

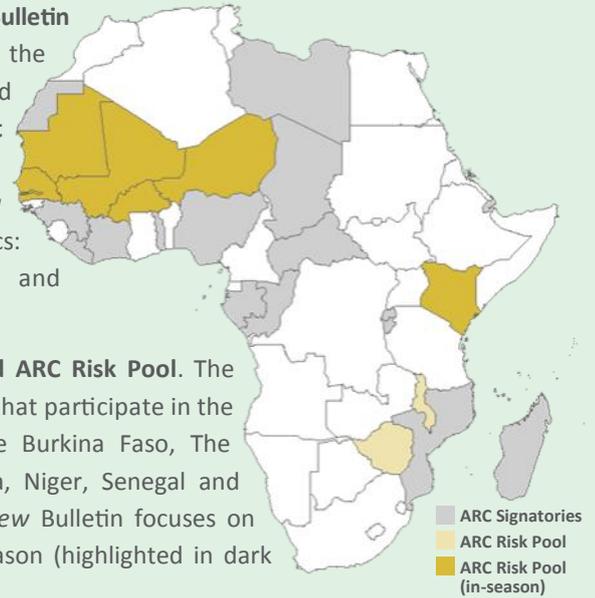
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OVERVIEW:

This month's issue of the *Africa RiskView Bulletin* covers the month of **July 2015**. During the reporting month, seasonal rains continued in parts of **Central Africa** and in **West Africa**. The rains also intensified in the northern parts of **East Africa**. The *Africa RiskView Bulletin* covers the following topics: **rainfall, drought, populations affected** and updates on the **ARC Risk Pool**.

Nine countries currently form the **second ARC Risk Pool**. The **map on the right** highlights the countries that participate in the ARC risk pool in 2015/16. These include Burkina Faso, The Gambia, Kenya, Malawi, Mali, Mauritania, Niger, Senegal and Zimbabwe. This issue of the *Africa RiskView Bulletin* focuses on insured countries that are currently in-season (highlighted in dark yellow in the map).



HIGHLIGHTS:

RAINFALL:

- In **East Africa**, rainfall was mixed in Sudan and parts of Ethiopia and Eritrea, where the main season started in June
- After a late start of the season, mixed rainfall has been recorded in **West Africa**, with poor rains in parts of Senegal and Niger

DROUGHT:

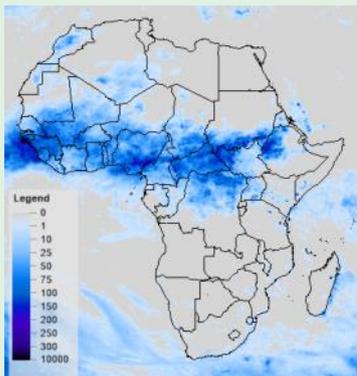
- The delayed start of the season has resulted in a below normal croplands WRSI in parts of **West Africa**, particularly in Senegal, Niger, and parts of Burkina Faso

INSURANCE:

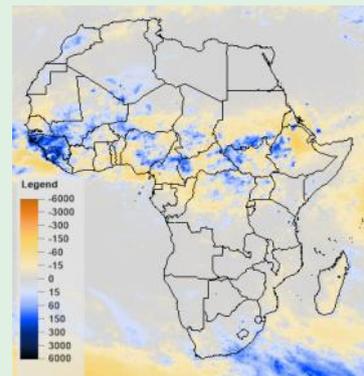
- Three countries (Mauritania, Niger and Senegal) in the first ARC Risk Pool received pay-outs from the ARC Insurance Company Limited in early 2015 as a result of drought in 2014
- **Nine countries** (Burkina Faso, The Gambia, Kenya, Malawi, Mali, Mauritania, Niger, Senegal and Zimbabwe) **form the second ARC Risk Pool** in 2015/16

RAINFALL

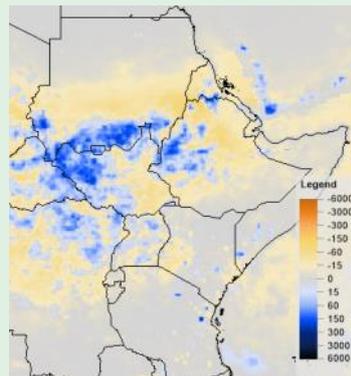
During the reporting month, seasonal rains continued in the northern parts of **Central Africa** (see Map 2). However, some areas including parts of north-western Democratic Republic of the Congo, north-eastern Republic of the Congo and the central parts of Central African Republic, recorded drier than normal conditions compared to the 2001-2014 average (see Map 3). In the northern parts of **East Africa**, including some areas in Ethiopia, Eritrea, South Sudan and Sudan, the rainy season started in June, and continued during the reporting month. Above average rainfall in June was followed by a mixed performance of the seasonal rains in July. In north-eastern Ethiopia, eastern South Sudan and central Sudan, below average rains were recorded, while rainfall was above normal in



