

Africa RiskView MONTHLY BULLETIN

MARCH 2015 | PERIOD COVERED: FEBRUARY 2015

Highlights:

- Rainfall:
 - Heavy rains in some parts of **South-East Africa**
 - Dry conditions persist in **South-West Africa**
- Drought:
 - Due to slightly drier than normal conditions in Kenya, the rangeland WRSI is currently slightly below normal, however the rainy season will increase in intensity over the coming months
- Potentially Affected People:
- No projection can be made yet regarding the development of the **2015** long rains season in Kenya
- Insurance:
 - Four countries (Mauritania, Niger, Kenya and Senegal) form the first ARC risk pool
 - Niger, Senegal and Mauritania received payouts by the ARC Insurance **Company Limited**
 - The drought responses in the three countries started in February 2015, ahead of the 2015 humanitarian appeal for the Sahel

INTRODUCTION

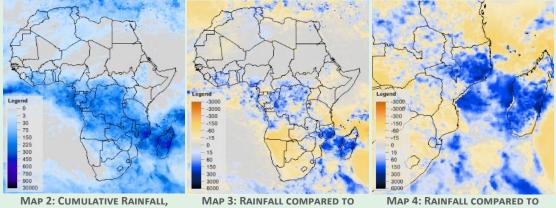
The Africa RiskView (ARV) Bulletin is a regular publication of the African Risk Capacity (ARC) Agency. It provides information about current rainfall and drought index developments as detected by ARV, and their potential impact on vulnerable populations. It also provides updates on estimated response costs to assist potentially affected people, which are the underlying basis of the insurance policies for countries participating in the ARC insurance pool.

This month's issue covers the month of February 2015. During the reporting month, the seasonal rains continued in most of Central Africa and in Southern Africa. The map on the right highlights the countries on which this issue will focus. The ARV Bulletin will cover the following topics: rainfall, drought, populations affected and update estimates on response costs.

ARC Signatories ARC Risk Pool 1 ARC Risk Pool 1 (in-season)

RAINFALL

During the reporting month, rains were concentrated mainly in the central and southern parts of the continent. Particularly south-eastern Africa experienced cumulative rainfall of over 600 mm in parts of Mozambique and Madagascar (see Map 2). In the rest of the continent, dry conditions persisted, which is in line with seasonal patterns. In East Africa, the western parts of Ethiopia, as well as Uganda and South Sudan, recorded some rains during the month of February.



RFE2 (FEB 2015)

NORMAL, RFE2 (FEB 2015)

NORMAL, SOUTH-EASTERN AFRICA, RFE2 (FEB 2015)

Compared to the long-term average (2001-2014), south-western Africa experienced drier than normal conditions, particularly southern Angola, Namibia, Botswana and western South Africa, where rainfall deficits of up to 150 mm were recorded (see Map 3). These areas have experienced a well below normal rainy season since October 2014. On the other hand, south-eastern Africa and particularly northern Mozambique, Malawi and Madagascar, continued to receive above excess rains of up to over 400 mm above average in some areas (see Map 4). The extreme rainfall surpluses which have been recorded in the region during the second half of the rainy season (since late December 2014) have resulted in severe flooding in Malawi, Mozambique and Madagascar (see also FEWS NET's latest Global Weather Hazards Summary). In East Africa, parts of Ethiopia and localised areas in Kenya experienced slightly drier than normal conditions, however these are expected to be alleviated by the start of the long rains in East Africa next month.



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About ARC:

- The African Risk Capacity

 (ARC) is a specialised agency of the African Union designed to improve the capacity of AU Member States to manage natural disaster risk, adapt to climate change and protect food insecure populations.
- The Africa RiskView (ARV) software is the technical engine of ARC. It uses satellite-based rainfall information to estimate the cost of responding to a drought, which triggers a corresponding insurance payout.
- The ARC Insurance Company Limited is the commercial affiliate of the ARC Agency, which pools risk across the continent through issuing insurance policies to participating countries.

ARC Secretariat Merafe House 11 Naivasha Road Sunninghill 2157 Johannesburg, South Africa

www.africanriskcapacity.org support@africariskview.org

DROUGHT

ARV uses the *Water Requirements Satisfaction Index* (WRSI) as an indicator for drought. The WRSI is an index developed by the *Food and Agriculture Organisation of the United Nations* (FAO), which, based on satellite rainfall estimates, calculates whether a particular crop is getting the amount of water it needs at different stages of its development. To maximise the accuracy of ARV, **countries intending to take out insurance customise the software's parameters** to reflect the realities on the ground. This issue of the ARV Bulletin will discuss insured countries that are currently in season.

Kenya (2015 first rangeland season): Kenya chose to focus on its arid and semi-arid lands (ASAL) in the context of its participation in the ARC insurance pool. ARV was customised to show rangeland development in the country's bi-modal pastoral areas. The 2015 long rains usually increase in intensity towards April and May, and no significant rainfall was recorded in Kenya in February. Thus, the current rangeland WRSI remains slightly below average in most of the country. However, this situation will improve with the build-up of the rainy season expected in the coming month.

AFFECTED POPULATIONS

Based on the WRSI calculations discussed in the previous section of this bulletin, ARV estimates the **number of people potentially affected by drought** for each country participating in the insurance pool. As part of the in-country customisation process, **vulnerability profiles** are developed at subnational levels for each country, which define the potential impact of a drought on the population living in a specific area. It is important to note that not all those affected by a drought might be in need of humanitarian assistance. Moreover, needs are often driven by a variety of factors including but not limited to the weather. This bulletin reviews the affected population estimates and projections for countries insured and in-season. The only ongoing season is the **2015 first rangeland season in Kenya**, however given that the season has just recently started, it is currently too early to predict the potential drought impact in the country. Considering the mixed performance of the 2014/15 short rains, which have led to localised drought events in most of central and eastern Kenya, the progress of the 2015 long rains will be monitored closely in the coming issues of the ARV Bulletin.

RESPONSE COST ESTIMATION

In a fourth and final step, ARV converts the numbers of affected people into **response costs**. For countries participating in the insurance pool these national response costs are the **underlying basis of the insurance policies**. Pay-outs will be triggered from the ARC Insurance Company Limited to countries where the estimated response cost **at the end of the season** exceeds a pre-defined threshold specified in the insurance contracts. This bulletin will monitor the progression of estimated response costs for countries that are in-season and have insured their respective seasons. Currently, **four countries form the first ARC risk pool** (Kenya, which is insuring two seasons, Mauritania, Niger and Senegal). These four countries insured in total five agricultural or rangeland seasons against the cost of a drought-related intervention. So far, Mauritania, Niger and Senegal have received pay-outs by the ARC Insurance Company Limited, while the insured short rains season in Kenya recently finished without the country being eligible for a pay-out. Regarding the ongoing **2015 first rangeland season in Kenya**, it is currently too early to predict how the season will develop.

As mentioned above, the three West African countries in the first ARC risk pool have received payouts by the ARC Insurance Company Limited due to the poor rainfall performance during their respective 2014 agricultural seasons. The three countries are currently preparing the implementation of the Final Implementation Plans (FIPs), which were approved by the ARC Agency Governing Board in January. To date, commodity procurement and logistical arrangements have been made for food distributions and subsidised livestock fodder sales in Senegal, food distributions in Mauritania and cash transfers and school feeding projects in Niger. The implementation of these programmes will be monitored closely in the coming editions of the ARV Bulletins.

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