

**Report of the Seventh Session of the Conference of the Parties
of the African Risk Capacity (ARC) Agency**

Introduction

1. The seventh session of the Conference of the Parties was convened by the Director General of the African Risk Capacity Agency (**ARC Agency**), on behalf of the Chairperson of the sixth session of the Conference of the Parties (the Government of the Republic of Mauritania), pursuant to decision 18 of the sixth session of the Conference of the Parties to hold its seventh session between January and March 2019.¹ The meeting which took place on 1 April 2019 at the AU Headquarters in Addis Ababa, Ethiopia, recorded the participation of the following 24 Member States of the ARC Agency: Benin, Burkina Faso, Chad, Comoros, Republic of Congo, Côte d'Ivoire, Djibouti, The Gambia, Ghana, Guinea, Kenya, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Senegal, Sudan, Togo, Zambia, and Zimbabwe; as well as the participation of Algeria and Egypt. A list of the attendees is attached hereto as Annex 1.
2. The following five donors attended the meeting as Observers: the UK Department for International Development (DFID), the German Development Bank (KfW), Global Affairs Canada, the Swedish International Development Cooperation Agency (SIDA), the Swiss Agency for Development and Cooperation (SDC). The following partner organizations also attended the meeting as Observers: African Development Bank (ADB), Southern African Confederation of Agricultural Unions (SACAU), and the World Food Programme (WFP).

Opening Remarks

3. The Conference of the Parties was formally opened by H.E Lamin B. Dibba, Minister of Environmental Affairs of the Government of The Gambia. H.E. Lamin Dibba, welcomed all delegations to the meeting and expressed The Gambia's honor to be chairing the ministerial session of the Conference of the Parties. He requested all Member States of the African Union to continue supporting ARC in order to ensure that Africa is a disaster free continent. He noted that the Conference provided an opportunity for countries to share experiences on disaster risk management.
4. Mr. Mohamed Béavogui, Director General of the ARC Agency started with special thoughts for the 3 million people estimated to have been affected by Cyclone Idai in the Southern African countries of Mozambique, Malawi and Zimbabwe. Mr. Béavogui stressed that as climate disasters such as cyclones, droughts and floods are increasing in frequency and intensity, Africa remained the most vulnerable region to natural disasters and impacts of climate change. In that regard, Mr. Béavogui stressed the current importance of ARC in bringing together critical elements of disaster risk management, offering a value proposition to its

¹ Report of the sixth Session of the Conference of the Parties of the African Risk Capacity (ARC) Agency, (ARC/COP6/D044.0103_18), Decision 18.

Member States and partners, through an early warning system, a response planning based on a well-formulated contingency plan, and index insurance combined with risk pooling. Mr. Béavogui concluded by thanking ARC's partners for their support: the UK, Germany, Canada, Switzerland, Sweden, France, the United States, the Rockefeller Foundation and the UN World Food Programme (WFP).

5. Ms. Angeline Rudakubana, UN WFP Director of the Africa Liaison Office in Ethiopia conveyed her gratitude at attending and addressing the Conference on behalf of the Executive Director of WFP. Ms. Rudakubana noted that Africa was being ravaged by both man-made and natural disasters. Ms. Rudakubana expressed her sympathies to the millions of people affected by Cyclone Idai. She noted that Cyclone Idai has devastated the countries of Mozambique, Malawi and Zimbabwe and caused loss of lives and livelihoods. Ms. Rudakubana commended ARC for its efforts and stated that WFP will continue to support and partner with ARC including in initiatives on replica and early financing.
6. Mr. Tosi Mpanu-Mpanu, Member of the ARC Agency Board, addressed the Conference on behalf of the Chairperson of the ARC Agency Board, Dr. Ngozi Okonjo-Iweala. He thanked the Conference of the Parties for its unwavering support and guidance on sovereign disaster risk management. Mr. Mpanu-Mpanu also stressed the importance of Member States to strengthen their efforts to protect the African populations from natural disasters and extreme weather events, particularly in light of the tragic events in Mozambique, Malawi and Zimbabwe caused by cyclone IDAI. Mr. Mpanu-Mpanu expressed the concern of the Governing Board of the ARC Agency on the low number of signatures and ratifications to the ARC Treaty as well as the low level of participation in the insurance scheme being offered by ARC Ltd. He then informed the Conference about the ongoing ARC governance reforms and that the ultimate objective was to allow ARC to operate as a unified organization, that is flexible, efficient, and fully engaged with its Member States.
7. H.E. Josefa Leonel Correia Sacko, African Union Commissioner for Rural Economy and Agriculture, welcomed all participants to the AU Headquarters and thanked them for coming to the Conference. H.E. Sacko expressed her solidarity with the countries ravaged by Cyclone Idai - Mozambique, Malawi and Zimbabwe. H.E Sacko noted that disasters have doubled and are causing high mortality rates. H.E Sacko recalled that the African Union established ARC as one way for Africa to be self-reliant and self-sufficient. H.E Sacko therefore encouraged Member States that have not yet done so to sign and ratify the ARC Treaty. H.E Sacko noted that ARC was a transparent risk capacity building tool, providing sustainable solutions to the compounded effects of climate change. H.E. Sacko emphasized the importance of proactively managing the impact of climate events with innovative financial mechanisms, including risk transfer, and focusing on solutions that will allow for a higher participation of Member States in the ARC programme and an increase in countries participating in the insurance pool.

Consideration of Credentials

8. The Conference of the Parties accepted the credentials of the following 19 delegations in accordance with the recommendations of the Credentials Committee: Benin, Burkina Faso, Chad, Comoros, Côte d'Ivoire, Djibouti, Ghana, Guinea, Madagascar, Malawi, Mali, Mauritania, Niger, Rwanda, Senegal, Sudan, Togo, Zambia, and Zimbabwe.²
9. The Governments of Algeria and Egypt participated as Observers.

Election of the Bureau

10. The Conference of the Parties elected by consensus the following as Members of the Bureau, as provided for in Article 12.4 of the Treaty, and decided that the Bureau would also serve as the Credentials Committee of the Conference of the Parties:

Chairperson	H.E Lamin B. Dibba, The Gambia (West)
1st Vice Chairperson	Ms. Marta Silesia Pedro Phiri, Mozambique (South)
2nd Vice Chairperson	Mr. Allamine Alhabo, Chad (Central)
3rd Vice Chairperson	Ms. Zeinebou Maouloud, Mauritania (North)
Rapporteur	Mr. Patrick Rwinkoko, Rwanda (East)

Remarks of the Chairperson

11. The incoming Chair of the Conference of the Parties, H.E. Lamin B. Dibba, of the Government of The Gambia thanked the outgoing Chairperson of the Conference of the Parties for Mauritania's leadership over the preceding year.

Adoption of the Agenda and Consideration of the Requests of Partner Organizations to participate in the seventh session of the Conference of the Parties as Observers

12. The Conference of the Parties adopted the Agenda and Programme of Work for its meeting. The Agenda as adopted is enclosed as Annex 2 to this Report.
13. The Conference of the Parties approved the request of partner organizations to participate in the open sessions of the meeting of the Conference of the Parties as Observers.

² Mozambique did not provide credentials as it was represented by their Permanent Representatives to the AU. The Congolese, Kenyan, and Nigerian delegations to the Conference of the Parties did not provide credentials.

Presentation and Consideration of the Report of Senior Government Officials

14. The Chairperson of Senior Government Officials, H.E. Lamin B. Dibba from The Gambia presented the report and recommendations of Senior Government Officials. The Conference of the Parties considered the report and recommendations on the following reports and briefings:
- a. Presentation by Mr. Mohamed Béavogui, Director General of the ARC Agency, on the activity report and progress of the ARC Agency since the sixth session of the Conference of the Parties, including: (i) a briefing on the inception of ARC; (ii) the ARC programme cycle and a summary of achievements; (iii) an update on the ARC Risk Pool performance; (iv) ARC's challenges; as well as (v) recommendations for 2019;
 - b. Presentation by Ms. Dolika Banda, the Chief Executive Officer of African Risk Capacity Insurance Company Limited (ARC Ltd), on the activities of the ARC Ltd since the sixth session of the Conference of the Parties including: (i) the 2018 ARC Ltd underwriting performance; (ii) the 2018 ARC Ltd financial performance; (iii) a 5-year prospective assessment; and (iv) a briefing on ARC Ltd's short and long term viability;
 - c. Presentation by Prof. Peter Mwanza, Member of the ARC Agency Governing Board, of the Report of the ARC Agency Governing Board to the Conference of the Parties, as required by the Treaty, Article 15, paragraph 1 (q);
 - d. Presentation on the Programme of Work and Budget for 2019;
 - e. Consideration of the reappointment of the Director General;
 - f. Presentation and discussion on the ARC Governance Reform Process;
 - g. Consideration of the selection of the Board Members and alternate Board Members for the Southern and Western African seats to the ARC Agency Governing Board ;
 - h. Presentation and discussion on the ARC Treaty ratification status;
 - i. Update on the selection of headquarters for ARC Agency and ARC Ltd;
 - j. Discussion on research and development (**R&D**) and other new products, including: tropical cyclone, flood, outbreak and epidemics (**O&E**), and Replica;
 - k. Discussion on premium financing; and
 - l. Consideration of the date and place of the next session of the Conference of the Parties.

Decisions of the Conference of the Parties

15. The Conference of the Parties, considering the recommendations made by the Senior Government took the following decisions:

Report of the ARC Ltd Chief Executive Officer

- a. Took note of the work done by ARC Ltd and the progress made since the sixth session of the Conference of the Parties, including: (i) the 2018 ARC Ltd underwriting performance; (ii) the 2018 ARC Ltd financial performance; (iii) a 5-year prospective assessment; and (iv) a briefing on ARC Ltd's short and long term viability.
- b. Affirmed solidarity of the risk pool arrangement and recommended that ARC find innovative ways to support premium payment.

Report of the Governing Board

- c. Approved the Report of the ARC Agency Governing Board and thanked Prof. Peter Mwanza for his comprehensive presentation.
- d. Welcomed the progress related to the long-term governance and operations of the ARC Agency.

Programme of Work and Budget

- e. Adopted the Programme of Work and Budget for 2019, prepared and submitted to the Conference of the Parties by the Secretariat as required by the Treaty, Article 17, paragraph 5(c), and attached hereto as Annex 3.

Reappointment of the Director General

- f. Expressed appreciation to the Director General for his significant contribution to the ARC Agency and extended the appointment of the Director General of the ARC Agency for one year, starting from 1 September 2019 to 31 August 2020, in light of the ongoing governance reform, due to end on 31 December 2019.

ARC Governance Reform Process

- g. Took note of the progress made on the ARC governance reform process to date and commended the work of the Committee for the African Risk Capacity Governance and Operations Structural Evolution.
- h. Urged the Committee for the ARC Governance and Operations Structural Evolution to complete its work by 31 December 2019 at the latest.
- i. Recognized the work that has been characterised by transparency, accountability and the avoidance of conflict of interest in the reform process and support for the continuity of the same process.

Selection of the Board Members and alternate Board Members

- j. Extended the terms of all the Members and alternate Members of the ARC Agency Governing Board, for one year, to ensure continuity in light of the ongoing governance reform, as well as their significant contribution to ARC.

Treaty Signature and Ratification

- k. Congratulated the Governments of Guinea and Madagascar for depositing their instruments of ratification with the AU Commission, raising the number of ratifications to eight (8) countries.
- l. Recognizing the urgency of the matter, recalled the decision of the fifth and sixth sessions of the Conference of the Parties to call upon all ARC Member States to renew their commitment to ratify the Treaty not later than the end of 2019.
- m. Designated The Gambia, as the current chairperson of the Conference, to champion the course of the ARC to Member States, spearhead an ARC advocacy campaign on signature and ratification of the ARC Treaty, and strengthen Member States understanding of the value of the ARC model.

Criteria for the Selection of a Permanent Headquarters of the ARC Agency

- n. Took note of the updated Criteria for the Selection of a Permanent Headquarters of the ARC Agency and ARC Ltd adopted by the ARC Agency Governing Board, and of the work of the Headquarters Selection Committee to date.
- o. Took note of the two offers to host the ARC Agency and ARC Ltd submitted by the governments of Sudan and Côte d'Ivoire, and encouraged other interested governments to submit their offers latest 26 April 2019.

Research and Development

- p. Took note of the update on research and development (**R&D**) and other new products, including: tropical cyclone, flood, outbreak and epidemics (**O&E**) including livestock diseases, and Replica.
- q. Expressed its solidarity with the countries ravaged by cyclone Idai—Mozambique, Malawi and Zimbabwe—and extended its condolences to the millions of people affected by the tragedy.
- r. Expressed gratitude to African countries and the international community for their assistance to countries affected by cyclone Idai.
- s. Reiterated its support to the O&E pilot project.
- t. Endorsed the proposed changes to the Replica model, so as to allow the partner entity to sign and purchase its insurance policy in cases where the country eventually does not manage to sign or pay.

