

ADAPTATION FINANCE

## REMITRESILIENCE IN THE PACIFIC

# REMITTANCES FOR SUSTAINABLE AND RESILIENT INFRASTRUCTURE IN THE PACIFIC



### ABOUT BASE

BASE is a Swiss not-for-profit foundation and a Specialised partner of UN Environment. BASE develops innovative, actionable financial strategies and market-driven solutions to unlock investment in climate change solutions.



### ABOUT OXFAM PACIFIC

Oxfam in the Pacific is part of Oxfam International, that has been actively pursuing innovative interventions that promotes community-based resilience in the Pacific especially during times of disasters.



### ABOUT CONVERGENCE

Convergence is the global network for blended finance. Convergence generates blended finance data, intelligence, and deal flow to increase private sector investment in developing countries.



# REMIT RESILIENCE

*Supporting resilient infrastructures in the Pacific through remittances.*

## CONTEXT

The Pacific is one of the world's most vulnerable regions to the impacts of climate change. Pacific Island Countries are already experiencing extreme climate induced disasters such as droughts and tropical cyclones which severely hinder development. Frequent natural disasters in these under-resourced states result in damages worth millions of dollars.

Much of the physical damage and associated social and economic devastation can be avoided by investing in sustainable and resilient infrastructure, but accessing predictable and adequate climate finance is challenging for small and resource constrained Pacific Island Countries. There is an urgent and pressing need for locally appropriate, self-sustaining and accessible financing options for climate resilience.

Remittances make up a critical and growing source of development finance in Pacific Island Countries – representing more than three times official development assistance, and in many cases – two to three times more than foreign direct investment. Remittance senders have a more secure and stable source of income, and hence, often have a higher credit capacity.

## PROJECT

The aim of this project is to design and assess the feasibility of a locally relevant and self-sustaining finance vehicle that enables migrant workers from Pacific Island Countries who live and work abroad (most often in Australia or New Zealand) to channel part of their remittance payments towards sustainable and climate resilient infrastructure investments for their families and communities. The financial vehicle will allow workers in Australia and New Zealand, to cheaply and easily invest in resilient infrastructures for their families and communities in their home countries.

Given the critical importance of climate change resilience and adaptation in low lying Pacific Island states – the focus will be on resilience retrofitting of homes, with the aim that households would invest in securing for roofs, water tanks, and rooftop solar panels and batteries – so that households would have shelter, water, and communications (i.e power for phones and radio) in post cyclone periods. The measures will also contribute to resilience against other impacts and improve the sustainability of houses.

This project will assess its feasibility in the context of the Pacific and for the purposes of sustainable and resilient infrastructure. The identified target countries in the Pacific Islands are Fiji, Tonga, and Vanuatu. During the feasibility study and design phase, BASE and Oxfam will conduct detailed consultations, finalise the vehicle design, and prepare partnerships ready for vehicle implementation.

### PERIOD

*Ongoing*

### COUNTRIES

*Fiji, Tonga and Vanuatu*

### FUNDER

*Convergence Finance*

### CONTACT

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