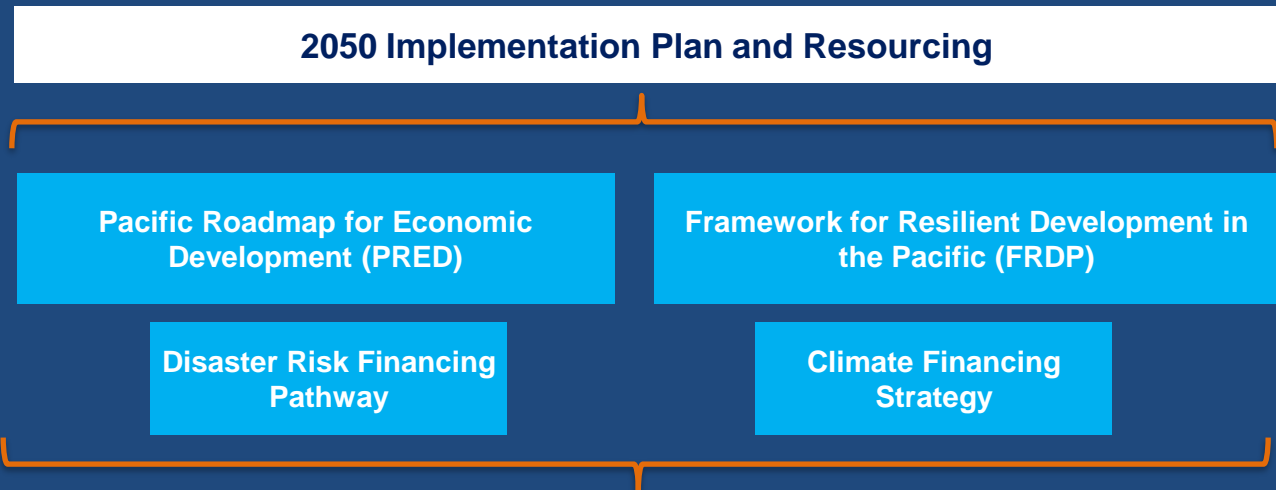
Loss and Damage projects

Social & Community Resilience Grant

Community Financing projects

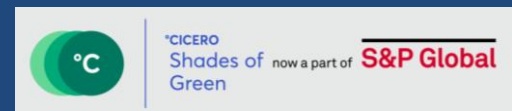
SDG Resilience projects

Investing into the PRF is investing into the 2050

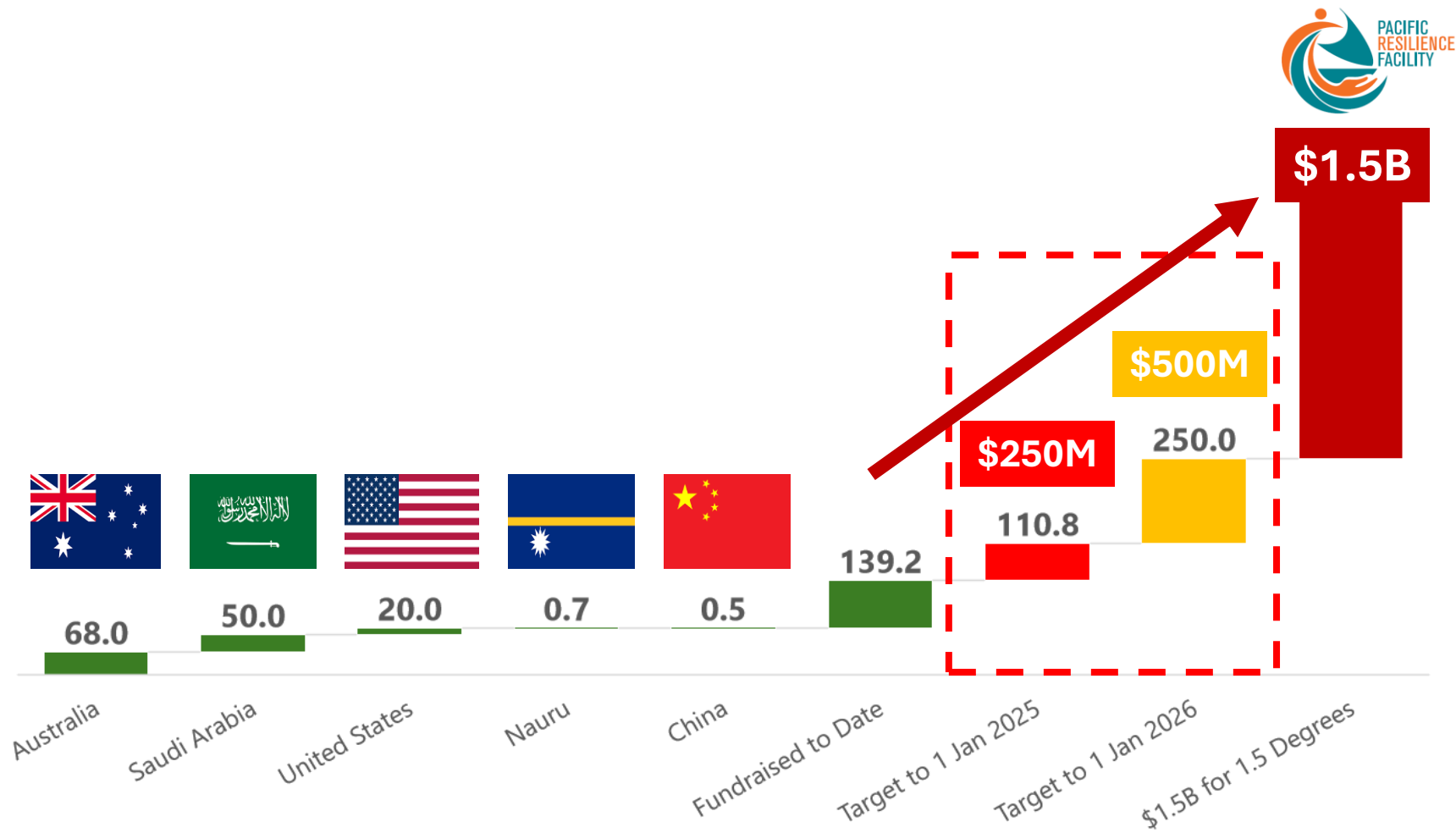


Capital assurance drivers for PRF investors

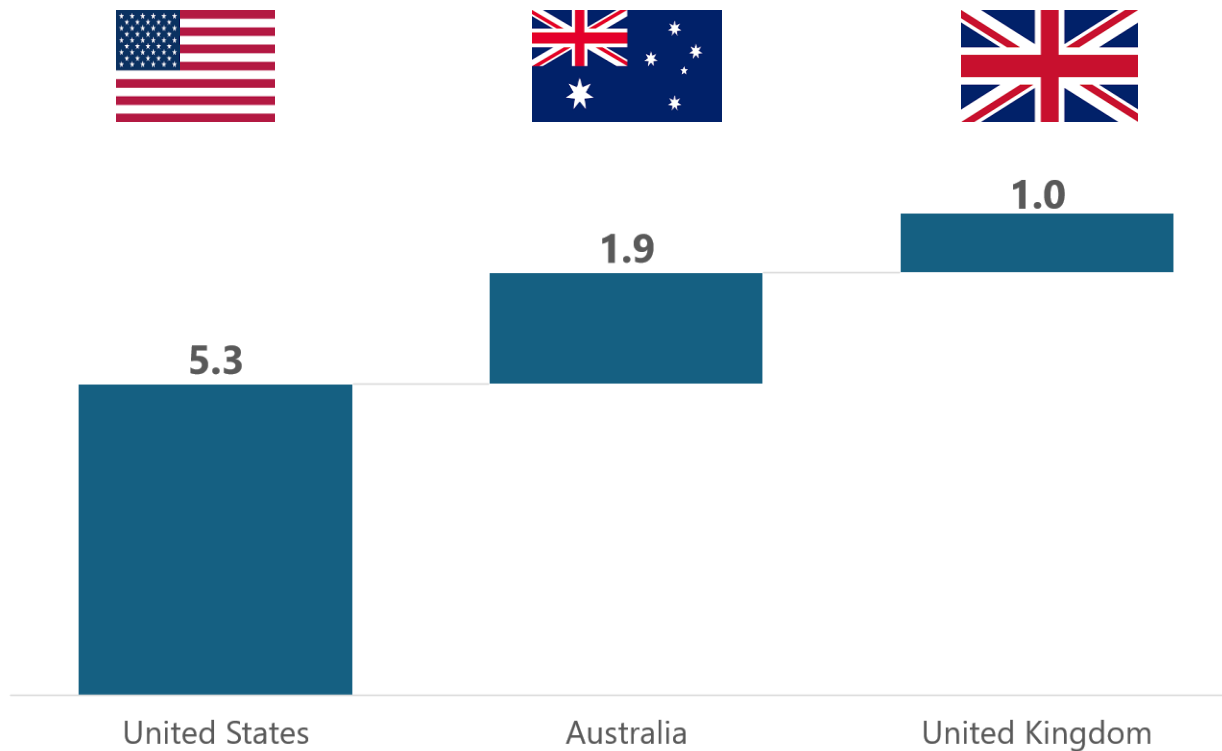
- ☒ Member Governments buy-in and Political will
- ☒ Compelling climate and disaster community financing investment proposition for climate investors into the Pacific seeking higher social return
- ☒ Robust governance approach - in discussions with World Bank Reserve Advisory & Management Partnership (RAMP) for bespoke PRF asset management services
- ☒ Stable legal passage for establishment
- ☒ Ear-marking to have Standard & Poor Second Party Opinion issued before pledging
- ☒ PRF is an endorsed strategic resourcing mechanism for the 2050 Strategy for the Blue Pacific Continent and the Framework for Resilient Development for the Pacific



