

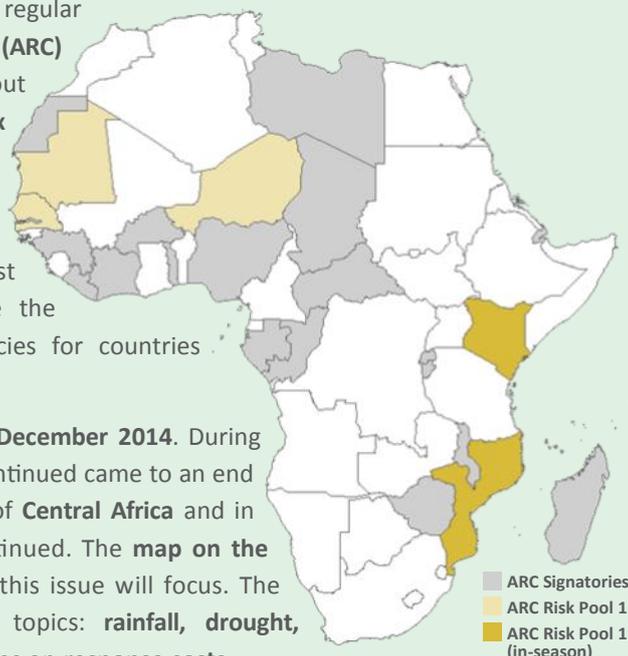
Highlights:

- **Rainfall:**
 - Rainy season coming to an end in most of **East Africa**
 - Mixed rainfall performance to date in **Southern Africa**
- **Drought:**
 - Pasture recovery ongoing in most of **Kenya**, however the central parts of the country experience a below normal rangeland WRSI
 - Sowing conditions reached in all agricultural areas of **Mozambique**
- **Potentially Affected People:**
 - Around **1.6 million pastoralists** could be affected by poor rangeland conditions in **Kenya** at the end of the ongoing season, which remains **below the long-term average**
- **Insurance:**
 - **Five ongoing seasons** (Senegal, Niger, Mauritania, Kenya and Mozambique) are included in the first ARC risk pool
 - **Niger, Senegal and Mauritania** will be eligible for pay-outs by the ARC Insurance Company Limited
 - These funds will be used exclusively to fund the **drought response** outlined in the **Final Implementation Plans**, which are currently being finalised

INTRODUCTION

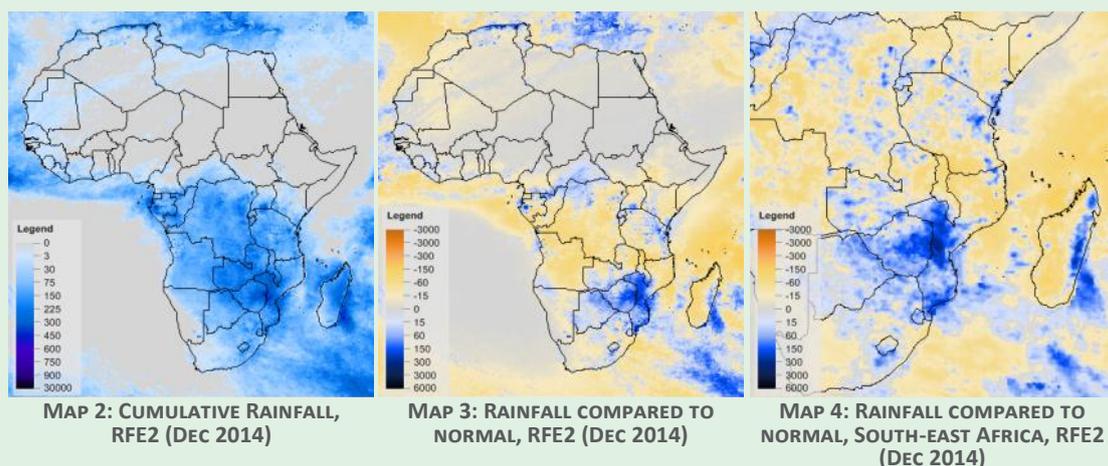
The *Africa RiskView (ARV) Bulletin* is a regular publication of the *African Risk Capacity (ARC) Agency*. It provides information about current **rainfall and drought index developments** as detected by ARV, and their potential **impact on vulnerable populations**. It also provides updates on **estimated 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 **December 2014**. During the reporting month, the rainy season continued came to an end in **West Africa** and **East Africa**. In most of **Central Africa** and in **Southern Africa**, the seasonal rains continued. 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**.



RAINFALL

During the reporting month, rainfall was concentrated mainly on **Central and Southern Africa**, in line with seasonal patterns. Particularly in south-eastern Africa and above all in central Mozambique, Zimbabwe and Zambia, cumulative rains of over 500 mm were received in December 2014. In **East Africa**, the rains slowly subsided, with some parts of southern Kenya and southern Uganda continuing to receive moderate rains. In **West Africa**, the rainy season came to an end during the month, and only light showers were received in coastal areas (see Map 2).

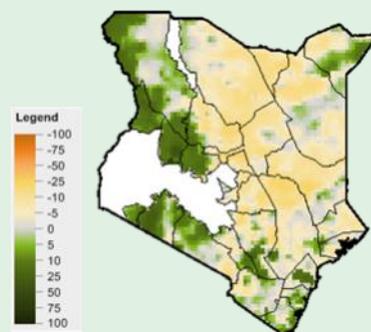


Compared do the long-term average (2001-2013), above normal rains were received in parts of **Southern Africa**. Moreover, northern Tanzania and southern Kenya also experienced localised above normal rainfall, while the rest of **Central and East Africa** remained drier than normal (see Map 3). In **Southern Africa**, an unequal distribution of rainfall was observed during the reporting month. Significant rainfall surpluses of up to 300 mm were recorded in parts of Mozambique and Zimbabwe, as well as in eastern Madagascar. However, the central and western parts of the island, as well as northern Mozambique, Malawi, eastern Zambia, southern Tanzania and most of Angola remained drier than normal during the reporting month (see Map 4).