- u. Encouraged ARC to have an inclusive approach and engage with countries in order to improve the products that already exist and develop new products, focusing on the genuine needs of the countries.

Date and place of the Next Session of the Conference of the Parties

- v. Decided to hold an extraordinary session on 26 November 2019 and its next ordinary session on 17 March 2020 and invited interested States to submit their offers to the ARC Secretariat six months before each session.

Closing Remarks

16. The Conference of the Parties expressed its deep and sincere appreciation to the African Union Commission through the Department of Rural Economy and Agriculture for hosting its seventh session in Addis Ababa.
17. The Chairperson of the Conference of the Parties, H.E. Lamin B. Dibba from The Gambia, in his closing remarks indicated that the environment is the most important portfolio in the economy, as the environment sustains ecosystems that we use for food production. On a broader scale, and within the context of ARC, Africa can take care of its problems by ensuring that African countries commit themselves to finding solutions for the African continent.
18. The Chairperson of the Conference of the Parties, H.E. Lamin B. Dibba from The Gambia, closed the meeting by thanking the Ministers and all participants for their participation and the quality of the work, wishing the delegations a safe journey home.

Annex 1

List of Participants to the Seventh Session of the Conference of the Parties of the African Risk Capacity Agency

COUNTRY	NAME	TITLE
African Union		
	H.E. Josefa Leonel Correia Sacko	Commissioner for Rural Economy and Agriculture
Benin		
	Francoise Assogba Komlan	Secretary General of the Ministry of Agriculture, Livestock and Fisheries
	Medard Ouinakonhan	Deputy Focal Point of the UN Framework Convention on Climate Change and Chief of the Service on Climate Change Adaptation at the Ministry of Lifestyle and Sustainable Development
Burkina Faso		
	Hien Sitégné	ARC National Coordinator
Chad		
	Mahamat Djibrine	Deputy Director, Planning and Studies, Ministry of Agriculture and Environment
	Allamine Al Habo	ARC Coordinator
Comoros		
	Said abdou	Secretary General of the Ministry of Interior
	Mohammed Ben Cheikh	Deputy Director for the Department of Civil Security
Côte d'Ivoire		
	Doumbia Abou-Bakary	Technical Advisor to the Minister of Economy and Finance
	Lucien Bouafon	Director of Financial Services
	Karim Diarrassouba	Insurance Director
Djibouti		
	Ahmed Mohamed Madar	Executive Secretary of Disaster Risk Management Djibouti
	Sirag Omar Abdoukader	Secretary General of the Ministry of Interior
The Gambia		
	H.E Lamin B. Dibba	Minister of Environmental Affairs
	Lamin Camara	Permanent Secretary, Ministry of Agriculture
	Ansumana Touray	Deputy Permanent Secretary & The Gambia ARC Ltd Interim Member Representative

	Isatou Camara	The Gambia RTP Expert, Ministry of Finance & Economic Affairs
	Mawdou Amadou Jallow	ARC National Coordinator
Ghana		
	Charlotte Nana Norman	Director NADMO
	Hon. Eric Agyemang Prempeh	Director General NADMO
	Ms. Beatrice Effah	Assistant to the Director General
	Foster Aboague Gyamfi	Senior Economist, Ministry of Finance
Guinea		
	Delphine Ouendeno	ARC National Coordinator
	Fatoumata Camara	ARC Focal point
Kenya		
	Erick Komolo	Insurance Supervision – Insurance Regulatory Authority
	Nelson Mutanda	Assistant Director National Drought Management Authority (NDMA) and Government Coordinator
	Psamson Nzioki	Programme officer – climate governance integrity programme
	Patrick Nzusi	Minister Counselor
	Boniface Ngigi	Principal Economist
	Beth Njeri Ngundu	Senior Economic Policy Analyst
Madagascar		
	Charles-Clément Rakololahy	Special Advisor to the Prime Minister
	Onja Miandry Rakotondramanana	Technical Advisor to the Ministry of Economy and Finance
Malawi		
	Doshanie Kadokera	Economist, Ministry of Agriculture
	Alexander Namaona	Director of Planning
Mali		
	Kassoum Denon	Minister, Commissioner for Food Security
	Mary Diallo	Charge de mission of Minister Denon
	Diakaridia Dioma	Head focal point ARC RTPs
Mauritania		
	Zeinebou Maouloud	ARC Programme Supervisor, Commission for Food Security
	Moustapha Cheikh Abdellohi	ARC National Coordinator
	Mohamed Khayar	Deputy Commissioner, Commission for Food Security

Mozambique		
	Marta Pedro Phiri	Planning Technician INGC
	Jussar Nereno Andre	Monitoring and Evaluation at the Ministry of Economy and Finance (MEF)
Niger		
	Liman Abari Chegou Sanousi	Permanent Secretary of the National Food Crisis Mitigation Mechanism
	Moumouni Adamou	Technical Advisor to the Minister of Finance
	Abdelkader Aghalai	Director of Cabinet, Office of the Prime Minister
Rwanda		
	Patrick Rwinkoko	Legal Specialist at the Ministry of Agriculture and Animal Resources
Senegal		
	Ndongo Dieng	Minister Counsellor at the Senegalese Embassy in Addis Ababa
	Massamba Diop	ARC National Coordinator
	Mamadou Deme	Insurance Director
	Abdoulaye Noba	Director of Civil Protection
	Momath Ndao	Commissioner of Insurance at the Ministry of Economy, Finance and Planning
	Galo Diop	
Sudan		
	Osman Atta Mohamednor	Police Major General, Prevention and Safety, Disaster Management
	Fath Elalim Abdahlrhman	Civil Defense Khartoum
Togo		
	Kpatchim Wake	Head of Division for Planning, National Agency for Civil Protection, Ministry of Security and Civil Protection
	Essobadou Batayodi	Economist, Ministry of Economy and Finance
	Essiomle Komi	Agroeconomic Engineer, Ministry of Agriculture
	Konlani Dondiogue	Chief of Cabinet, Ministry of Agriculture
Zambia		
	Mwansa Subulwa	Regional Coordinator DRR
	Sikaona Lenganji	Assistant Director DRR
Zimbabwe		
	Miriam Usayi	Principal Economist, Ministry of Agriculture
	Farai Chidavaenzi	Principal Economist, Ministry of Finance

ARC Agency Governing Board		
	Tosi Mpanu-Mpanu	Member
	Professor Peter Mwanza	Member
ARC Ltd Board of Directors		
	Abdoulie Janneh	Director
Observers		
	H.E. Shimizu Fumio	Japan Ambassador to the AU
	H.E. Lamine Baali	Sahrawi Arab Democratic Republic Ambassador to the AU
	Farida Azzi	Algeria Diplomatic Attaché
	Mohammed Halima	Egypt Diplomatic Attaché
	Amadou Diallo	ARC Focal Point, Senegal
	Singue Donald	AFDB Climate Finance
	Fhumulani Mashau	SACAU, Projects Officer
	Leonardo Martinez-Diaz	World Resources Institute, Global Director of the Sustainable Finance Center
	Jack Carlyle McClamrock	World Resources Institute, Research Analyst, Finance Center
	Veronika Bertram-Huemmer	KFW
	Stephane Duval	Global Affairs Canada
	Dr Senait Regassa	SIDA Ethiopia Office
	Gib Brown	USAID U.S Mission to the AU
	Claire Horton	USAID Ethiopia Office
	Addis Teshome Kebede	SDC Ethiopia Office
	Daniel Wilcox	DFID
	Thero O. Mokoti	Botswana Embassy, First Secretary
	Diane Aboubakar	African Union Commission
	Angelline Rudakubana	WFP Africa Office Addis Ababa and Representative to the AU
	Mohameden Zein	World Food Programme

DRAFT AGENDA AND PROGRAMME OF WORK Senior Government Officials

SUNDAY, 31 MARCH 2019

8:00 – 8:45 Registration of Delegates

Morning Session

9:00 – 9:10 Welcome by the Chairperson of the Conference of the Parties

9:10 – 9:30 Selection of the Bureau

9:30 – 9:40 Consideration of the Draft Agenda and Programme of Work and consideration of the requests of partner organizations to participate in the session of the Conference of the Parties as observers

Briefings

9:40 – 10:20 Briefing by the Director General of the ARC Agency on the activities of the ARC Agency since the sixth session of the Conference of the Parties

10:20 – 10:50 Briefing on the activities of African Risk Capacity Insurance Company Limited (ARC Ltd) since the sixth session of the Conference of the Parties

10:50 – 11:10 Tea/Coffee Break

11:10 – 11:40 Report of the ARC Agency Governing Board

CLOSED SESSION

Items for decision

11:40 – 12:20 Consideration of the Programme of Work and Budget for 2019 and the Report of the ARC Agency Governing Board thereon

12:20 – 12:45 Consideration of the reappointment of the Director General

12:45 – 13:15 Consideration of the selection of Board members and alternate Board members for the Southern and Western African seats on the ARC Agency Governing Board

13:15 – 14:15 Lunch Break

Afternoon Session

Items for Discussion

14:15 – 14:40 Presentation and discussion of the ARC Governance Reform Process

14:40 – 15:15 Update on the selection of headquarters for ARC Agency and ARC Ltd

15:15 – 15:30 Presentation and discussion on ARC Treaty ratification status

OPEN SESSION

Items for Discussion (continued)

15:30 – 16:00 Discussion of research and development and other new products, including: tropical cyclone, flood, outbreak and epidemic, and replica

16:00 – 16:20 Tea/Coffee Break

16:20 – 16:45 Discussion of premium financing

Item for Decision

16:45: 17:00 Consideration of the date and place of the next session of the Conference of the Parties

17:00 – 17:15 Closing Remarks

19:00 Gala Dinner

MONDAY, 1 APRIL 2019

Morning Session

CLOSED SESSION

9:00 – 10:30 Adoption of the Report and Recommendations of the Senior Government Officials

**DRAFT AGENDA AND PROGRAMME OF WORK
Ministerial Session**

MONDAY, 1 APRIL 2019

Opening Ceremony

14:00 –15:00 Opening Remarks

15:00 –15:10 Welcome by the Chairperson and Adoption of the Draft Agenda and Organization of Work Programme

Briefings

15:10 –15:45 Briefing by the Director General of the ARC Agency on the activities of the ARC Agency since the sixth session of the Conference of the Parties

15:45 – 16:15 Briefing on the activities of African Risk Capacity Insurance Company Limited (ARC Ltd) since the sixth session of the Conference of the Parties

16:15 – 16:35 Tea/Coffee Break & Group Photo

16:35 –17:00 Report of the ARC Agency Governing Board

CLOSED SESSION

Items for Discussion

17:00 –17:40 Presentation of Report and Recommendations of Senior Government Officials

17:40 –18:40 Consideration of the Report and Recommendations by Senior Government Officials

OPEN SESSION

Items for Decision

18:40 – 18:50 Agreement on the date and place of the next session of the Conference of the Parties

18:50 –19:00 Closing Remarks

Annex 3



ARC/COP7/D002.2702_19

Provisional 2019 Programme of Work

December 2018

ARC/COP7/D002.2702_19

www.africanriskcapacity.org

Glossary

ADRFi – Africa Disaster Risk Financing Facility

AfDB – African Development Bank

ARC Ltd – African Risk Capacity Insurance Company Limited

ARV – Africa RiskView

CoP – Conference of Parties

ECI – Extreme Climate Index

ECOWAS – Economic Community of West African States

ESA – Country Engagement Division for East and Southern Africa

ILRI – International Livestock Research Institute

MoU – Memorandum of Understanding

PEF – World Bank Pandemic Emergency Funding Facility

PTS – Policy & Technical Advisory Services Department

R&D – ARC Research and Development

SADC – Southern African Development Community

TRF – Technical Review Forum

TSD – Technical Support Division

XCF – Extreme Climate Facility

Overview

This document provides an overview of the ARC Agency's Programme of Work in 2019. Each section of the document gives a brief introduction to the workstream, its key areas of focus, and a summary of key interventions planned for 2019 that will include an explanation of how the interventions are linked to activities in 2018 and the expected results.

Introducing the Programme of Work is a summary of the roadmap for ARC's transformation in 2019 and beyond. Addressing the challenges faced by ARC, the transformation focuses on leveraging successful capacity building efforts towards pool growth, as well as setting the direction to develop diversified, simplified, and tailored solutions by creating innovative products and mechanisms that focus on Member States' needs.