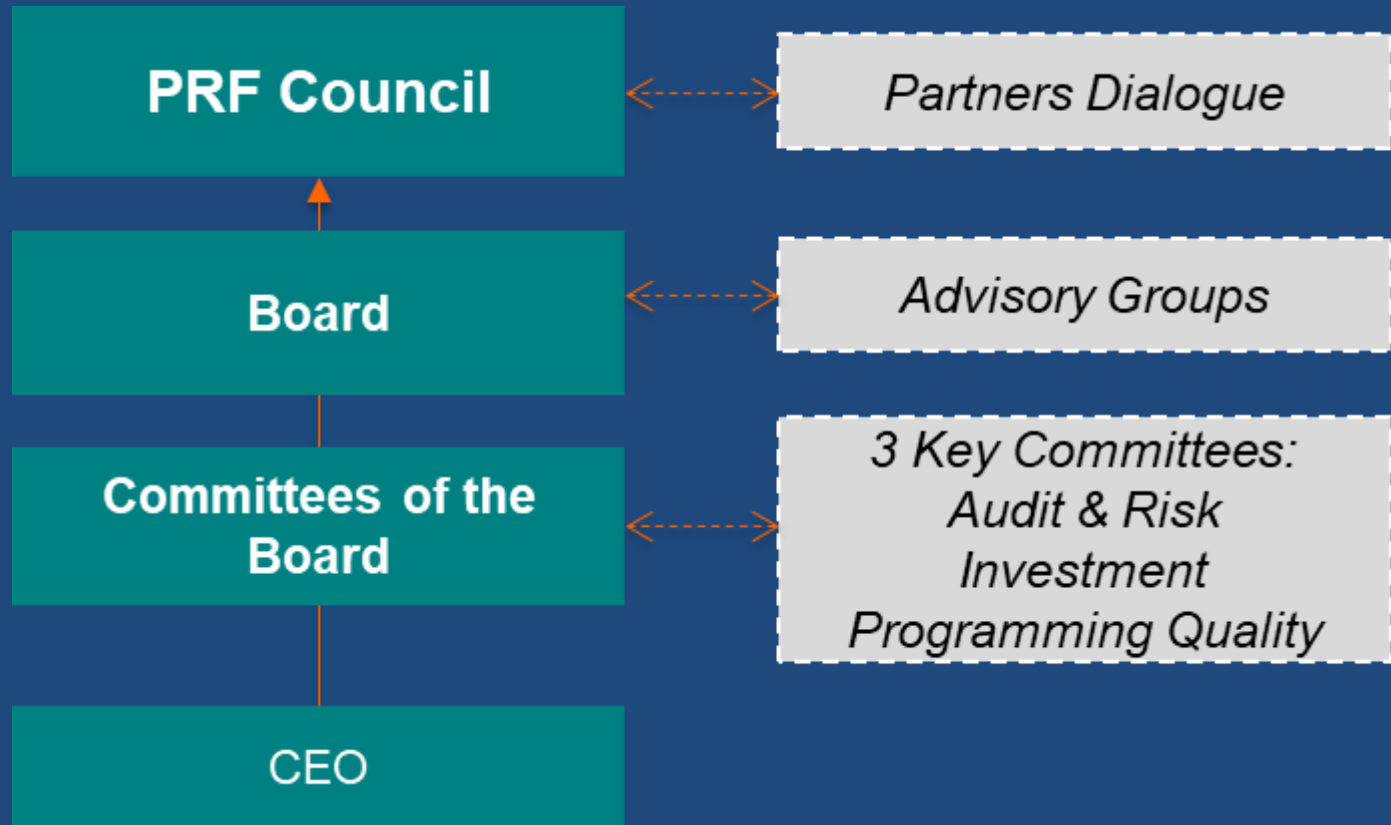
PRF Pledging Status and Target to **\$1.5B for 1.5°**



