Africa RiskView
monthly bulletin
May 2014 | covering period: 1 January - 20 May 2014

Highlights:
• Rainfall:
  • Main rainy season ongoing in southern Africa
  • Start of rains in parts of East Africa
• Drought:
  • Below average rangeland conditions in Kenya
  • Favourable crop prospects in Southern Africa
• Potentially Affected People:
  • Kenya’s poor short rains ended in February 2014 and saw over 3 million people potentially affected by drought
  • Mozambique experienced its third best agricultural season in the last 30 years, with only 59,700 people potentially affected
• Insurance:
  • Kenya, Mauritania, Mozambique, Niger and Senegal form the first continental risk pool
  • Policies incepted on 1 May 2014

Overview
The Africa RiskView (ARV) Bulletin is a regular publication of the African Risk Capacity (ARC) Agency. It provides information about current weather developments as detected by ARV, and their potential impact on vulnerable populations. It also provides updates on potential insurance pay-outs by the ARC Insurance Company Ltd to participating governments.

This month’s issue will cover the period 1 January to 20 May 2014. These months mark the second half of the rainy season in Southern Africa, which spans from October to April. In East Africa, the short (Belg) rains begin in Ethiopia, as do the long rains in parts of Kenya, Rwanda and Burundi, and the Msimu rains in the uni-modal parts of Tanzania. 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 will conclude with an overview of the portfolio of the inaugural ARC insurance pool, the policies for which incepted on 1 May 2014.

Rainfall
During the first months of 2014, rains were concentrated mainly in the southern and central parts of Africa (see Map 2), in line with seasonal patterns. In Southern Africa, the seasonal rains performed well during the second half of the season, particularly in the eastern parts of the sub-region (see Map 3). This should help compensate for the below average rains at the beginning of the season in Zambia, Malawi and northern Mozambique. In Angola and Namibia, the seasonal rains were below normal along the coast and further inland.

The start of the long rains in East Africa was favourable with above average rains in March 2014. However, rainfall in April and the first weeks of May 2014 was below normal in large parts of Kenya, northern Somalia and southern Ethiopia (see Map 4). This might affect the performance of the agricultural and pastoralist seasons in these countries, depending on the rains from here until the end of the rainy season in mid-2014. Future issues of the ARV Bulletin will focus on East Africa.
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 countries that are currently in season, or where the season has recently finished.

**Ongoing seasons:**

**Kenya (2014/15 long rains in ASAL):** In Kenya, the WRSI was customised to show vegetation developments in the pastoral arid and semi-arid lands (ASAL). The second rangeland season (long rains) started in February 2014, and will continue through June 2014. While during the first two months of the WRSI calculation period (Feb-Mar 2014) above normal rains were received throughout the country, rainfall performance in April 2014 was well below normal. The WRSI shows a mixed situation (see Map 6), with above normal vegetation performance in the southern parts of the country, and a below normal WRSI in northern and western Kenya.

**Finished seasons:**

**Mozambique (2013/14 agricultural season):** The agricultural season in Mozambique ended this month. In a normal year, crop production tends to be more important in the northern parts of the country, and less so in the more drought-prone south. Crop development is well above average in the south and in pockets of northern Mozambique, while the WRSI for the centre of the country is below average (see Map 5), as a result of the performance of the rains, which have been below average in central Mozambique, but good in the rest of the country.

**Kenya (2013/14 short rains in ASAL):** In contrast to the current season, as illustrated in map 5 above, Kenya’s second rangeland season in 2013, which lasted from August 2013 to January 2014, performed below average in most of northern and central Kenya. The WRSI closely follows rainfall patterns. While some pockets of western Kenya and the country’s southern coast experienced good rains (and thus have an above normal WRSI), the rainy season performed badly in the rest of the country, which is reflected in the overall below average drought index.

**West Africa (2013/14 agricultural season):** The 2013 seasonal rains in West African countries that are part of the first pool of insured countries (Mauritania, Niger and Senegal) performed normally. As a consequence, the overall performance of the agricultural season is average to above average in most of the three countries. However, as highlighted by Map 5, there are some pockets where the WRSI is below normal, particularly in the northern agricultural areas in Mauritania, as well as in south-western Senegal.
**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 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, humanitarian 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 in-season, or where the season has recently finished.

- **Kenya (2013/14 short rains in ASAL):** As discussed above, the recently finished short rains in 2013/14 performed below normal in most pastoral areas of Kenya. ARV estimates the number of potentially affected people in the country at 3.2 million, many of whom will require humanitarian assistance. The Government-led Short Rains Assessment confirms the poor performance of the short rains, and estimates the number of food insecure people (incl. conflict-affected) at around 1.3 million, the worse off areas being pastoral areas in north-western Kenya. In relative terms, this marks the country’s third worst season in the last 13 years (see Graph 1). Nonetheless, the estimates remain far below the two worst seasons (2005/06 and 2010/11).

- **Mozambique (2013/14 agricultural season):** ARV estimates that around 59,700 people are affected after the end of the 2013/14 agricultural season. This reflects the good performance of the seasonal rains, and marks Mozambique’s best season since 2001 (see Graph 2), and third best season on record (after 1998/99 and 1999/00), due to the good rains received in the usually dry and drought prone south.

- **Kenya (2014/15 long rains in ASAL):** Given the poor rainfall in most of Kenya in April and May 2014, the number of potentially affected people in the current season is estimated at around 1.48 million (up from around 350,000 in mid-April). The number of affected people at the end of the season in June 2014 will depend on the performance of the rains over the coming two months, and could range from 760,000 to 1.77 million people. A good finish to the long rains analogous to 2005/06 could compensate for the poor start of the season, while if the rains perform as in 2001/02 or 2013/14, the current season could become the third worst season on record. According to ARV’s estimates it is currently unlikely that the levels of the two worst seasons (2009/10 and 2011/12) will be attained this year (see graph 3), however given the poor 2013/14 short rains, the performance of the current season and its potential impact on the vulnerable people living in the ASAL should be closely monitored.
**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 Ltd** is the commercial affiliate of the ARC Agency, which pools risk across the continent.

**ARC INSURANCE OUTLOOK**

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 Ltd to countries where the estimated response cost for the relevant season exceeds a pre-defined trigger specified in the insurance contracts. Starting from 1 May 2014, the first **five policy holding members** of the ARC Insurance Company Ltd (Kenya, Mauritania, Mozambique, Niger and Senegal) will **insure their respective rainy seasons** that will begin in the subsequent 12 months. The following seasons will be included in the first ARC insurance portfolio:

**ARC INSURANCE PORTFOLIO INCEPTION DATE**

- **1 May 2014**
  - **Niger**
  - **Senegal**
  - **Mauritania**
  - **Kenya (Short Rains in ASAL)**
  - **Mozambique**

**2015**

- **1 May 2015**
  - **Kenya (Long Rains in ASAL)**

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