The ensuing sections detail the continuation of ARC's Programme of Work from 2018 with a view towards product innovation, pool growth, and enhanced country engagement in 2019. Efforts to optimise ARC's governance and further develop ARC as an institution are outlined, and the Research and Development (R&D) Department elaborates the workplan for improving *Africa RiskView* and advancing the development of new risk transfer products, such as the pilots for River Flood Insurance, the Outbreaks and Epidemics Programme, and the Extreme Climate Facility. The Programme Department summarises the work programmes of each division – Country Engagement, Contingency Planning, and Technical Support – in driving ARC's in-country and regional work, including capacity building, advocacy, and review processes.

The Policy and Technical Advisory Services Department highlights planned activities that will be conducted in tandem with the Country Engagement Division and ARC Ltd towards enhancing country strategies, developing partnerships, and supporting premium financing. The Monitoring and Evaluation Department elaborates on the expansion of M&E in-country capacity and internal evaluative processes, and the newly founded Gender Department plots the development of the ARC Gender Equality Strategy. The Communications Department details intentions to optimise ARC's internal communications processes and build ARC's external advocacy networks through partnerships and media engagement. ARC Ltd concludes the 2019 Programme of Work by explaining the activities it will conduct with ARC Agency, ranging from the development of new insurance products to deepening the understanding and uptake of risk transfer mechanisms among Member States.

Transformation Towards ARC 2.0

The 2019 ARC workplan continues to build capacity, political will, and innovative technical and financial solutions to disaster risk management among ARC Member States. Beyond expanding the extensive efforts in capacity building, which resulted in 15 countries earning Certificates of Good Standing in 2018, there is a need to transform that capacity building approach into proactive pool growth with a focus on Member State needs and institutional sustainability. This transformation will be pioneering while maintaining a pragmatic timeline to set and meet expectations amidst continuing workstreams from 2018. The nucleus of the Programme of Work will be:

- i. Diversified and Dynamic (DID) Insurance Offering
- ii. Simplified and Improve (SIM) Research and Development (R&D)
- iii. Tailored and Improved (TIM) capacity building

Diversified and Dynamic (DID)

ARC's ability to drive demand for its core offering is dependent on its ability to address affordability, especially for low-income Member States that face fiscal constraints. For middle income countries, ARC may still be cost-effective relative to alternative products and affordable in absolute terms, but the perception that ARC's offering is too expensive can persist and limit policy uptake.

Given limited resources available to Member States, premium fatigue, and the intrinsic nature of insurance to cover low frequency / high impact events, donor assistance with premium subsidies will make ARC insurance significantly more attractive and sustainable to Member States. Premium financing is an established model in sovereign risk transfer schemes across the world, and it would provide ARC with the necessary breathing space to develop products that address country needs. A key focus of ARC will be to mobilise and channel financial resources towards Member States that display long-term commitment to managing their disaster risk, as outlined in the joint Africa Disaster Risk Financing Facility (ADRFi) programme with the African Development Bank (AfDB).

Should premium subsidies be made available, it would be strategic to focus primarily on low-income states that would qualify for ARC Ltd coverage in the near-term. Focusing on the poorest countries – those with the greatest need for disaster risk capacity building and insurance – aligns with ARC's mission to protect vulnerable populations on the continent. It also builds on ARC's existing efforts to use premium financing to improve affordability in a focused manner, and it aligns with evidence on what has worked to date for low-income, disaster-prone countries that have joined a risk pool.

Given the perpetual challenge that ARC faces each year in convincing Member States to allocate funds for premiums from their tight annual budgets, ARC is proposing to work with Member States to explore more creative and dedicated sources of funding that do not require renewal and the related legislative or political processes every year. Building on ARC's innovation pillar, ARC seeks to explore options beyond the conventional annual insurance policy framework, and two clear insurance opportunities may pave the way forward.

- **Sub-Sovereign Insurance Contracts**

Client-driven evidence suggests that sub-sovereign insurance contracts that cover specific regions within a country would be amenable to certain Member States that feel that the current model of large-scale sovereign protection does not address all of their needs. To this end, ARC will begin offering localised

insurance contracts on a pilot basis, ensuring that ARC can better meet the critical needs of its Member States and their most vulnerable populations

- **Risk Sharing with Local Insurance Companies**

In a concerted bid to expand ownership at the country level, a scheme for risk sharing with local insurance companies will also be investigated and piloted where feasible. In keeping with the ethos of ARC, this will not only build the capacities of local insurance companies in understanding and building the local risk management expertise; it will also offer further incentive for sovereigns to participate in the ARC pool through tangible economic benefits.

In the medium term, ARC will explore offering a longer-term savings / insurance hybrid product for high-frequency and moderate-impact events, where most of a country's annual "premiums" are contributions to a drought savings account invested by ARC with the balance providing true "tail risk" extreme drought insurance. Ideally this product would also offer a vehicle for donors to contribute into, in accordance with their goals.

Simplified and Improved (SIM)

ARC's current drought product, anchored in *Africa RiskView*, is operating at the forefront of the current industry offering. Nonetheless, it is subject to immense competition. To remain at the cutting edge of drought modelling research and at the behest of clients, ARC is adapting its product design approach to harness all new datasets and technologies available. The Technical Review Forum, a body established in 2018 to crowd in global expertise whilst adapting it to the African context, will guide the effort of constantly improving the current insurance product and identifying alternative models to integrate into the variety of products offered to Member States. This approach would ensure greater financial efficacy, broad and comprehensive research praxis, and improvement of the soundest product on the market. Secondly, through thorough analysis of the trade-off between simplicity and accuracy, elements of the customisation will be reviewed and adapted in the light of a leaner customisation process to strengthen client understanding and optimize time spent on trainings.

Tailored and Improved (TIM)

Member States are not homogenous, and ARC's value proposition differs depending on (1) nature of the disasters they face currently and expect to face in the future, (2) other available mechanisms for mitigating risk and responding to disaster, and (3) affordability and Member States' ability and willingness to pay. Going forward, ARC will seek to reorient and adapt both its messaging and engagement strategies for Member States accordingly, thus ensuring that it has a nuanced and compelling value proposition that is sensitive to each Member State context.

In practical terms, this would include detailed strategies in country work programmes that aim to sensitise senior political and policy government members on ARC and its programme. This further ensures that insurance concepts are well understood, ARC's programme is endorsed, and expectations are managed throughout the government. Combined with clear and standardised criteria for the Technical Working Group composition, this approach would lead to a more efficient capacity building process and would increase the efficacy of the country engagement process. Streamlining the ARC narrative throughout the government and Technical Working Groups will assist in minimising misunderstandings of the product offering and thus reduce basis risk.

In the medium term, a multimedia interactive platform is being designed to host a holistic training programme, referred to as the ARCAcademy. Supported by partners in the field and with a well-defined assessment, this will further incentivise government officials to actively and continuously participate in the capacity building process with the assurance of certification for personal development purposes.

Institution Building

In 2019, ARC will continue to focus on providing support to its Member States to encourage timely ARC Treaty ratification. During the sixth session of the ARC Conference of the Parties (CoP), held in Nouakchott, Mauritania in March 2018, ARC Agency Member States renewed their commitment to ratify the ARC Treaty as soon as possible. Eight countries – Mauritania, The Gambia, Mali, Senegal, Chad, Guinea, Togo and Madagascar – have ratified the Treaty and deposited their instruments of ratification with the Chairperson of the African Union Commission. Thus, only two more ratifications are required for the Treaty to enter into force definitively. The ARC Agency Secretariat has developed a ratification plan to support ARC Agency Member States pursuing ratification and will work to achieve the required ten ratifications in 2019.

The ARC Agency Governing Board met twice in 2018, in February and September. Both meetings were attended by members of the ARC Ltd Board, with the goal of increasing coordination between ARC Agency and ARC Ltd. In 2019, the ARC Agency and ARC Ltd Boards (the Boards) will also meet together twice, in February and September, to facilitate collective decision-making. The Agency Board will hold its own meetings on the margins of the joint meetings to take decisions, give direction to the Agency Secretariat, and take the steps necessary to put the policy decisions of the CoP into practice.

ARC Agency is currently planning for the seventh meeting of the CoP, which will take place in March 2019 in Khartoum, Sudan.

Governance Reform

At the Boards' request, ARC has launched a review of its governance structures and is developing plans to increase the integration of ARC Agency and ARC Ltd, with the long-term goal of having the two institutions work as one (the "Governance Reform Process"). The Governance Reform Process is intended to enable ARC's Member States, Boards, and Management to learn from the implementation of the governance model to date. It will also chart a course of further refinement and improvement to the governance model and practices within the model.

The Boards formed a Governance Reform Steering Committee in February 2018 to advise the Boards regarding ARC's governance reform and the various options that could be pursued. The Governance Reform Steering Committee is comprised of various representatives of ARC stakeholders, the Boards, and ARC executive management, and it met four times between May and December 2018. The Governance Reform Steering Committee will continue its work in 2019 with the objective of having final recommendations ready for consideration, first by the Boards and then by the CoP, in mid to late 2019. The CoP will be updated on the progress of the Governance Reform Process in March 2019.

Headquarters Selection

In 2017, the CoP considered the criteria for the selection of headquarters for ARC Agency and requested that (1) the Secretariat combine these criteria with the criteria for selection of a domicile for ARC Ltd, and (2) the Board begin the headquarters selection process. In February 2018, the Board approved the amended criteria for the selection of a headquarters for ARC Agency and ARC Ltd. The combined criteria were then presented to the CoP in March 2018, and the headquarters search was launched in June 2018. A Headquarters Selection Committee has been formed to advise the Boards on the search process. Offers to host the ARC headquarters will be accepted until the end of April 2019, and fact-finding missions to potential host countries will take place thereafter. The Boards will consider the work and recommendations of the Headquarters Selection Committee and make recommendations to the CoP based on that work. A permanent headquarters for ARC Agency may be selected by the CoP once the Treaty enters into force definitively.

Alongside its work on ratification, governance reform and headquarters selection, in 2019 ARC Agency will continue its work towards the development of rules and regulations that will enable ARC to achieve independence, fulfil its treaty mandate, and institutionalise its activities.

Research and Development

ARC's Research and Development (R&D) programme focuses on ARC's first Strategic Objective – innovation – by developing and continually improving ARC insurance products and other risk management tools. The main goal for R&D is to provide innovative and quality disaster risk management tools that effectively and efficiently respond to the needs of ARC Member States and meet insurance market requirements. To reach this main goal, the R&D strategy is built on two objectives: (1) improving the reliability and accuracy of *Africa RiskView* (ARV) as an existing product, and (2) developing new quality disaster risk management products, such as flood risk insurance, outbreaks and epidemics insurance, and the Extreme Climate Facility in response to the express needs of African Member states.

Improving *Africa RiskView*

Key interventions aimed at improving the reliability and accuracy of ARV will be informed by three main channels that create a dynamic and continuous feedback loop and determine the prioritisation of the R&D activities: (1) ARC Member States through in-country Technical Working Groups and Customisation Review Committees, (2) expert and academic review through the Technical Review Forum (TRF) and external reviews, and (3) ARC and ARC Ltd internal feedback. Following the 2018 TRF, ARV reviews, and country customisation work in preparation for pool VI, the 2019 activities will focus on:

- **Improving *Africa RiskView* Input Data**

With a plethora of satellite-based rainfall products on the market, there is a recognised need within ARC to develop a systematic analysis approach for comparing multi-sensor rainfall datasets to each other and gauging data across time and space. This systematic comparison serves to better integrate state-of-the-art seasonal forecasting capabilities for enhanced rainfall and therefore improve drought early warning systems. Specifically, additional satellite rainfall and real-time potential evapotranspiration datasets will be integrated into ARV, and standardised metrics for evaluating various rainfall datasets will be

developed.

- **Identifying Alternative Drought Indicators**

Guided by the TRF and partners, including WFP-VAM and International Livestock Research Institute (ILRI), R&D will try to harness the newest datasets and emerging technologies to develop the next generation of underwritable, real-time, pan-African drought monitoring products for both agricultural and pastoral areas. These new indicators and their related impact models can be used for basis risk identification and quantification and shadow modelling for ARC Ltd.

- **Improving the WRSI Model**

R&D is partnering with WFP-VAM, ILRI, and Pacifica/Airbus/Grameen to improve the WRSI model for *Africa RiskView*. By participating in Satwin Alert, a NERC-ESRC-funded project, R&D and its partners aim to identify, test, and incorporate alternative input data, customisation settings, and algorithm adjustments for *Africa RiskView*. They will also review all static data sources that are inputs for the WRSI calculations and modify the time-step in which the water balance model is calculated.

- **Vulnerability & Impact Modelling**

R&D will improve its vulnerability and drought impact modelling by reviewing and simplifying the methodology that quantifies drought impacts, without compromising the model accuracy. R&D will develop the existing methodology to leverage in-country impact modelling techniques (e.g. Household Economy Approach models) and investigate new and innovative methods of household data collection. A new method R&D will explore is the use of digital “big data” in partnership with UN Global Pulse, Orange-Sonatel in Senegal and the University of Madrid. Another workstream will focus on enabling ARV to assess drought-related food insecurity in a new way that is more consistent to Cadre Harmonise’ and IPC methodologies.