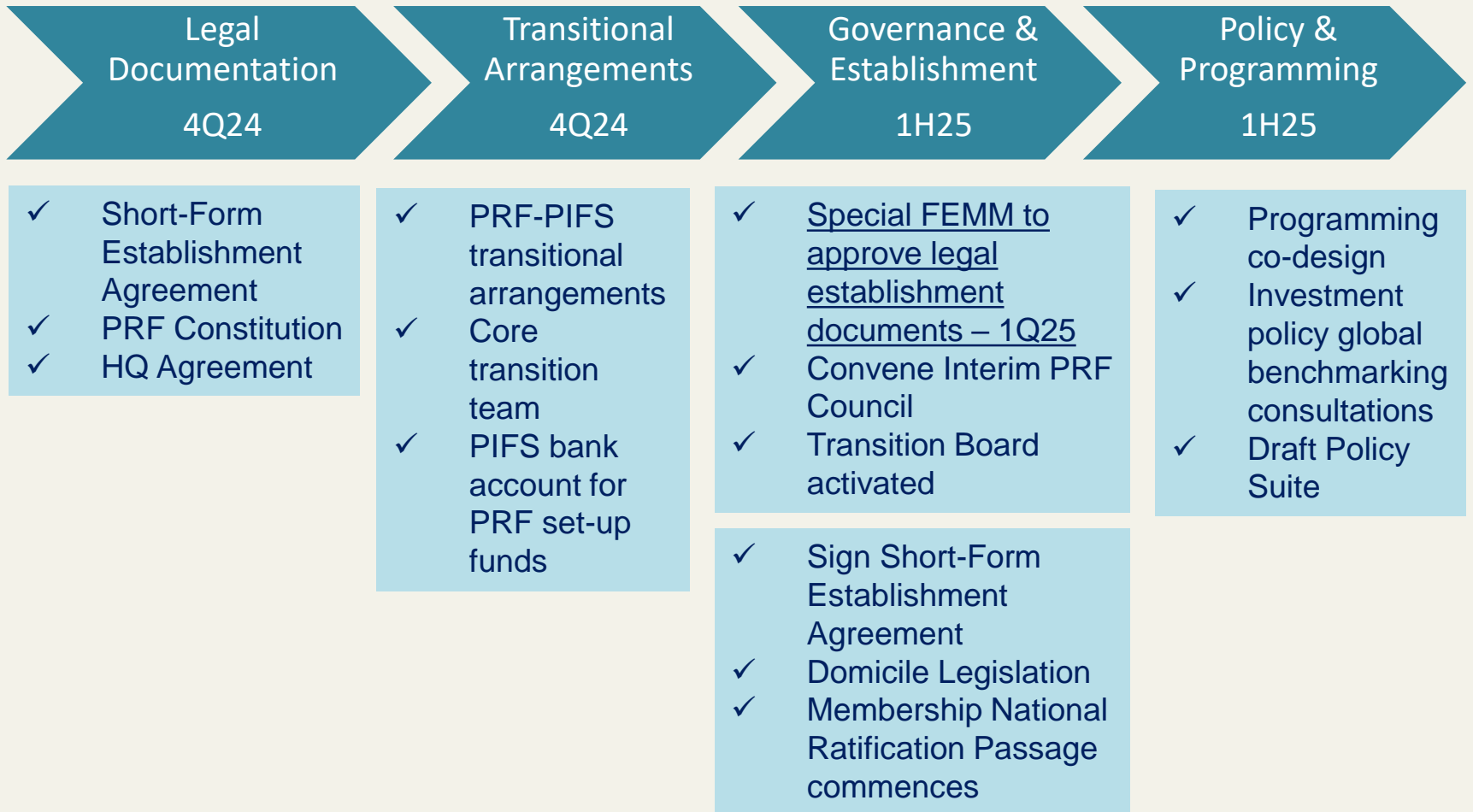
PRF Set-Up Funds to Date ~USD\$8.2M



PRF Governance Structure



Key Focus Areas to June 2025



Global Advocacy Fundraising

- UNSG supportive of UNGA79 PRF Side event
- CHOGUM
- COP29



How the PRF can catch Global Loss and Damage Funds for the Pacific

- ✓ Segregated Portfolios in facility structure to ring fence UNFCCC funds
- ✓ Co-drafted coherent and integrated Policy suite drafting for various resilience windows, including loss and damage
- ✓ Agile scalable financing mechanism for 16 country deployment to respond to Members nuanced responses to loss and damage in short, medium and long-term
- ✓ Community-centred partnership PRF model to facilitate lateral contextualised *loss and damage* closing the resilience loop learning and reporting