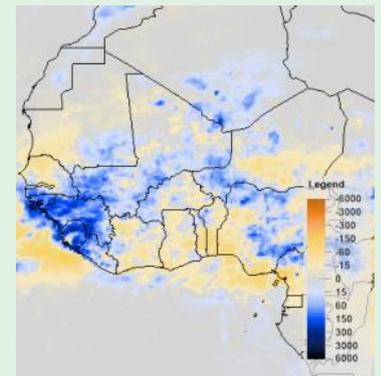
MAP 2: CUMULATIVE RAINFALL, RFE2 (JULY 2015)



MAP 3: RAINFALL COMPARED TO NORMAL, RFE2 (JULY 2015)



MAP 4: RAINFALL COMPARED TO NORMAL, EAST AFRICA, RFE2 (JULY 2015)

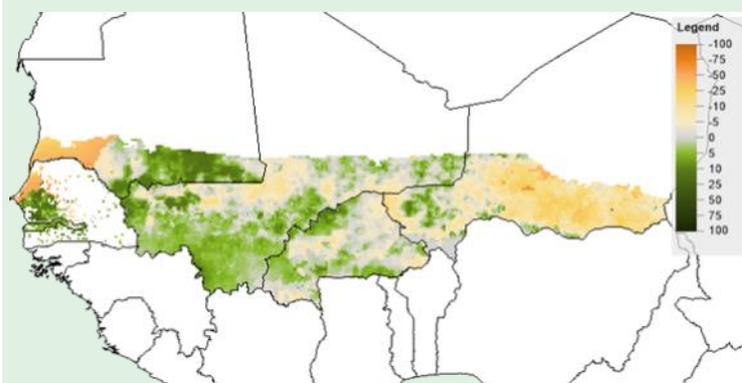


MAP 5: RAINFALL COMPARED TO NORMAL, WEST AFRICA, RFE2 (JULY 2015)

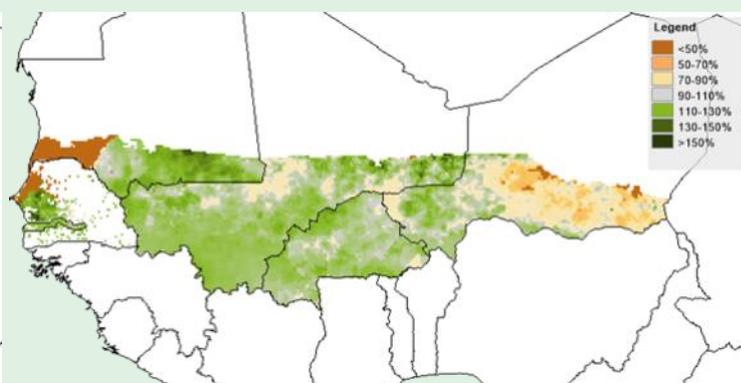
western Ethiopia, western South Sudan and southern Sudan (see Map 4). Finally, in **West Africa**, the intensity of the seasonal rains increased further, and the seasonal rains started in northern Senegal and western Mauritania. Compared to the long-term average (2001-2014), abnormally strong rains were observed in Guinea, Sierra Leone and Liberia, which led to localised floods. Meanwhile, rainfall in the Sahel was mixed, with above normal rains in southern Senegal, Mali, western Burkina Faso and south-western Niger. However, northern Senegal, western Mauritania and north-eastern Niger recorded below average rains (see Map 5). This comes after a generally delayed start of the rainy season in the region, with similar rainfall patterns as in 2014 in some areas, including northern Senegal. The poor start of the rainy season in these areas is confirmed by external sources.

DROUGHT

Africa RiskView 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 *Africa RiskView*, **countries intending to take out insurance customise the software's parameters** to reflect the realities on the ground. This issue of the *Africa RiskView* Bulletin will discuss insured countries that are currently in-season.