Flood

In response to Member States’ requests, R&D has been developing the ARC River Flood Model (AFM-R). Where the first years were used to develop the ARC Flood Extent Depiction data (i.e. the daily data driving AFM-R), the river flood index was finalised in 2018 and will be used to underpin the flood insurance product offered by ARC Ltd in 2020. For 2019, the key focus areas are:

- **AFM-R test run to prepare the AFM-R for underwriting in 2020**

In January 2019, a pilot run will start in Cote d’Ivoire, Ghana, The Gambia and Togo. The river flood depiction and resulting index will be closely monitored during the 2019 rainy season. R&D will work together with the Programme Department, ARC Ltd and the in-country TWGs to run the pilots. When the pilot run is successful, ARC Ltd will be able to offer river flood insurance from 2020 onwards.

- **Review and possible improvement of AFM-R**

While the pilot run is ongoing, suggestions for index alternatives will be simultaneously reviewed. Feedback from the first TRF for River Floods, which is planned for 6-7 February 2019, will guide further evaluations and possible improvement during the year.

- **Develop key partnerships to incorporate high resolution flood data and/or models during different phases of the disaster cycle**

The mapping of existing systems and organisations with flood data information needs will be completed for countries where ARC is technically engaging for floods. Although many countries have some degree of early warning systems in place, these are not always well-calibrated and validated. Together with key partners, R&D will identify information gaps, see where and how these can be closed, and produce high-resolution flood maps that can inform prevention, mitigation, and recovery actions.

Outbreaks & Epidemics (O&E)

In response to a call by African Ministers of Health, R&D is developing a product for public health outbreaks and epidemics (O&E). This product will respond to concerns stemming from the West African Ebola crisis, which revealed that slow and unpredictable funding are key factors leading to delayed responses and increased socio-economic impacts of health emergencies. With funding from the Rockefeller Foundation and the Swiss Development Corporation, R&D is conducting a pilot in Guinea and Uganda. The product under development covers four diseases – Ebola, Meningococcal Meningitis, Lassa fever and Marburg Viral disease – which affect around 40 African Union Member States.

The 2019 Programme of Work builds on work started in 2018, such as disease model and trigger definition, estimating the key cost components, specifying early intervention activities, and developing risk profiling tools. The 2019 O&E workplan is focused on completing the product design, finalizing the key components of the O&E insurance products (the risk profiling tool, disease models with defined triggers, and disease-specific contingency plans), developing an insurance product, and advocating AU Member States in preparation for product launch in 2020.

The planned activities in 2019 include:

- Completion of a disease model for Ebola, Marburg, Meningococcal meningitis and Lassa fever
- Completion of a disease risk profile template, gap analysis, and preparedness indices
- Completion of a generic disease contingency planning template and disease-specific contingency plans for pilot countries
- Development of a costing template to understand the major cost components of an outbreak response and to identify the key drivers/activities for outbreak responses
- Market survey to elaborate the reinsurance market interest of major reinsurers and to identify the most cost-effective approach to launch the O&E product
- Building partnerships with key stakeholders, including the World Health Organisation, the African Union Africa CDC, the World Bank's Pandemic Emergency Funding Facility (PEF), ECOWAS, and SADC

The current R&D phase is expected to be completed by December of 2019 with a project launch in 2020 and scale-up in the following years. When completed, ARC will own the intellectual property to a disease model which would require integration into ARV or housing by ARC with requisite computing capacity.

The O&E team works in close collaboration with ARC Ltd in the design and review of the product, the market survey on reinsurance interest, and the development of a vehicle to launch the product. The O&E team is also working with the World Bank to ensure complementarity of their products through technical and strategic cooperation to ensure that ARC's product is tailored to trigger earlier than PEF.

Africa CDC has shown an interest in the risk profile tool being developed by ARC, and heads of both organisations have committed to expanding the tool to produce infectious disease risk profiles and an African Public Health Index for AU member states. Africa CDC will collaborate with ARC to conduct these risk profiles in its five regional hubs (Nigeria, Senegal Gabon, Kenya and Zambia) and review the outcomes before scaling up.

Extreme Climate Facility (XCF)

To leverage and diversify available international funding, support countries' own investments in resilience and adaptation, and affirm its value proposition to member states, ARC is developing the Extreme Climate Facility (XCF). XCF will provide additional funds should extreme weather events in their region increase in magnitude and/or frequency, as reflected by an objective index. The index, a multi-hazard Extreme Climate Index (ECI), will be based on meteorological data, specified by climatic region, and designed to capture the severity and frequency of heat, drought, flood and other extreme weather events important to particular regions, such as cyclones.

The following three elements were determined to be central to XCF's design from the outset: 1) implementation-ready country-level adaptation plans conforming to standards for climate-resilient investments or, at the very least, a credible channel through which additional climate adaptation funds could be directed to participating countries; 2) a data-driven mechanism to track extreme weather events across the continent in an objective manner over time with established indices, thresholds, and criteria for triggering XCF payments to regions; and 3) an efficient financial vehicle that could finance XCF's obligations to African governments over time.

The R&D phase has been tackling these elements through a multi-disciplinary work programme that leverages on the work that established the existing ARC institutional structure. A three-step approach to country engagement on XCF climate adaptation planning for XCF funds has been developed. The engagement is designed to ensure that XCF payouts will be well spent without overloading ARC Member States with preparation for payouts that may not trigger. A prototype ECI and XCF payout triggering mechanism has been developed to track upticks in extreme weather event activity in Africa while also meeting market risk transfer and XCF requirements. XCF's financial and legal structure has also been defined to efficiently transfer XCF risk from countries to the markets.

To help move XCF further towards an operational phase, in key activities for 2019 include:

- Commissioning an XCF cost-benefit analysis to guide the remainder of the R&D phase.
- Finalising the drafting of the XCF climate adaptation planning standards and guidelines based on cost-benefit analysis

- Developing a country and partner engagement strategy to guide communication on XCF and prepare the groundwork for enhanced engagement and an operational phase
- Producing a revised white paper on XCF's institutional, operational and financial design, include a proposed workplan and timeline for the establishment of XCF, for discussion with stakeholders such as all ARC Agency, ARC Ltd, and donor partners

Programme

The Programme Department comprises three divisions: Country Engagement (East & Southern Africa and West & Central Africa regions), Technical Support, and Contingency Planning. As a whole, the Programme Department is responsible for most of the interactions with ARC Member States, including the introduction of the ARC concept to new countries, preparing Member States to make informed decisions on transferring some of their disaster risk to ARC Ltd, capacity building, policy dialogue, and supporting ARC Ltd's relationship with Member States that are participating in the risk pool. The department works collaboratively with ARC Ltd at various stages of the project life cycle, including the capacity development phase and when payouts are triggered.

In 2018, the Programme Department actively worked with 21 countries at various stages of the project life cycle, implementing activities that introduced the concept of ARC, prepared interested countries to take out insurance, and built a pipeline for future ARC risk pools through new treaty and Memorandum of Understanding (MoU) signatures.

The sections below describe each division's activities in 2018 and the planned activities for 2019.

Country Engagement

East & Southern Africa

The Country Engagement Division for East & Southern Africa (ESA) is based at the ARC headquarters in Johannesburg. The division is responsible for managing and coordinating the interface with countries in East and Southern Africa, currently active in 12 countries. The division also supports ARC's interactions with the Southern African Development Community (SADC).

In 2018, ESA focused on engaging countries to participate in the ARC capacity building activities, which resulted in the signatures of three new MoUs with Rwanda, Zambia, and Sudan. The division continued to maintain relationships with existing active countries and prepared them for participation in the 2018 risk pool. Three countries completed the processes required to take out insurance from ARC Ltd.

In 2019, ESA will focus on rolling out the new programme of work for new countries, supporting preparation of existing countries to participate in the 2019 risk pool, and increasing engagement with Regional Economic Communities and countries on ARC's innovative products. These planned activities build on the work carried out in 2018 and will create more awareness and deeper understanding of the ARC concept among Member States, increase participation in the risk pool, and build a pipeline for future risk pools.

The following key activities are planned for 2019:

- Kickstarting the ARC capacity building programme in Sudan, Rwanda, Zambia, and potentially in Mozambique and eSwatini
- Maintaining the relationship and coordinating activities in Kenya, Malawi, Madagascar, Zimbabwe, Djibouti, and Comoros
- Supporting policy dialogue with SADC and other partners in the region, including IGAD, on disaster risk management and adapting the ARC product to suit the needs of countries
- Advocating and lobbying for countries to participate in the AfDB's Africa Disaster Risk Financing Facility (ADRFi) programme
- Organising regional workshops to facilitate cross-country learning on topics related to disaster risk financing and insurance

West & Central Africa

The Country Engagement Division for West & Central Africa (WCA) is hosted in the African Development Bank's building in Abidjan. The division is responsible for managing ARC's relationship with 14 countries in West Africa. It is also responsible for initiating, designing, and implementing a financial partnership with the AfDB for the benefit of ARC Member States.

In 2018, WCA focused on maintaining relationships with 10 Member States, three of which signed insurance policies (Burkina Faso, The Gambia, Senegal). The remaining Member States did not participate in the risk pool for various reasons, including the inability to pay premium.

For 2019, the planned activities will maintain these relationships, prepare more countries to participate in the risk pool, operationalise the premium financing mechanisms supported by AfDB, and increase the number of countries participating in the programme. The unit will also implement activities contributing to innovative approaches to adapt the product to be more responsive to Member State needs.

Key activities planned for 2019 include:

- Maintaining the relationship and continuing the programme in Niger, Mauritania, Senegal, Gambia, Burkina, Mali, and new potential countries (Chad, Ghana, CI, Togo, and Benin)
- Initiating the ARC programme in 3 to 4 additional countries
- Leading advocacy and support for high-level missions in the region
- Supporting the implementation of ADRFi and mobilizing resources for co-financing premiums through ADRFi
- Leading pilot initiatives, such as the establishment of a food security product for ECOWAS and market-based approaches for countries such as Nigeria; ARC Ltd will be involved in these new approaches.
 - These initiatives will contribute to ARC's innovative approaches in line with Member State requests for increased integration into the regional space and innovative approaches to protect food security.
 - WCA will collaborate with ARC Ltd on these approaches.
- Ensuring close collaboration with AGRHYMET for the benefit of ARC and ECOWAS Member States

Contingency Planning

The Contingency Planning Division is responsible for design and execution of the contingency planning workstream of the ARC capacity building programme, and the division provides technical support in developing reliable contingency plans with Member States that may participate in the ARC risk pool. Preparing ARC Operations Plans and Final Implementation Plans for potential ARC insurance payouts is a key part of the in-country pre-participation process and are critical to country realisation of the potential livelihood savings for beneficiaries receiving earlier assistance.

The 2019 workplan will build upon the activities implemented in 2018 for existing countries and initiating the contingency planning processes in newly identified countries. The Contingency Planning Division workplan in 2019 will emphasise (1) the provision of technical support to 15 Member States prioritised by the Country Engagement Division; (2) the renewal or the development of new Operations Plans for drought, flood and tropical cyclone; and (3) the facilitation of the approval process of the country validated plans.

Implementation of these activities will ensure that the targeted countries have robust and reliable Operations Plans that ensure the effective and efficient utilisation of a payout. Additionally, review processes will ensure that ARC's contingency planning support to countries is continuously updated with experiences collated from the ground and kept to the highest standards possible. The division intends to place more emphasis in the training component by improving the content and introducing innovative materials and support tools.

