

# Case for a Pacific Resilient Infrastructure Finance and Insurance Facility

Crown Plaza, Nadi  
2 – 3 December 2024



# Pacific Resilient Infrastructure Finance and Insurance Facility

## PRIFIF – The Vision

- Align resilient infrastructure in the Pacific with 2030 SDGs, Paris Agreement and G20 Infrastructure Investment Principles
- Address resilient Infrastructure Finance Gap and Protection Gap

### Insurable = Investable

- Involve the insurance industry early
- Aggregate portfolio to diversify risks
- Apply global underwriting best practices
- Comply with best practice procurement procedures
- Harmonized regulatory framework
- Replicate in other regions (Southeast Asia, South Asia, CAREC, Hindukush Himalaya) and globally

# Pacific Resilient Infrastructure Finance and Insurance Facility (PRIFIF) – The Vision

**Public Private Partnership** – Pooling PRIF projects into well-diversified risk portfolios across PICS, sectors and financial risk management products

Risk Advisory

De-Risking

Co-Financing

**Regional regulatory framework** – effective access to market-based financial risk management products and private sector financing

**SOURCE** – Digital Infrastructure Project Preparation Platform  
Including Risk Management and Insurance Module

# Pacific Regional Infrastructure Finance and Insurance Facility (PRIFIF) –

## Risk Advisory Services

### Early involvement of insurance industry:

- Risk assessment and Engineering Services
- Multi-Hazard Climate & Disaster Risk Modeling

- Check list of all risks across the infrastructure project live cycle
- Multi-hazard Disaster and Climate Risk Modeling
- Cost benefit analyses of adaptation investments

- Project design improvement
- Project pipeline development

# Pacific Regional Infrastructure Finance and Insurance Facility (PRIFIF) –

## De-Risking Services

### Risk Pools and Risk Transfer solutions

- Leveraging economies of scale
- Sustainable infrastructure project financing

- Comprehensive ‘one-stop shop’ insurance product offerings across infrastructure project live cycle
- Guarantees and first-loss protection structures for credit enhancement

- Lead Re/Insurer with follower market leveraging PCRIC
- MDB capital allocation

# Pacific Regional Infrastructure Finance and Insurance Facility (PRIFIF) –

## Co-Investment Services

### Quality Infrastructure Investment

- Leveraging Impact Funds
- Mobilizing private sector Co-Financing

- Accelerated sovereign / non-sovereign mitigation and adaptation investments in line with the Paris Agreement objectives
- Development of an asset class through digitalization of project preparation

- Investment opportunities for ESG and Impact investors
  - Catalytic funding by donors and through IFIs

# Way forward and next steps

## PRIFIF Design Working Group

- Validate key challenges to be addressed
- Define scope and objectives
- Address legal and regulatory framework
- Design financial instruments and insurance products
- Provide capacity building and technical assistance
- Mobilize funding and partnerships
- Attract private sector investors
- Support Implementation and monitoring
- Ensure Sustainability and long-term viability
- Enhance public awareness and advocacy

**PRIFIF initial launch:  
ADB' Annual General Meeting in Milano, May 2025**

# Questions and Answers

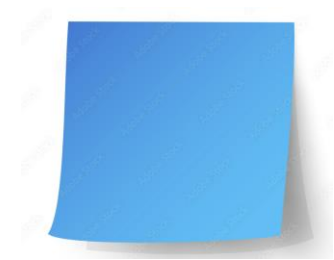
**Many thanks**



## Break-out Session 2: Features of a regional finance and insurance facility

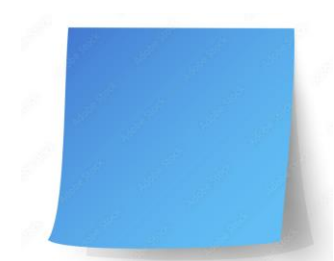
- **Task 1:**

Identify the technical **risk advisory services** (cat risk assessments, risk reduction measures, etc.) and the **de-risking instruments**, i.e. insurance and financial products, etc.) as well as **co-investment opportunities** required under a regional facility.



- **Task 2:**

Discuss the **governance model** including standardization level and documentation required for a feasible facility as well as the capacity building required for the delivery of the advisory and de-risking services, considering accessibility, affordability, inclusiveness, and sustainability.



***Write down questions that may occur during the discussions ?***