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 (2014/15 second rangeland season): Kenya chose to focus on the country’s arid and semi-arid lands (ASAL) in the context of its participation in ARC. As a result, ARV was customised to show rangeland developments in Kenya’s bi-modal pastoralist areas. The ongoing 2014/15 short rains season started in August 2014 and is expected to last until the end of January 2015. The rangeland WRSI is closely linked to the rainfall performance in the country. ARV shows that while western and parts of southern and north-eastern Kenya are experiencing an above normal progression of pasture, the central parts of the country are suffering from a below normal WRSI. The most affected areas are Meru North, Moyale, Tharaka and Mwingi, as well as Isiolo. However, these localised dry conditions are not indicative of a major drought event in the country, according to ARV’s estimates.



MAP 5: WRSI COMPARED TO NORMAL (RFE2), KENYA (2014/15 SECOND RANGELAND SEASON)

Mozambique (2014/15 agricultural season): The agricultural season in Mozambique starts in late October 2014, and will last through mid-May 2015. Sowing usually occurs between October and the end of January. Despite a slightly delayed start of the season, particularly in the country’s north, ARV indicates that planting conditions have been reached throughout all agricultural areas in Mozambique. Particularly in the more drought-prone southern regions, the rains received in December were above normal, which is likely to have a positive impact on vegetation growth. Taking into account the current situation and normal rainfall between now and the end of the season, ARV does not indicate any major problem, as suggests Map 6, which shows the modelled end-of-season WRSI. However, the rains over the coming months (January to February 2015) will be crucial in determining the success of the ongoing agricultural campaign given the delayed start in some areas.



MAP 6: ACTUAL WRSI (ARC2), MOZAMBIQUE (2014/15 AGRICULTURAL SEASON)

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 sub-national 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.

Kenya (2014/15 second rangeland season): As mentioned in the previous section of this bulletin, some areas in Kenya are experiencing a below normal rangeland season. As a consequence, ARV estimates that around 1.6 million people are likely to be affected by drought in Kenya at the end of the ongoing season. The central parts of the country are likely to be the most affected, with over 1 million drought-affected people in Marsabit, Garissa, Meru North, Mbeere, Tana River and Mwingi counties alone. Nonetheless, at the national level, the total number of drought-affected people is likely to remain below the long-term average of just over 2 million people. This can be attributed to the good progression of the rangeland season in the western and southern parts of Kenya, and particularly in some traditionally highly drought-prone areas such as Turkana and Wajir.

Mozambique (2014/15 agricultural season): Given that the agricultural season in Mozambique has just recently started, it is too early to forecast how it will develop. After the good rains received in drought-prone southern Mozambique in December 2014, the end-of-season projection has experienced a slight downward trend. However, the final impact of the agricultural season on vulnerable populations will be determined by the rains in the coming months. Historically, Mozambique has experienced several mild drought events since 2001, with one more severe drought in 2004/05, which, should it happen today, would directly affect nearly 1.2 million people according to ARV.

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 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.

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 which are **in-season** and have **insured** their respective seasons. Currently, **five countries form the first ARC risk pool** (Kenya, Mauritania, Mozambique, Niger and Senegal). Two of these (Kenya and Mozambique) had active rainy seasons during the reporting month, while the agricultural seasons in West Africa just recently finished:

Kenya (2014/15 second rangeland season): At the current stage of Kenya's second rangeland season, it is highly unlikely that the national response costs will exceed the country attachment level. Nonetheless, this does not mean that localised drought interventions might be required. Historically, the short rainy season droughts of 2005/06 and 2010/11 would have triggered a pay-out by the ARC Insurance Company Ltd given the country's current selection of risk transfer parameters.

Mozambique (2014/15 agricultural season): In the case of Mozambique, it is currently too early to predict how the agricultural season will perform. Historically, the poor performance of the 2004/05 season, when nearly 1.2 million people were affected by drought in the country, would have triggered a pay-out by the ARC Insurance Company Ltd.

As discussed in previous issues of the ARV Bulletin, the **three West African countries in the first ARC risk pool** (Mauritania, Niger and Senegal), are **eligible pay-outs from the ARC Insurance Company Ltd** due to the poor rainfall performance during their agricultural seasons. In light of the pay-outs, the three countries have submitted their **Final Implementation Plans (FIPs)** to the Peer Review Mechanism of the ARC Agency Governing Board, with the aim of releasing the pay-outs and starting the responses in January 2015. In **Senegal**, an inter-ministerial task force convened in September 2014 to discuss on the appropriate response options identified subsidised sales of livestock fodder and food distributions as main priorities. Similarly, **Mauritania** will use the pay-out by the ARC Insurance Company Ltd for food distributions to drought-affected families in regions with poor agricultural production. In areas where food is available and markets are functioning, cash transfers will be disbursed to vulnerable communities that have suffered from the below normal rains. Finally, in **Niger**, cash transfers and school feeding programmes will be financed through the pay-out by the ARC Insurance Company Ltd, as well as subsidised livestock fodder to protect the livelihoods of pastoralists. These interventions are expected to mitigate the effects of the poor rains on vulnerable communities as they commence several months earlier than in previous operations.

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