The following key activities are planned for 2019:

- Supporting Member States to carry out ARC's in-country work programme to develop the operations plans and update the operations plans whose two-year validity period has elapsed
- Organising review processes, namely the Technical Review Committee and Peer Review Mechanism, for operations plans
 - For Technical Review Committee: managing consultants that contribute to ARC's contingency planning review process and ensuring that the timely review process is conducted with high quality to meet the specific standards for ARC
 - For Peer Review Mechanisms: organising and coordinating meetings for the Board's subcommittee and ensuring that decisions are taken on time
- Refining ARC Contingency Planning Standards and Guidelines, ARC Standard Operating Procedures for Payouts, and ARC Contingency Planning Processes, particularly the processes and criteria for approving and monitoring contingency plans
- Organising workshops on Final Implementation Plans development and ensuring that the Member States have appropriate support in preparation of Final Implementation Plans (FIP) and implementation of ARC Standard Operating Procedures for Payouts
- Contributing to the development of e-learning tools that will help users to strengthen their understanding and their expertise in contingency planning process

ARC Replica

ARC Replica Coverage is an insurance product offered to humanitarian organisations that wish to replicate the insurance policies purchased by ARC Member States. The Contingency Planning Division has coordinated the Replica programme implementation in the three targeted countries – Senegal, Mali, Mauritania – in 2018. The following key activities will expand upon the 2018 Replica workplan:

- Coordinating the Replica programme in three countries selected in 2018
- Conduct training sessions on various tools of ARC for institutions and partners in new countries, should the program be extended to additional countries
- Establishing a tripartite MoU between selected countries, Replica partners, and ARC Agency that will spell out the working arrangements for Replica in-country implementation, including technical partnerships and capacity building
- Convening a workshop on lesson learned from implementing the Replica programme

Technical Support Division

The Technical Support Division (TSD) is responsible for in-country capacity building on the hazard models used by ARC, in-country customisation of *Africa RiskView*, and in-season monitoring of the performance of *Africa RiskView* in targeted countries. TSD also leads quality assurance processes to guarantee the quality of in-country customisations of *Africa RiskView* and improve to the risk modelling component of the country programme. These processes include organising the review of *Africa RiskView* customisations by an external independent panel of drought risk modelling and vulnerability experts - the Customisation Review Committee (CRC) - and the internal review of customisations by Customisation Quality Review (CQR) committees constituted by ARC Agency and Ltd personnel. The CRC is a collaborative process that draws participation from ARC Ltd, country technical working groups, and other departments of ARC.

The planned activities for 2019 build on and will augment activities accomplished by TSD in 2018. The TSD was able to successfully complete in-country *Africa RiskView* customisations for 10 countries in 2018. This is expected to increase to 17 countries in 2019.

In 2019, the work of the TSD will focus on (1) continued in-country capacity building through trainings on drought and flood risk modelling in 17 targeted countries, (2) developing e-learning materials to enhance and accelerate in-country capacity development, and (3) enhancing *Africa RiskView* customisation quality assurance processes.

Key activities planned for 2019 include:

- Training on drought modelling with *Africa RiskView* and supporting country customisation process and validation of the technical work in 17 countries (Kenya, Madagascar, Malawi, Mozambique, Sudan, Zambia and Zimbabwe in East and Southern Africa; and Burkina Faso, Chad, Ivory Coast, Gambia, Ghana, Mali, Mauritania, Niger, Senegal and Togo in West and Central Africa)

- Facilitating customisation quality assurance processes, including organising at least two CRC sessions to review in-country customisation of at least 12 countries prior to participation in the ARC Ltd risk pool
- Undertaking seasonal monitoring of the performance of the agricultural and rangeland seasons in the targeted countries to validate *Africa RiskView* drought model results and support follow-up processes in the event of model discrepancies.
- Undertaking in-country dry-run of ARC's flood model in five targeted countries (Ghana, Ivory Coast, Gambia, Togo and Mozambique), including training on the Flood Data Explorer, validation of ARC Flood Extent Depiction (AFED) data, and validation of the flood index
- Undertaking technical work on Tropical Cyclone, in collaboration with ARC Ltd, in one targeted country and providing input to improve the model where necessary
- Researching and producing e-learning materials that can be independently used by in-country experts to refresh and enhance their knowledge on risk modelling with *Africa RiskView*, improve customisations, potentially reduced basis risk events, and enhance the effectiveness and sustainability of in-country training for ARC member countries

Policy and Technical Services

The Policy & Technical Advisory Services (PTS) Department is responsible for ensuring quality knowledge and learning enhancement within the ARC Secretariat and consolidating partnerships with regional and international bodies in line with the ARC vision and goals. In 2019, PTS will focus on several key areas aligned to the ARC strategic objectives. These will include: (1) knowledge generation, sharing and dissemination; (2) supporting policy and strategy country engagement; (3) strengthening partnerships; and (4) examining and improving scalability of ARC offerings.

The 2019 workplan continues work from 2018 to meet ARC's three strategic objectives. In 2018, PTS delivered guidelines to support ARC country engagement managers in the realisation of country strategic papers towards ARC efficiency and effective ARC business operations in countries. In 2019, PTS will ensure that the quality of the process in the realisation of the country strategy papers are within the standards and quality products are delivered. In 2018, PTS also actively engaged with partners in the disaster risk management space and various bilateral/multilateral development agencies. In 2019, PTS will support and contribute to translate some of these engagements and discussions into concrete actions to scale up and sustain ARC offerings through premium payment support and other innovations.

To implement the 2019 workplan, PTS will work closely with the CEMs to ensure that PTS activities respond to country needs and demands. A close collaboration with ARC Ltd will also be necessary, particularly in achieving scalability of the ARC insurance offerings through the mobilisation of premium payment support and in designing other innovative financing interventions.

Key activities planned for 2019 include:

- Strengthening existing technical, political, financial regional and international partnerships, and pledging in new collaborations that align with ARC strategic objectives

- Quality assuring processes and content of country strategy papers
- Developing guidelines and criteria to effectively engage with partners
- Supporting premium mobilisation activities and contributing to tweaking other innovative financing mechanisms for the sustainability and scalability of ARC offerings
- Engaging the private sector and bilateral/multilateral development and financing institutions (e.g. Afreximbank, World Bank, AFDB, London Centre)

Monitoring and Evaluation

In 2018, the Monitoring and Evaluation (M&E) department assessed the M&E capacity of drought risk management in eight Member States. The results of the assessment will be used to inform and design the content of in-country M&E trainings for disaster risk management in eight Member States in 2019. The trainings will go beyond the basic concepts of M&E to include more hands-on practices to establish an operational M&E system for disaster risk management, as well as the development of data collection and reporting tools. In addition, the M&E department will provide follow-up support and technical assistance to at least eight Member States in setting-up their M&E systems.

In 2018, the M&E department strengthened the use of the dashboard to monitor and report the progress of workplan implementation for all ARC departments. In 2019, the department will continue improving the dashboard and its use by departments for decision-making. In the same vein, the department will continue to support management decision-making through the regular update of the dashboards and the organisation of the quarterly management meetings. Furthermore, the department will regularly track the key performance indicators of the institution and update the logframe.

Towards the end of 2018, the M&E department conducted the Member States feedback survey to assess to determine their level of satisfaction with respect to their interaction with ARC. The survey was conducted in 13 countries. In 2019, the M&E department is planning to revise the survey instruments and conduct the same survey in at least 13 Member States. The survey will focus on (1) their understanding of various workstreams, (2) their perception about the quality of the services and supports provided by ARC, and (3) their satisfaction with and suggestions for improving those services and supports.

Similar to the process evaluation completed for the Malawi payout in 2018, the department is planning to commission, monitor, and support the process evaluation for the Mauritania payout and any payout that will be triggered for the pool V in 2019.

In 2018, the M&E department supported the implementation of the recommendations of the first formative evaluation of sponsored by DfID. In 2019, the department will continue supporting the second formative evaluation that is expected to take place from February to October 2019. Moreover, the department will coordinate and support any additional organisational reviews/evaluations that will be requested by the key stakeholders.

In the first quarter of 2019, the department will revise the M&E plan, the M&E procedures manual and complete the evaluation policy. Moreover, the M&E department will continue supporting some cross-cutting activities

within the organisation in 2019. This includes, but is not limited to, resource mobilisation, annual reporting, and updates to the ARC Board.

In summary, key activities planned for 2019 include:

- Planning, designing, and conducting in-country M&E trainings in eight Member States, including more hands-on practices to establish an operational M&E system for disaster risk management and the development of data collection and reporting tools
- Improving the Dashboard to help departments and management monitor workplans and support decision-making
- Supporting management decision-making through the regular update of the dashboards and the organisation of the quarterly management meetings
- Tracking the key performance indicators of the institution and updating the logframe
- Revising the Member States feedback survey and conducting the survey in at least 13 Member States
- Commissioning, monitoring, and supporting the process evaluation for the Mauritania payout and any pool V payouts
- Supporting DfID's second formative evaluation and coordinating any additional organisational reviews or evaluations
- Revising the M&E plan, the M&E procedures manual, and completing the evaluation policy

Gender

In 2019, the Gender Department will be focused on the development of the ARC Gender Equality Strategy. Major activities and interventions planned in 2019 are key to the process of developing a Gender Equality Strategy, as well as building the capacity and partnership necessary for the eventual implementation of the strategy. This process started in the last quarter of 2018 with an internal gender assessment through the use of questionnaires, as well as the facilitation of a gender sensitisation session during the annual retreat in November. Thereafter, gender consultations commenced with Member States and partners in West Africa (Ghana, Burkina Faso, Mali, Senegal, The Gambia and Mauritania) and will continue with Member States in East and Southern Africa (Sudan, Madagascar and Malawi) in January 2019. The process is expected to conclude with the finalisation of the Gender Equality Strategy document in June 2019.

Key activities planned for 2019 include:

- Developing the ARC Gender Equality Strategy
- Ensuring the availability of adequate gender knowledge in ARC through organisation of gender trainings for ARC staff at division levels
- Ensuring the availability of gender integration tools and systems through the development and dissemination of a gender tool box
- Collecting and analysing gender disaggregated data
- Building the gender mainstreaming capacity of partners through the facilitation of gender sessions during capacity building workshops

- Building relevant partnership in Gender and disaster risk management and financing through participation in relevant events and forums at regional and global levels
- Contributing to Gender and disaster risk management and financing knowledge through the publication of an article in a reputable journal

The development and management of knowledge, tools and systems necessary for effective gender mainstreaming in ARC will be a continuous process throughout the year.

Communications

The Communications Department develops, plans, and implements strategic communications aligned with the business and advocacy objectives of both ARC Agency and ARC Ltd. This includes the development and management of ARC's longer term communications infrastructure and the procurement of consultancy, public affairs, and graphic design services in line with desired organisational outcomes and objectives.

In 2018, the ARC Communications Strategy was developed and approved by the Boards. The document outlines critical areas of work that will underpin communications activities. This includes communicating the work and agenda of ARC in a manner that enables a better understanding by Member States and integration into their national economic development frameworks. In 2018, collaborating with relevant units and ARC Ltd, Communications ensured that opportunities for communication and visibility were maximally utilised and pursued the establishment of partnerships with relevant regional and multilateral agencies to deepen advocacy, attract technical resources, and open avenues for sourcing further financing for disaster risk management.

The planned activities for 2019 will seek to augment the successes of 2018 and leverage on the experiences and lessons learned to contribute towards the strategic positioning the ARC. The 2019 activities will expand opportunities for internal information sharing, as well as enhancing strategic reporting of the activities of various departments, especially the departments at the forefront of our innovative products within ARC Agency. Information sharing between the relevant units and officers at ARC Ltd will also be improved for more impactful communication and advocacy in 2019, and Communications will continue to work closely with ARC Ltd to ensure that opportunities for communication and visibility are fully utilised.

Key activities planned for 2019 include:

- Renovating the ARC website
- Enhancing internal / external communications
- Strategic media distribution and monitoring
- Procuring professional media content
- Establishing partnerships for media distribution and advocacy
- Supporting and collaborating with ARC Boards, leadership, senior management
- Encouraging ARC staff to adopt more structured advocacy and information sharing practices on ARC's work, progress, and lessons learned

ARC Ltd

ARC Ltd is responsible for underwriting the climate risks transferred by African countries, the investment of funds, payment of claims, and administration of the insurance company. In 2019, ARC Ltd will focus on several key areas aligned to the ARC strategic objectives. These will include (1) supporting country engagement through relevant capacity building, (2) supporting R&D to improve the current drought product, (3) investigating innovative enhancements to the current products, and (4) strengthening efforts to grow the pool using a multi-pronged tactical initiatives.

The key identified interventions for 2019 feature more client-facing involvement and build upon the progress made by ARC Ltd's greater participation in the ARC project cycle. A close collaboration with ARC Agency in all workstreams is mandatory given the interconnected nature of our work as well as the overriding theme of "One ARC". In 2019, ARC Ltd will be involved in all *Africa RiskView* Customisation finalisation meetings and will lead discussions on risk transfer parameters for all prospective countries. ARC Ltd will also continue to engage with partners on various premium financing initiatives by building on our involvement in Replica and AfDB's ADRiFi in 2018.

Key activities planned for 2019 will continue to respond to the needs of the current and target clients by improving the current drought product in partnership with R&D. These activities include:

- Investigating and implementing enhancements on the current product where feasible
- Insurance-specific capacity building in-country to ensure that Member States can make better decisions regarding the insurance coverage that they take
- Collaborating with technical partners to develop quantitative values of insurance metrics that are customisable to different country contexts to evaluate the suitability of insurance as part of a broader disaster risk financing strategy
- Supporting premium financing efforts along with ARC Agency

African Risk Capacity (ARC) Budget 2019

December 2018

ARC/COP7/D001.2702_19

www.africanriskcapacity.org

Budget Overview and Process

The African Risk Capacity (ARC) Agency Budget 2019 has been developed in accordance with the Budget Process document adopted at the Tenth Meeting of the ARC Agency Governing Board (July 2017), and outlines the budget of ARC Agency for the calendar year 2019.

