

African Risk Capacity's Payouts: At least 2.1 million people assisted

In its three years of operation, the African Risk Capacity Insurance Company Limited (ARC Ltd) has paid out more than US \$34 million to countries affected by drought.

In 2015, three countries in the Sahel – Mauritania, Niger and Senegal – received a US \$26.3 million payout from ARC Ltd following a significant rainfall deficit. These countries paid a combined premium of US \$8 million for their drought insurance coverage.

The US \$26.3 million paid to the governments of Senegal, Niger and Mauritania went to benefit an estimated 1.3 million people and over half a million livestock in these countries. The funds, disbursed ahead of the UN appeal, were used to deliver quick and much-needed relief to affected populations.

In 2017, Malawi received a US \$8.1 million payout from ARC Ltd and had paid a premium of US \$4.7 million for this coverage. The Government of Malawi used the funds to support over 800,000 Malawians by filling gaps in the scale-up on cash transfers and replenishing its strategic grain reserves.

Prior to taking out insurance, ARC Members already put in place peer-reviewed contingency plans which facilitate fast response to disasters when they occur. Use of payout funds are audited after implementation, to ensure appropriate use and to enable learning from each implementation to feed back into updated and improved contingency plans.

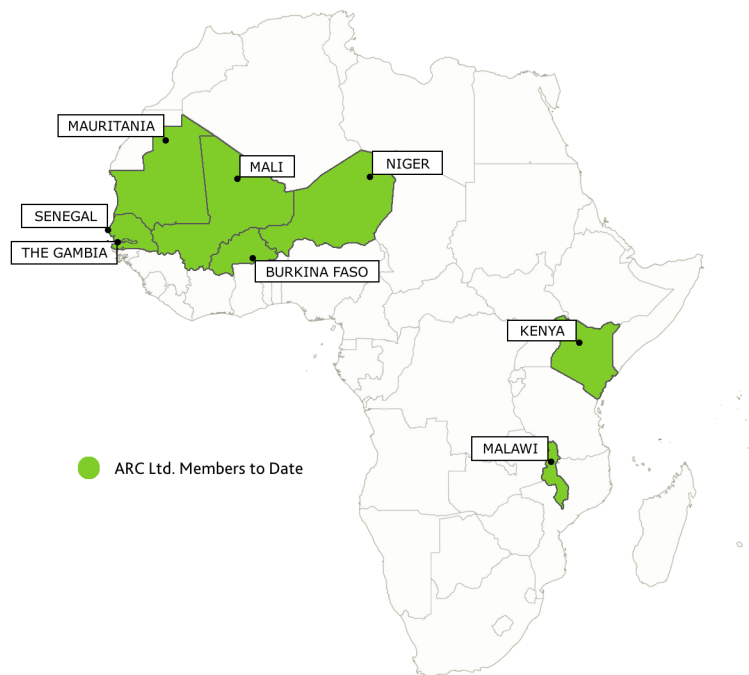
ARC PAYOUTS

US \$ 34.4 million
payout

4 countries
Senegal, Niger,
Mauritania, Malawi

>2.1 million people
assisted

900,000
livestock



Case Studies



Senegal

- Received **\$16.5 million** for food distribution and subsidised sales of animal feed
 - Total beneficiaries: **927,416 people**, with **600,000 cattle** also benefitting through subsidised sales of animal feed
 - More than **3,200 metric tonnes** of food commodities pre-positioned in food insecure areas
 - Procurement processes for cattle feed completed with 6 local companies to provide **14,180 metric tonnes** of food commodities
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Mauritania

- Received US **\$6.3 million** for food distribution to families in food insecure areas where livelihoods have been negatively affected
 - Total beneficiaries: **250,000 people**
 - Procurement of **11,000 metric tonnes** of rice from local suppliers
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Niger

- Received US **\$3.5 million** for conditional cash transfers and food distribution in support in drought-affected regions of the country
 - Total beneficiaries: **157,000 people**
 - Cash transfer programme to **115,000 people** and rice distribution to **42,000 people**
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Malawi

- Received **\$8.1 million** for replenishing depleted strategic grain reserves and scale-up of cash transfer programme with humanitarian partners
- Total beneficiaries: over **800,000 people**