



WORLD BANK GROUP



**GFDRR**  
Global Facility for Disaster Reduction and Recovery

# PACIFIC POWER ASSOCIATION DISASTER ASSISTANCE PROGRAM (PDAP)

## Disaster Risk

Pacific Island Countries (PICs) are highly exposed to the adverse effects of climate change and natural disasters. The World Risk Index 2019 ranks five Pacific Island countries in the top 15 nations facing the highest disaster risk. Since 1950, natural disasters in the Pacific region have caused approximately 10,000 fatalities and affected more than 9.2 million people.

The severity and frequency of hazardous events in the region are likely to intensify further with the impact of climate change.

## Power sector vulnerability

The power sector in the Pacific Islands is highly vulnerable to the impacts of natural disasters, which directly damage the power system

value chain from upstream generation plants to downstream distribution networks. This in turn negatively affects businesses and livelihoods that rely on electricity services. Power systems such as diesel generators, renewable energy systems, distribution networks (wires, lines, poles, and transformers) are the most vulnerable against natural disasters<sup>1</sup>. The impact of extreme weather can range from weeks to months of power outages, and often results in lengthy power restoration processes. This vulnerability is exacerbated by the absence of a coordinated response framework.

## What is the Pacific Power Association Disaster Assistance Program (PDAP)?

PDAP is a mutual disaster recovery and assistance program established by the Pacific Power Association (PPA), which will enable its members to quicken response and recovery efforts after disasters through the sharing of human resources and equipment between utilities. PDAP will institute a formal mechanism that pre-establishes how utilities will collaborate and coordinate restoration assistance after any disaster. This Program is supported by the World Bank<sup>2</sup> and its regional Sustainable Energy Industry Development Project<sup>3</sup>. It is expected to contribute towards strengthening power resilience in the region and is being developed over two phases.

<sup>1</sup> Questionnaire survey on climate resilience conducted by the PPA and the World Bank

<sup>2</sup> The activity was made possible with the financial support from the Japan-Bank Program for Mainstreaming DRM in Developing Countries, which is financed by the Government of Japan and receives technical support from the World Bank Tokyo Disaster Risk Management Hub (<http://www.worldbank.org/drmhubtokyo/en>).

<sup>3</sup> <https://projects.worldbank.org/en/projects-operations/project-detail/P152653?lang=en>

## PDAP Phase One – Memorandum of Understanding (MOU)

Phase one involved the formulation of an MOU, which sets out the framework and operating mechanism of the Program, such as the roles and responsibilities of affected parties, the procedures for requesting and providing support, payment and reimbursement procedures, etc.

### Key terms of the MOU:

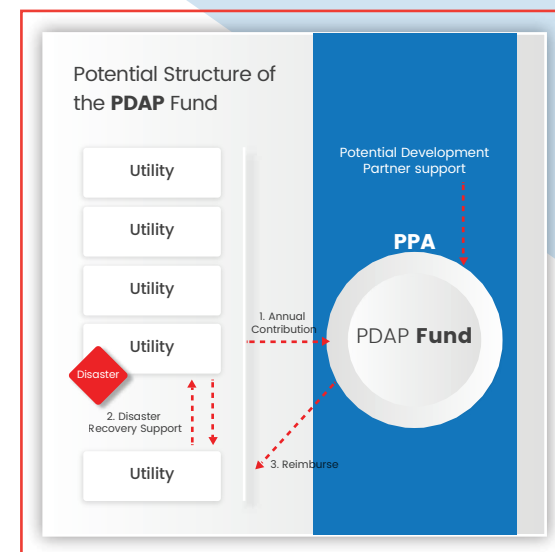
- **No obligation to respond** - Signing the MOU does not obligate a Participating Utility to respond to a mutual aid request. Utilities only participate if they determine that they have the resources and means to participate in the restoration exercise.
- **Non-exclusivity** – The MOU is non-exclusive and does not prevent or limit signatories from signing other mutual aid agreements of any nature.
- **Supplementary parties** – PPA member utilities can join PDAP anytime by becoming a party to the MOU.
- **Withdrawal from MOU** - Participating utilities can withdraw from the MOU at any time by providing written notice to the PPA Secretariat at least ninety (90) days prior to the effective date of termination.

### The PPA is open to further utilities' participation.

As of July 1, 2020, eleven utilities have already signed the MOU to confirm their membership of the PDAP. Current members include four state utilities from the Federated States of Micronesia, two utilities from the Marshall Islands, as well as utilities from Palau, the Solomon Islands, Kiribati, Tonga, and Tuvalu.

## PDAP Phase Two – Financing mechanism

A pool fund mechanism is currently being designed to finance the Program. The PPA has requested the World Bank for technical assistance to explore and develop a financial instrument to fund the mutual support activities of PDAP members. The financing mechanism is expected to be finalized and endorsed by 2022.



### Benefits of joining PDAP

- Quicker restoration of power supply after disasters, enabling faster resumption of economic activities, businesses, and livelihoods.
- Coordinated response efforts through pre-established protocols, policies, and procedures for disaster recovery support as spelled out in the MOU, thereby reducing or eliminating the extent to which these issues must be negotiated with each new event.
- A greater degree of economic and logistical efficiency as individual utilities do not need to own and maintain all of the resources needed to respond to catastrophic disasters.

### How can utilities join PDAP?

To join the PDAP, utilities must sign the MOU, which is available from the PPA secretariat.

### Further information

For more information on the PDAP, please contact the PPA secretariat at : +679 3306 022.

E-mail : [ppa@ppa.org.fj](mailto:ppa@ppa.org.fj) / Website : [www.ppa.org.fj](http://www.ppa.org.fj)