The ARC Agency budget 2019 reflects the costs of activities and staff that are required to achieve the goals as outlined in ARC's Strategic Framework. The ARC Agency Budget is in line with the previously developed Results Based Framework and Budget for 2016-2020 (as part of its Strategic Framework) and is consistent with previous years' budgets.

Both the departments of ARC Agency and the ARC Insurance Company Limited (ARC Ltd) contributed to ARC's Programme of Work through the development of a detailed list of activities and staffing needs for 2019. It is important to note that this remains a rolling budget that may be updated on the basis of the annual Programme of Work, which itself is contingent on the lessons learned and its execution during the year.

The ARC Agency Budget USD 12,134,000 for 2019 represents a zero-growth budget, which is equal to the previous year budget excluding the Extreme Climate Facility (XCF) and Outbreaks and Epidemics (O&E). The Indirect Support Costs have been reduced from 7% to 6.5% compared to the previous year. The total budget for 2019 for O&E and XCF is USD 3,042,513.

Table 1 – Total Budget

ARC Agency	2019			2018		
	Activities	Staffing	TOTAL	Activities	Staffing	TOTAL
Direct Project Costs	4,738,775	6,654,652	11,393,427	4,717,581	6,622,606	11,340,187
Indirect Support Costs	308,020	432,552	740,573	330,231	463,582	793,813
Total Costs	5,046,796	7,087,205	12,134,000	5,047,811	7,086,188	12,134,000

O&E+XCF	2019			2018		
	Activities	Staffing	TOTAL	Activities	Staffing	TOTAL
Outbreak and Epidemics (O&E)	1,423,141	651,963	2,075,104	1,210,613	515,760	1,726,373
Extreme Climate Facility (XCF)	605,815	175,900	781,715	505,956	263,680	769,636
Direct Project Costs	2,028,956	827,863	2,856,820	1,716,569	779,440	2,496,009
Indirect Support Costs	131,882	53,811	185,693	120,160	54,561	174,721
Total Costs O&E+XCF	2,160,838	881,674	3,042,513	1,836,729	834,001	2,670,729

Budget by Outcome

ARC's budget can be divided into ARC's three objectives. Table 2 presents the Agency budget per outcome.

- Outcome 1 - Dynamic and applied research and development that provides improved access to innovative tools and insurance products for AU Member States to effectively manage their natural disaster risk.
- Outcome 2 - Strengthening disaster risk management on the continent through enhanced AU Member State ability to anticipate, plan for and respond to natural disasters in an efficient and effective manner.
- Outcome 3 - Increased scalability of the ARC operation and insurance coverage.

Table 2 – Budget by Outcome

Budget by Outcome	2019				2018	
	Activities	Staffing	TOTAL	%	TOTAL	%
Outcome 1	789,599	1,961,350	2,750,949	23%	2,925,298	24%
Outcome 2	2,737,464	2,930,218	5,667,683	47%	5,557,323	46%
Outcome 3	1,211,712	1,763,084	2,974,796	25%	2,857,566	24%
Direct Project Costs	4,738,775	6,654,652	11,393,427	94%	11,340,187	93%
Indirect Support Costs	308,020	432,552	740,573	6%	793,813	7%
Total Costs	5,046,796	7,087,205	12,134,000	100%	12,134,000	100%

Budget by Department

Table 3 presents the detailed budget by Department. The table describes the inputs and expenditures needed to deliver the outputs as per the 2019 work program for each Department. XCF and O&E are not included since both are special projects to develop new models and not yet mainstreamed in regular activities.

Chart 1 – Budget by Department

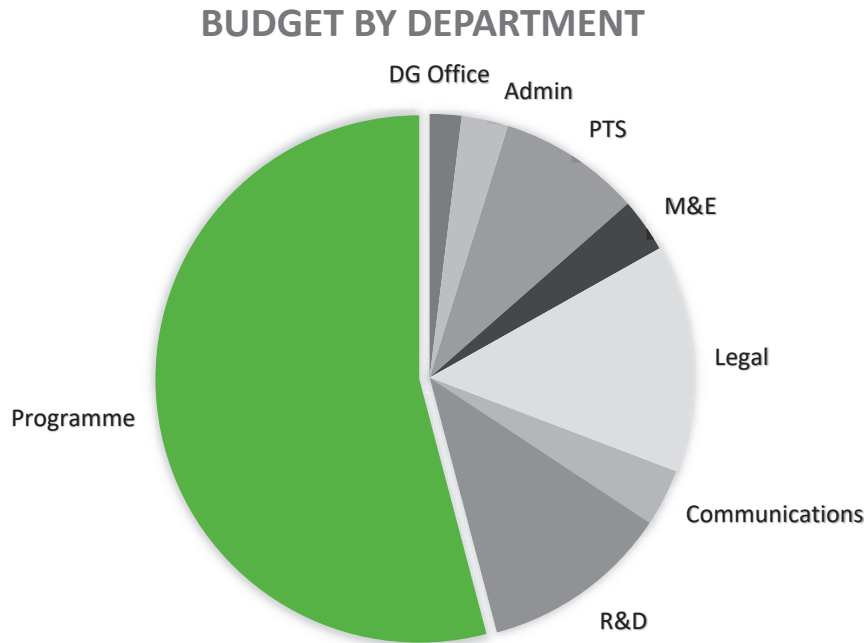


Table 3 - Budget by Department

Budget by Department	2019				2018	
	Activities	Staffing	TOTAL	%	TOTAL	%
DG Office	92,228	378,149	470,377	4%	516,161	4%
Administration	135,175	568,107	703,282	6%	690,738	6%
Policy and Technical Services	413,855	561,363	975,218	8%	1,092,755	9%
Monitoring and Evaluation	157,197	309,414	466,612	4%	608,251	5%
Legal	660,646	323,772	984,418	8%	924,865	8%
Communications	165,680	188,349	354,029	3%	436,710	4%
Research and Development	549,964	1,076,134	1,626,098	13%	1,529,419	13%
Programme	2,564,030	3,249,365	5,813,395	48%	5,541,289	46%
Direct Project Costs	4,738,775	6,654,652	11,393,427	94%	11,340,187	93%

Indirect Support Costs	308,020	432,552	740,573	6%	793,813	7%
Total Costs	5,046,796	7,087,205	12,134,000	100%	12,134,000	100%

Budget Research Projects	Activities	Staffing	TOTAL	%	TOTAL	%
Outbreak and Epidemics (O&E)	1,423,141	651,963	2,075,104	68%	1,726,373	65%
Extreme Climate Facility (XCF)	605,815	175,900	781,715	26%	769,636	29%
Direct Project Costs	2,028,956	827,863	2,856,820	94%	2,496,009	93%
Indirect Support Costs	131,882	53,811	185,693	6%	174,721	7%
Total Costs	2,160,838	881,674	3,042,513	100%	2,670,729	100%

Total ARC Budget incl. O&E + XCF	Activities	Staffing	TOTAL	%	TOTAL	%
Direct Project Costs	6,767,732	7,482,515	14,250,247	94%	13,836,196	93%
Indirect Support Costs	439,903	486,364	926,266	6%	968,534	7%
Total Costs	7,207,634	7,968,879	15,176,513	100%	14,804,729	100%

Staffing Budget by Department

The staffing for 2019 has been determined by the expertise needed to achieve the goals elaborated in ARC's Strategic Framework. Staff costs are as per the standard position costs used by the World Food Programme with whom ARC has an Administrative Services Agreement.

The staffing budget together with the activity budget per department (tables 4 and 6) represents the major categories of expenditure and demonstrates how the budget was constructed. Table 4 gives an overview of the staffing as proposed for 2019, whilst table 5 provides an overview of the staffing per department in full time equivalents (FTE). The staffing of the two projects XCF and O&E are presented separately.

Table 4 – Staffing Budget by Department

Director General, ASG, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
DG ASG	ASG	Joburg	Monthly	27,662	12	331,949
Executive Assistant	G7	Joburg	Monthly	3,850	12	46,200

Total	378,149
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Administration, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Human Resource & Rome Liaison	G6	Rome	Monthly	9,080	12	108,960
Procurement Assistant WFP	G5	Joburg	Monthly	2,850	12	34,200
Business Support Assistant	G5	Joburg	Monthly	2,200	11	24,200
Business Support Assistant WFP	G3	Rome	Monthly	4,980	12	59,760
Driver	G3	Joburg	Monthly	2,384	12	28,608
Total						255,728

Administration, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Senior Budget, Finance & Admin Officer	Consultant	Joburg	Monthly	11,220	10	112,200
Project Management Consultant	Consultant	Remote	Monthly	373	165	61,598
Human Resource Officer WFP	Consultant	Rome	Monthly	4,529	11	49,820
HR/Learning & Development Consultant	Consultant	Joburg	Monthly	4,524	11	49,761
Core Values Advisor	Consultant	Joburg	Monthly	200	30	6,000
Monthly subsistence allowance						33,000
Total						312,379

Policy and Technical Services, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Partnership & Protocol Officer	P2	Joburg	Monthly	11,680	11	128,480
Programme Associate	G6	Joburg	Monthly	3,250	12	39,000
Driver	G2	Addis	Monthly	600	12	7,200
Intern	Intern	Joburg	Monthly	889	6	5,335
Total						180,015

Policy and Technical Services, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Lead Economist	Consultant	Joburg	Monthly	7,213	11	79,348
Senior Policy Officer	Consultant	Joburg	Monthly	6,189	11	68,083
Partnership Manager	Consultant	Joburg	Monthly	4,117	11	45,284
Resource Mobilisation Officer	Consultant	Joburg	Monthly	3,330	11	36,633
Insurance Consultant	Consultant	Remote	Daily	400	20	8,000
Strategy Consultant	Consultant	Remote	Daily	400	30	12,000
Monthly subsistence allowance						132,000
Total						381,348

Monitoring and Evaluation, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Senior Advisor Monitoring & Evaluation	P4	Joburg	Monthly	18,770	12	225,240
Total						225,240

Monitoring and Evaluation, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
M&E Consultant	Consultant	Joburg	Monthly	4,652	11	51,174
Monthly subsistence allowance						33,000
Total						84,174

Legal, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Senior Legal Counsel & Board Secretary	Consultant	Joburg	Monthly	7,752	11	85,272
Legal Officer	Consultant	Joburg	Monthly	4,000	11	44,000
Legal Officer	Consultant	Joburg	Monthly	4,000	8	32,000
ARC Special Legal Advisor	Consultant	Remote	Daily	700	30	21,000
Senior Liaison Officer	Consultant	Remote	Monthly	3,000	4	12,000
Self-Evaluation Expert	Consultant	Remote	Daily	400	45	18,000
Honoraria (Board)						21,500
Monthly subsistence allowance						90,000
Total						323,772

Communications, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Senior Communication Officer	Consultant	Joburg	Monthly	6,701	11	73,715
Communication Junior Consultant	Consultant	Joburg	Monthly	3,330	11	36,633
Communication Junior Consultant	Consultant	Remote	Daily	200	60	12,000
Monthly subsistence allowance						66,000
Total						188,349

Research and Development, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Director of R&D	P5	Joburg	Monthly	21,990	8	175,920
Deputy Director of R&D	P4	Rome	Monthly	18,405	12	220,860
Intern	Intern	Rome	Monthly	889	6	5,335
Total						402,115

Research and Development, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Lead ARV Architect	Consultant	Remote	Daily	601	170	102,133
Flood Development manager	Consultant	Remote	Monthly	9,263	11	101,889
Principal Software Engineer	Consultant	Remote	Daily	573	150	85,986
Technical Partnership Focal Point	Consultant	Joburg	Monthly	5,000	10	50,000
Senior Software Developer	Consultant	Remote	Daily	459	150	68,850
IT Support Engineer / Specialist	Consultant	Joburg	Monthly	6,120	11	67,320
Software Developer	Consultant	Remote	Monthly	5,000	8	40,000
Research Software Engineer	Consultant	Joburg	Monthly	5,000	8	40,000

Agronomist, Data Specialist, Trainer	Consultant	Remote	Daily	546	36	19,645
GIS and Data Expert	Consultant	Joburg	Monthly	3,200	11	35,200
Drought Modelling expert	Consultant	Rome	Daily	129	70	8,996
Monthly subsistence allowance						54,000
Total						674,019

