

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The Government of Australia, through its Department of Foreign Affairs and Trade, is the largest provider of development assistance in the south Pacific. Other key bilateral partners include the People's Republic of China through its Foreign Affairs Ministry and the Export–Import Bank of China, Japan through the Japan International Cooperation Agency, and New Zealand through its Ministry of Foreign Affairs and Trade. Multilateral agencies that provide grants and loans include the Asian Development Bank (ADB), European Union, various agencies of the United Nations, and the World Bank.

2. The Pacific Catastrophe Risk Assessment and Financing Initiative (PCRAFI) was originally established in 2007 as a joint initiative of the Pacific Community, the World Bank, and ADB. The World Bank launched a disaster insurance pilot as part of this initiative in 2012. Phase II of the PCRAFI began in 2016, supported by the PCRAFI Multi-Donor Trust Fund with the World Bank as trustee. Phase II includes two core components: (i) the establishment of a PCRAFI Facility<sup>1</sup> as an insurance captive to provide Pacific Island countries with catastrophe risk insurance coverage on competitive terms, and (ii) a technical assistance (TA) program to support capacity building on disaster risk financing and the public financial management of disasters. Germany, Japan, the United Kingdom, and the United States have provided grant funding to establish the PCRAFI Facility, which issued its first insurance policies for the 2016–2017 season (PCRAFI's fifth season) for the Cook Islands, Marshall Islands, Samoa, Tonga, and Vanuatu. The World Bank's Pacific Resilience Program is carrying out complementary disaster risk management work, and has secured some premium financing for PCRAFI insurance.<sup>2</sup>

3. In the aftermath of disasters, major development partners, including the governments of Australia, the People's Republic of China, France, Japan, New Zealand, and the United States usually work quickly to mobilize immediate relief, and the United Nations' Pacific Humanitarian Team mobilizes relief items and technical support from several offices in the region. ADB and the World Bank often also play key roles in Post-Disaster Needs Assessments and in providing immediate relief (e.g., ADB through the Asia Pacific Disaster Response Facility) and reconstruction.

4. Among the multilateral funds, major sources of climate finance include the Global Environment Facility, combining its Trust Fund and the Least Developed Countries Fund; the Pilot Programme for Climate Resilience of the Climate Investment Funds; and, since 2010, the Green Climate Fund. ADB, together with the Government of Australia and the United Nations Development Programme, is also an active partner in building climate resilience and DRM, and channeling resources from the multilateral funds. The Government of Australia provides funding and technical support across the region to help promote climate resilience and disaster preparedness, response, and risk reduction. For example, the Government of Australia's Pacific Risk Resilience Program is strengthening the resilience of selected Pacific countries to natural hazards and climate change risk. The table below shows major initiatives in the participating countries.

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<sup>1</sup> The PCRAFI Facility was established in the Cook Islands in 2016 as a foundation with a board of directors that owns a group captive insurer.

<sup>2</sup> World Bank. 2015. *Pacific Resilience Program*. Washington, DC.

## Major Climate Change Adaptation and Disaster Risk Management Initiatives in Participating Countries

Development Partner	Project Name	Duration	Amount (\$ million)
<b>SAMOA</b>			
UNDP/GCF	Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa	2017–2023	\$57.70 million
UNDP/Adaptation Fund	Enhancing Resilience of Samoa's Coastal Communities to Climate Change	2013–2017	\$8.70 million
UNDP/GEF-LDCF	Economy-Wide Integration of Climate Change Adaptation and Disaster Risk Management to Reduce Climate Vulnerability of Communities in Samoa	2015–2021	\$12.30 million
World Bank/CIF-PPCR	Climate Resilience Investment Programme	2014–2018	\$25.00 million
World Bank	The Pacific Resilience Program	2015–2020	\$13.79 million
<b>TONGA</b>			
ADB/CIF-PPCR	Climate Resilience Sector Project	2014–2019	\$19.25 million
UNDP/GEF	Tonga Ridge to Reef Project: Integrated Environmental Management of the Fanga'uta Lagoon Catchment	2013–2017	\$1.80 million
World Bank/GEF/GFDRR	The Pacific Resilience Program	2015–2020	\$16.76 million
<b>TUVALU</b>			
UNDP/GCF	Tuvalu Coastal Adaptation Project	2016–2019	\$36.00 million
UNDP/GEF-LDCF	Effective and Responsive Island-Level Governance to Secure and Diversify Climate Resilient Marine-Based Coastal Livelihoods and Enhance Climate Hazard Response Capacity (Tuvalu)	2013–2017	\$4.20 million
<b>REGIONAL</b>			
Government of Australia	Climate and Oceans Support Program in the Pacific (14 Pacific countries)	2012–2018	A\$39.0 million
Government of Australia/UNDP	Pacific Risk Resilience Program (Fiji, Solomon Islands, Tonga, and Vanuatu)	2012–2018	A\$17.0 million
Government of Australia	Coping with Climate Change in the Pacific Island Region	2016–2018	A\$2.3 million
USAID/SPC	Institutional Strengthening in Pacific Island Countries to Adapt to Climate Change	2015–2020	\$5.00 million
World Bank/PPCR	The Pacific Resilience Program	2015–2020	\$9.47 million

ADB = Asian Development Bank, CIF = Climate Investment Funds, GCF = Green Climate Fund, GEF = Global Environment Facility, GFDRR = Global Facility for Disaster Reduction and Recovery, LDCF = Least Developed Countries Fund, PPCR = Pilot Programme for Climate Resilience, SPC = Secretariat of the Pacific Community, SPREP = Secretariat of the Pacific Regional Environment Programme, UNDP = United Nations Development Programme, USAID = United States Agency for International Development.

Source: ADB.

### B. Institutional Arrangements and Processes for Development Coordination

5. As the program is financed by policy-based operations, it focuses strongly on country ownership and reliance on country systems. In Samoa, climate change and disaster-resilience projects are coordinated by the Ministry of Finance; in Tonga by the Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications; and in Tuvalu by the Climate Change Policy and Disaster Coordination Unit within the Office of the Prime Minister.

6. All countries have dedicated national disaster or emergency management offices that are responsible for emergency management. International nongovernment organizations such as the Red Cross, in association with local nongovernment organizations, play a key role in humanitarian relief and livelihood recovery programs.

### **C. Achievements and Issues**

7. All participating governments have achieved a generally acceptable level of development partner coordination for both climate and disaster reliance efforts, as well as emergency relief and reconstruction. However, in the aftermath of a disaster, development partners typically contribute significant amounts of aid-in-kind, grants, and loans for immediate support and medium-term reconstruction-related projects. Coordinating the support offered by donors and civil society organizations can pose significant administrative challenges, with competing requests, deadlines, and procedures; and government absorption capacity may therefore become stretched.

### **D. Summary and Recommendations**

8. Given the cross-cutting nature of both resilience work and reconstruction, close coordination and consultation between the development partners and with the governments are needed to avoid redundancies and to identify gaps in support. Ongoing development partner consultation is necessary during implementation to prevent overlap and duplication, and to identify areas requiring coordination, particularly for the TA support.

9. In addition, as the attached TA will explore options for regional collaboration with regard to contingent financing and a potential permanent regional contingent savings mechanism, the TA will seek to build partnerships and build on existing initiatives in the region, such as the PCRAFI.