MAP 6: WRSI COMPARED TO AVERAGE (2001-2014), WEST AFRICA



MAP 7: WRSI IN PERCENT OF AVERAGE (2001-2014), WEST AFRICA

West Africa (2015 agricultural season): As discussed above, the performance of the rains during the first three months of the season in West Africa was mixed. While the areas in the southern Sahel, including southern Mali, Burkina Faso and south-western Niger, experienced normal rains, northern Senegal, western Mauritania and the north-eastern agricultural areas in Niger suffered from a delayed start of the season. This is reflected in the croplands WRSI maps, which compare the current WRSI projection to the 2001-2014 average. It is important to note that this projection uses normal rainfall to simulate the progression of the season, thus showing the projected end-of-season WRSI. In Burkina Faso, Mali and The Gambia, where the rains during the first months of the season were close to the long-term average, the current end-of-season WRSI projection is slightly above average, with the exception of some pockets of below normal conditions (see Maps 6 and 7). In Senegal, good rains in late July allowed for sowing conditions to be reached in most areas, however in the north-western parts of the country, the sowing threshold was not reached at the end of the sowing window (see Map 6). The same applies to western Mauritania, however the sowing window in this country extends until mid-August, which means farmers might still have the opportunity to plant their crops in the coming weeks. Finally, in Niger, below average conditions are currently projected for most agricultural areas in the northern and eastern parts of the country, where the seasonal rains so far have performed poorly. In parts of south-western Niger, the current end-of-season WRSI projection is slightly above the 2001-2014 average (see Map 7). The performance of the rains over the coming months will be crucial in determining the outcome of the season in the region. Particularly the situation in eastern Niger and north-western Senegal needs to be monitored closely given the late season start. The upcoming *Africa RiskView* Special Report on West Africa will discuss the situation in the region after the end of the sowing window in more detail.

AFFECTED POPULATIONS

Based on the WRSI calculations discussed in the previous section of this bulletin, *Africa RiskView* 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 the sub-national level 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 monthly reviews the drought affected population estimates and projections for countries insured and in-season. The only ongoing season is the

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** software is the technical engine of ARC. It uses satellite-based rainfall information to estimate the costs of responding to a drought, which triggers a corresponding insurance pay-out.
- 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.

The **Africa RiskView Bulletin** is a regular publication of the ARC Agency. It provides information about current rainfall and drought index developments as detected by *Africa RiskView*, and their potential impact on vulnerable populations. It also provides updates on the ARC Risk Pool and the estimated response costs, which are the underlying basis of the insurance policies issued by the ARC Insurance Company Limited.

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agricultural season in West Africa, and it is currently too early to estimate the impact of the below normal conditions on vulnerable populations in the Sahel. Updated forecasts will be presented in the upcoming issues of the *Africa RiskView* Bulletin.

UPDATE ON THE ARC RISK POOL

In a fourth and final step, *Africa RiskView* 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.

Currently, nine countries form the **second ARC risk pool**. These include five new countries that joined in 2015 (Burkina Faso, The Gambia, Malawi, Mali and Zimbabwe), in addition to the four members of the first risk pool, Kenya, Mauritania, Niger and Senegal. During its first annual cycle, which ended in June 2015, three countries received pay-outs due to the poor performance of their respective seasons, namely Mauritania, Niger and Senegal. On the other hand, in Kenya, the conditions for a pay-out were not triggered at the end of either of the two pastoral seasons.

In order to renew their participation in the ARC risk pool, all four countries went through a review and validation exercise aimed at maximising the accuracy of *Africa RiskView's* model. The participation of the five new countries followed an 18-month period in which they defined their participation in the pool. With support from the ARC Agency, these countries customised *Africa RiskView* and defined Operations Plans which outline the assistance to be provided to vulnerable populations in case of a pay-out by the ARC Insurance Company Limited. In addition to the nine countries forming that are participating in the second ARC Risk Pool, the ARC Agency has already started working with several countries in view of a potential participation in the following ARC Risk Pool in 2016/17. Two regional training workshops were conducted in July 2015 in Abidjan, Cote d'Ivoire, for Francophone countries, and in Johannesburg, South Africa, for Anglophone countries. Technical counterparts were trained on ARC, the functioning of *Africa RiskView*, as well as the Contingency Planning process.

UPDATE ON THE IMPLEMENTATION OF THE FIPS

As mentioned above, **Mauritania, Senegal and Niger received insurance pay-outs by the ARC Insurance Company Limited in early 2015**, which were triggered by the poor performance of their respective agricultural seasons in 2014. The pay-outs are being used by the countries to fund activities outlined in the **Final Implementation Plans (FIPs)**, which were approved by the ARC Agency Governing Board in January 2015.

As discussed in the previous issue of the ARV Bulletin, in **Mauritania**, food distributions facilitated with ARC funds were completed shortly after Ramadan, and 250,000 beneficiaries received 4 months of rations. Food was procured from local suppliers through an existing government purchase programme. In **Senegal**, two types of assistance are being facilitated with the pay-out from the ARC Insurance Company Ltd. Over 60,000 pastoralists are currently benefiting from subsidised livestock fodder sales, with nearly 12,000 MT of feed (80% of the total planned amount) having been sold so far. Moreover, around 75,000 food insecure households will benefit from food distributions. ARC funds were used to procure and pre-position food during the reporting month. Finally, in **Niger**, the Government is using ARC funds to assist 7,500 households through cash-for-work activities in Tillabéri, Dosso, Maradi, Zinder and Diffa regions. In addition this, 600 MT of staple foods are being distributed to 6,000 severely food insecure households in Diffa and Dosso regions.

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