Programme, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Chief Operating Officer	D1	Joburg	Monthly	24,845	12	298,140
Senior Programme Coordinator	P5	Joburg	Monthly	21,990	8	175,920
Head of Country Engagement - E &S	P4	Joburg	Monthly	18,770	4	75,080
Head of Country Engagement - W & C	P4	Abidjan	Monthly	20,295	12	243,540
Head of Contingency Planning	P4	Joburg	Monthly	18,770	12	225,240
Head Technical Support Division	P4	Joburg	Monthly	17,118	12	205,410
Country Engagement Manager	P3	Joburg	Monthly	15,465	12	185,580
Country Engagement Manager	P2	Abidjan	Monthly	10,925	11	120,175
Programme Associate	G6	Joburg	Monthly	3,280	12	39,360
Programme Assistant	G5	Abidjan	Monthly	2,200	12	26,400
Admin Assistant - WFP	SC5	Abidjan	Monthly	2,653	12	31,836
Driver	SC4	Abidjan	Monthly	950	12	11,400
Intern	Intern	Joburg	Monthly	889	8	7,113
Gender Intern - Research Assistant	Intern	Joburg	Monthly	889	11	9,781
Volunteer	Volunteer	Abidjan	Monthly	268	12	3,216
Total						1,658,190

Programme, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Insurance Expert	Consultant	Joburg	Daily	750	40	30,000
Senior Advisor	Consultant	Joburg	Daily	510	20	10,200
Gender Specialist	Consultant	Joburg	Monthly	8,874	11	97,614
Gender Consultant	Consultant	Remote	Daily	350	20	7,000
Gender Integration Toolbox consultant	Consultant	Remote	Daily	350	20	7,000
Lead Country Engagement Manager	Consultant	Joburg	Monthly	8,000	8	64,000
Country Engagement Manager	Consultant	Joburg	Monthly	4,037	11	44,409
Country Engagement Analyst	Consultant	Joburg	Monthly	3,630	11	39,930
Country Engagement Manager (Junior)	Consultant	Kenya	Monthly	3,265	10	32,650
Country Engagement Manager	Consultant	Abidjan	Monthly	4,037	11	44,409
Country Engagement Manager	Consultant	Abidjan	Monthly	4,037	11	44,409
Country Engagement Analyst	Consultant	Abidjan	Monthly	3,761	11	41,368
AFDB Liaison officer	Consultant	Abidjan	Monthly	5,998	11	65,974
WAE Consultant W. Africa	Consultant	Remote	Daily	429	40	17,177

WAE Consultant Ivory Coast	Consultant	Remote	Daily	200	60	12,000
Senior Contingency Officer	Consultant	Joburg	Monthly	5,984	11	65,828
Contingency Planning Officer	Consultant	Joburg	Monthly	3,330	11	36,633
Quality Assurance Manager	Consultant	Joburg	Monthly	6,000	8	48,000
Lead Risk and Vulnerability Analyst	Consultant	Joburg	Monthly	6,000	11	66,000
Risk and Vulnerability Analyst	Consultant	Joburg	Monthly	5,700	10	57,000
Risk and Vulnerability Analyst	Consultant	Joburg	Monthly	5,700	10	57,000
Risk and Vulnerability Analyst	Consultant	Abidjan	Monthly	4,199	11	46,193
Risk and Vulnerability Analyst	Consultant	Joburg	Monthly	4,140	11	45,542
Risk and Vulnerability Analyst (Junior)	Consultant	Joburg	Monthly	3,900	11	42,900
GIS Expert	Consultant	Joburg	Monthly	3,200	11	35,200
Training Consultant	Consultant	Remote	Daily	387	20	7,740
Honoraria (Board)						10,000
Monthly subsistence allowance						515,000
Total						1,591,175

Outbreak & Epidemic (O&E)

O&E, Staff	Grade	Location	Unit	Unit Cost	Quantity	Cost
Lead Advisor Outbreak and Epidemic	P5	Joburg	Monthly	21,990	12	263,880
Intern	Intern	Joburg	Monthly	889	12	10,670
Total						274,550

O&E, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Senior Public Health Officer	Consultant	Joburg	Monthly	5,998	11	65,974
Public Health and Country Liaison	Consultant	Joburg	Monthly	5,267	11	57,940
Insurance Advisor	Consultant	Joburg	Monthly	6,000	6	36,000
Software expert	Consultant	Joburg	Monthly	6,000	6	36,000
Honoraria (Board)						79,500
Monthly subsistence allowance						102,000
Total						377,414

Extreme Climate Facility (XCF)

XCF, Consultant	Grade	Location	Unit	Unit Cost	Quantity	Cost
Lead Advisor XCF	Consultant	Joburg	Monthly	6,500	11	71,500
Senior XCF Consultant	Consultant	Joburg	Monthly	6,200	6	37,200
XCF Consultant	Consultant	Joburg	Monthly	5,700	6	34,200
Monthly subsistence allowance						33,000

Total				175,900
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Table 5 – Staffing by Department in Full Time Equivalents (FTE)

Staff by Department and contract type (FTE)	2019				2018			
	International Professional	Consultants	General Service	Total	International Professional	Consultants	General Service	Total
DG Office	1.0	0.0	1.0	2.0	1.0	0.0	1.0	2.0
Admin	0.0	2.8	2.9	5.7	0.0	3.3	3.8	7.0
PTS	0.9	4.2	2.0	7.1	1.0	4.6	2.0	7.6
M&E	1.0	1.0	0.0	2.0	1.0	1.7	0.0	2.7
Legal	0.0	3.4	0.0	3.4	1.0	1.7	0.0	2.7
R&D	1.7	8.0	0.0	9.6	0.8	9.1	0.0	9.9
Communications	0.0	2.3	0.0	2.3	0.0	2.6	0.0	2.6
Programme	6.9	19.2	3.0	29.1	7.9	16.2	2.0	26.1
Total	11.5	40.9	8.9	61.3	12.7	39.3	8.8	60.7
O&E	1.0	3.1	0.0	4.1	1.0	2.5	0.0	3.5
XCF	0.0	2.1	0.0	2.1	0.5	0.9	0.0	1.4
Total	1.0	5.2	0.0	6.2	1.5	3.4	0.0	4.9
Total	12.5	46.1	8.9	67.5	14.2	42.7	8.8	65.6

Activity Budget by Department

Table 6 describes the activity budget by department. The table highlights activities planned for 2019 as proposed by each department with the corresponding estimated cost.

ARC Agency (excl. Staff and consultants)

Table 6 – Activity Budget by Department

Director General, ASG	Specific Planned Activities	USD
Strategic and operational guidance of the ARC Agency	Includes travel to support ARC objectives	74,362
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	17,867
Total		92,228
Administration	Specific Planned Activities	USD
ARC Annual Retreat	Administrative and logistics preparation/organisation of retreat	69,058
Admin Retreat	Coordination and improvement of administrative processes	9,335
Budget Management	Coordination of the Programme of Work Budget and Budget Review	2,790
Human resource management	HR follow-up actions to ensure consistent and high-quality HR services	4,896
Training	Staff training	9,263
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	39,833
Total		135,175
Policy and Technical Services	Specific Planned Activities	USD
Technical Study	Update of Cost Benefit Analysis	60,000
Technical study	Contribution to IDBs Agriculture Global Practice Annual publication	1,463

Technical Training Tool Development	Development of risk financing tool and training	3,750
Knowledge Generation & Development & Sharing	Set up PTS/ARC Policy Advisory Panel	12,450
PTS Staff retreat	Training and discussion on process improvements	2,100
Training	Setting up a pilot for an Index Insurance Training Academy in Africa	64,890
Policy and Strategy Support to Country Engagement	Risk Profiles to be developed in-conjunction with the Governments & development partners e.g. UNISDR, AfDB, UNECA, CIAT	30,000
Policy Engagement with African Union Commission (AUC)	Coordinate ARC's inputs to the Annual Report of AUC on the Union, Organs and Specialized Agencies	15,375
Policy Engagement with African Union Commission (AUC)	1 first draft strategy of ARC-AUC collaborative strategy document	2,625
Policy Engagement with African Union Commission (AUC)	Coordinate and organize ARC High Level Side Event and/or Press briefing on the margins of the AU Summit	10,900
Policy Engagement with CAADP	Initial meetings with CAADP team to associate ARC in the monitoring CAADP panel that tracks the implementation of African countries agriculture towards CAADP Malabo Declaration implement CAADP Malabo Declaration	5,625
Support - Engagement with Technical partnerships	2 New MoU and Implementation of existing MoUs	2,625
Policy Engagement with New Partnerships for Africa Development (NEPAD)	1 workshop to enhance insurance industry in Africa in junction with InsuResilience and other partners	19,213
ARC Advocacy and Policy dialogue	Participation in DRM partner events (global, continental, regional or national) – linked to policy engagement	11,813
ARC Advocacy and Policy dialogue	Organizing joint workshops with RECs (SADC, ECOWAS, ECCAS, EAC, IGAD) on disaster risk Financing	19,400
ARC Advocacy and Policy dialogue	High level ARC visibility event linked to AU/UNFCCC/AFDB	19,400
ARC Advocacy and Policy dialogue	Organize 1 annual Round Table dialogue with farmer, NGO and civil society groups in collaboration in Conjunction Trust Africa	20,525
Donor engagement management	Organize and assist Management for donors HQ visits (2 donors)	3,000
Donor engagement management	Organize Annual donor meeting and coordinate from the donor side any ARC meeting Donors are attending (Board Meetings, ARC COP)	3,375
Resource Mobilisation	Develop a mapping of donor funding for development per donor and field	3,000
Resource Mobilisation	Leverage on 2 global events to organize 1 RM roundtable (UNFCCC COP, UNGA)	3,375

Resource Mobilisation	Coordinate and assist Management visits to identified prospective donors (2)	3,000
Resource Mobilisation	Lead the organisation of a roundtable for RM and Advocacy (2 countries per year)	2,250
Resource Mobilisation	Lead and coordinate the Africa Adaptation Initiative –Risk Transfer Flagship	2,625
Policy Engagement and Partnerships with South-South Cooperation	Scoping mission in East Asia to explore possibilities of funding ARC Agency, Support Country Premium Payment and Approach East Asia Re-insurance companies	4,050
Private Sector and Multilateral Financing Development Institutions	Develop work programme to link specific ARC activities to interventions by Private Sector by Afreximbank, World Bank, AFD, IDB and Willis	2,625
Support CEMs (WCA&ESA)	scoping mission, technical partners/donors engagement	4,875
Agriculture Insurance scalability	Explore for possibilities of co-insurance with ARC Limited	2,250
Agriculture Insurance scalability	Financing interventions/instruments to respond to high frequency events/low impacts events	10,125
Training	Staff training	11,585
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	55,568
Total		413,855

Monitoring and Evaluation	Specific Planned Activities	USD
Organize workshop on the diagnostic of the M&E capacity	Organize workshop on the diagnostic of the M&E capacity	37,500
In-country support	In-country training in M&E of CP and support for improving M&E system (eight countries)	29,963
CP development	Provide technical support to the development/revision of in country Operations Plans (eight countries)	16,875
Evaluation	Commission Process evaluation	45,000
Professional networking	Professional networking	6,750
Training	Staff training	3,243
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	17,867
Total		157,197

Legal	Specific Planned Activities	USD
Board Meetings	Two Joint Agency-Ltd Board meetings	114,740
Meeting of the Finance and Audit Committee	One Finance and Audit Committee meeting	41,683
Conference of the Parties	Conference of the Parties Meeting, March 2019	233,836
Headquarters Search	Committee meetings; country fact-finding missions; coordinate committee reporting	117,819
Governance Steering Committee	Committee meetings; submission to CoP; country consultations; engagement with African Union	42,915
Engage with countries to encourage ratification	Follow up with CEMs regarding ratification, provide support and advice to countries as requested	18,002
Finalize IP protection for ARV	Engage an escrow company to hold the source code; develop an internal source code protection policy	22,500
Legal Workshops	Legal workshops for countries that intend to join Ltd, and possibly launch new legal training for SADC countries at the beginning of the process	37,665
Training	Staff training	5,565
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	25,921
Total		660,646
Communications	Specific Planned Activities	USD
Renovate the website	Website renovation and cybersecurity maintenance	7,500
Organise workshop on communication techniques	Staff sessions on communication techniques	4,625
Produce newsletter	Publish 4 editions of newsletter	15,000
Produce communication, visibility materials	Quarterly review, (re)design and produce brochures, flyers, advocacy materials for stakeholder outreach	1,000
Media distribution and monitoring	Procure newswire services for press release and content distribution	7,500
Produce photo and video content	Arrange 2 visits to ARC member countries for photoshoots	11,250
Short documentaries on ARC	Produce 1 story on ARC model	11,250

Create visibility during high-level conferences	Organise 3 high-level press briefings every quarter around multilateral events	27,000
Provide support for Board members advocacy	Provide technical support for Board member advocacy efforts	11,250
Organise press briefings	Press conferences for pay-outs and other major events	7,500
Organise media agency visits	Organise 3 interactive visits to select media agencies in Pool member countries	3,750
Organise capacity building for media	Organise 2 capacity building workshops for media on DRR reporting	21,650
Organise advocacy visits to African Foundations	Organise 4 advocacy visits to African Foundations	6,750
Produce visibility items	Produce range of visibility items	7,500
Training	Staff training	3,686
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	18,469
Total		165,680

Specific Planned Activities		USD
Research and Development	Specific Planned Activities	USD
Quality Assurance of ARV software and model	Annual in-person meetings of the Technical Review Forum for Drought and Floods	25,170
R&D Team Travel to ARC Member States	3 visits of the ARV Lead Architect and Deputy Director to Johannesburg	14,700
Server and ARV software maintenance	Server acquisition and maintenance	63,240
Flood Model	Flood model ready for a first insurance pilot	86,800
Commissioned Research to partners on specific model and data reviews and developments	Research topics: Rainfall analysis, ILRI, VAM, Model improvements and benchmarking	210,000
Enlarging R&D network	Visits for meetings, workshops, conferences about early warning, technical and research partnerships established across Africa and internationally	33,630
Africa RiskView Review	Commission a full technical review of ARV by IT solutions consultant	14,000
Africa RiskView as Early Warning tool	DATA LAB for Cadre Harmonisee support and the use of ARV as EW tool	35,770
Training	Staff training	15,646
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	51,008
Total		549,964

Programme	Specific Planned Activities	USD
Scoping and follow up missions	Missions to introduce ARC to countries, targeting countries that have not been visited and or without substantive actions ongoing (5-8 mission)	43,826
Programme Set-up and MoU processes	Kick off missions in the new MoU countries targeted	78,192
MoU negotiation missions	Follow-up missions to support institutional structures for programme and appropriate adoption of MOU	36,516
Parliamentary sessions	Programme sensitization meetings in countries for Parliamentarians	32,626
Permanent Secretaries Sessions	Programme sensitization meetings in countries for Permanent Secretaries	30,500
Support PTS engagement with RECs from the Region	Policy engagement with SADC, IGAD, EAC, IOC, etc.	12,578
Cross-country learning workshops	Expertise-sharing missions between countries	12,869
Regional workshop (ESA)	Regional workshop ESA Learning/Exchanges Platform - Theme to be determined - Venue South Africa	51,350
Communication and awareness sessions	Communications and Stakeholder approaches	33,686
Regional Risk financing and insurance workshops (3)	Engagement with countries, preparation of workshop material, participation	153,285
National RTPs workshops	Engagement with individual countries, preparation of workshop material, participation	26,437
Policy structuring missions	Support Ltd on Policy structuring missions	8,006
Policy signature and premium payment follow up	Support Ltd on Policy signature and premium payment follow up	12,328
Training - Retreat	Training CEMS and discussion on process improvements	26,783
Experts and GC payments	Capacity building payments to country teams	539,589
Country strategy development and review	Review of country strategies and participation in strategy meetings, information gathering; input and advise on the risk transfer needs	6,152
ARC Management support missions	ARC management missions to support high level meetings	10,209
New product exploration	Technical missions on new product development	10,848
Participation in in-country DRR processes	Support other in-country DRR processes and systems upon country requests; participate and represent countries at different DRR fora	4,210
AFDB awareness and appraisal missions	AFDB liaison officer and CEM participation in appraisal mission	27,424
Ministerial sessions	Engage and sensitize ministers in DRR and insurance	6,152

Drought -- In-country training on Model (4-day training)	Training on ARV for in-country staff	113,118
Drought --- Follow-up workshops on customisation	Liaising with the GC and focal points on drought customisation progress and deliverables.	113,118
Drought -- Finalisation workshops (all countries)	Preparation and coordination of the workshop	113,118
RTP workshops	TSD lead to attend RTP workshops organized by ARC Ltd	16,125
Drought -- End-of-Season monitoring review meetings	Remote communication with country + in-country visits when necessary (estimated 25% of countries)	15,190
Drought -- Drafting of the customisation reports	Collaboration with country, drafting of relevant parts	10,000
Drought -- CRC meetings	Provide relevant documentation to CRC (Customisation Review Committee), coordinate discussion, organise meetings as necessary (in JNB and ABI)	78,150
Flood --- in-country training on the model	Introducing the AFED data, AFM-R model and FDE software; data mapping for data collection)	16,035
Flood -- data validation	Data validation (how to do the AFED validation once the validation data such as historical list and other validation data is ready)	14,215
Flood -- Validation workshop	Index validation and validation with larger stakeholder group	26,640
Tropical Cyclone - in-country training on the model	Liaising with the GC and focal points on TC customisation progress and deliverables.	7,730
Tropical Cyclone - Validation workshop	Preparation and coordination of the workshop	8,720
Technical retreat	workshop	13,400
Scoping missions	Participate in ARC introductory/exploratory missions to new countries	7,784
In country operations plans consulting	Undertake visit to countries and identify the existing disaster response mechanism in place as well as actors	3,892
In country kick off workshop	Preparation and coordination of the workshops - workshops	9,641
In Country Operations Plans Workshops (new countries) Drought	Preparation and coordination of the workshop - 10 workshops- Drought	33,001
In Country Operations Plans Workshops (new countries) - Flood	6 workshops-Conduct 1 workshop in each country on OP- Flood	36,829
In Country Operations Plans Workshops (new countries)- Cyclone	3 workshops-Conduct 1 workshop in each country on OP- TC	6,902
Follow up missions to support drafting of operations plans	Provide advisory support to countries-upon their request- on OP drafting	6,116
In-country validation of OP	Provide advisory support to countries-upon their request- on OP validation	5,508
Countries OP revision/renewal	Conduct in country workshop on OP revision exercise	35,206

Plan review / improvement/ translation	Review the countries OP and ensure that they meet criteria.	3,000
Technical Review Committee (TRC) 1st meeting	Convene meeting with independent experts to review the plans submitted by countries - meetings (1st start date, 2nd review and FIP)	63,054
Technical Review Committee (TRC) 2nd meeting	Convene meeting with independent experts to review the plans submitted by countries - meetings (2nd start date, 2nd review and FIP)	59,496
Peer Review Mechanism (PRM) for Approval process	Convene the meeting with PRM Members to consider the TRC recommendations - 2 meetings	38,905
Final Implementation Plan preparation workshop in pay-out event	Support in country TWG for the FIP preparation	6,885
Participate in country DRR processes	Support other in-country DRR processes and systems upon country requests; participate at different DRR fora	18,360
Financial audit process in pay-out event	Commission a financial audit process in countries receiving a pay-out	16,000
Guidelines and standard review	Conduct CP lessons learnt workshop + CP innovation	1,600
Replica	Convene workshops on Replica process	21,728
Strategic and operational guidance of the ARC Agency	Includes COO office travel to support ARC objectives	73,704
Learning Management	Learning Management System purchase, set-up and Maintenance	9,000
Development of Gender Strategy	Gender consultation sessions in 3 countries	18,175
Monitoring and evaluation activities	Facilitation of gender sessions during capacity building workshops	8,064
Monitoring and evaluation activities	Conduct gender training for CEMS	2,676
Strategic partnership building	Participate in Gender is my agenda campaign pre-summits	4,576
Strategic partnership building	Participate in AU gender pre-summit	1,976
Strategic partnership building	Gender Participation in IDRC/AfDB events	2,288
Strategic partnership building	Gender partnership visit to Canada/and or Senegal	3,450
Attending conferences on Gender Policy best practice	Attending conferences on Gender Policy best practice	7,776
Training	Staff training	47,187
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	302,129
Total		2,564,030

Outbreak & Epidemic (O&E)

Activities Outbreak & Epidemic	Specific Planned Activities	USD
Development of risk profiles and gap analyses for selected pathogens	Review of risk profiling and gap analyses for 4 pathogens (Ebola virus, Marburg virus, Lassa virus, and Neisseria meningitidis) in Guinea and Uganda - Outsourced work	321,939
Development of O&E contingency planning framework, standards and guidelines, templates, and country-specific and pathogen-specific operations plans	Review of O&E contingency planning framework, standards and guidelines, and templates; and technical and peer review for O&E operations plans - Outsourced work	41,914
Development of index and triggering mechanism; and development of risk models for selected pathogens	Index and trigger analysis for O&E model; and technical and peer review of risk models for 4 pathogens in Guinea and Uganda - Outsourced work	143,501
Develop an investment case for ARC's O&E parametric insurance package, and conduct an economic evaluation on the insurability of selected pathogens	Review the cost-effectiveness of the ARC O&E parametric insurance package; and review the cost-benefit analysis on selected pathogens - Outsourced work	23,000
O&E Expert Advisory Panel meeting	Convene an O&E Expert Advisory Panel meeting: 3rd face-to-face EAP meeting	44,200
Pilot country missions (Guinea)	4 missions to implement the in-country O&E contingency planning, O&E disease model finalisation, discussion on the trigger setting, and country preparation for insurance	35,200
Pilot country missions (Uganda)	4 missions to implement the in-country O&E contingency planning, O&E disease model finalisation, discussion on the trigger setting, and country preparation for insurance	20,096
Sensitize Ministers of Health and Supervisors in the 2 pilot countries, and make them champion in advocating for ARC O&E	Sensitize Ministers of Health and Supervisors in the 2 pilot countries, and make them champion in advocating for ARC O&E	16,500
Technical partnership (risk profiling) with Africa CDC and Metabiota	Organise 3 meetings with Africa CDC, WHO AFRO and research partners to delineate the ARC risk profiling strategy for Africa for selected pathogens	40,500
ARC contribution to Africa CDC risk profiling	Development of a strategy for an AU wide risk profiling for selected pathogens, and development of a knowledge and communication tool to effectively convey risk profiles results at country level	100,000

Participate in African Union and Regional Economic block meetings for advocacy on O&E, including high level meetings with MoH and MoF, with ARC DG Representation	Participate in 5 meetings (e.g. 1 AU and 2 RECs: ECOWAS or EAC SADC), including AU side events, plus 2 high level meetings with MoH and MoF. Intended for developing collaboration and working relationships with AU and regional blocks and disaster/pandemic risk mitigation/response and agencies	55,000
Organise workshops with technical partners (Africa CDC, WHO HQ, WHO AFRO, WB, LTD) to support the development and finalization of the O&E product	Organise 2 technical workshops with Africa CDC, WHO HQ and WHO AFRO to review the work on WS1, 2, 3, and 4. This is intended to devise means of understanding each agencies role and responsibilities in the sovereign parametric insurance	20,400
Organise a regional event in West Africa for country outreach and buy-in prior to the O&E product launch in 2020	Organise a Regional workshop event in Conakry to convene ECOWAS WAHO, and ECCAS countries and learn from the experience of Guinea as a pilot country. This is intended to bring technical experts in the different countries, together with the pilot countries to share experience in preparation for the O&E product launch	74,940
Organise a Regional event in East Africa for country outreach and buy-in prior to the O&E product launch in 2020	Organise a Regional workshop event in Kampala to convene EAC, SADC, and IGAD countries and learn from the experience of Guinea as a pilot country. This is intended to bring technical experts in the different countries, together with the pilot countries to share experience in preparation for the O&E product launch	71,196
Global/Regional technical working mechanism for strategic outbreak/pandemic financing	Co-organise with the World Bank PEF 4 meetings on strategic outbreak/pandemic financing (PEF, WHO CFE, Regional Economic Blocs, and Reinsurers)	91,800
Develop Communication and Advocacy materials	Develop Communication and Advocacy materials for various events and partners	20,000
Organise a Workshop for the technical and peer review of the O&E disease spread model	Organise a 1-day Workshop for technical and peer review of the O&E disease spread model incorporating completed risk profiles and contingency plans	40,225
Development of a framework and processes between ARC Agency and ARC Ltd to prepare for the launch O&E insurance	Development of insurance operations regulations related to O&E	30,000
Legal requirements for O&E product commercialization to AU Member States	Hire an independent firm to develop the final prospectus document for O&E commercialization	40,000
Development of a strategy for the inclusion of new countries in the ARC O&E capacity building Programme	Scoping missions for an additional 5 countries (Senegal, Nigeria, Gabon, Kenya, and Zambia) in preparation to the next phase (2020-21)	48,750

Donor engagement, and advocacy on O&E product launch	4 missions to meet, and carry out advocacy work with existing and potential donors	10,800
ARC O&E Retreat	Organise and convene the 1st ARC O&E Retreat	30,000
Financial obligations: ARC's payments to the Government of Guinea	Guinea O&E country team (Government Coordinator and Experts from Government)	20,000
Financial obligations: ARC's payments to the Government of Uganda	Uganda O&E country team (Government Coordinator and Experts from Government)	20,000
Contingency funds	Contingency funds	20,000
Training	Staff training	6,634
Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	36,545
Total		1,423,141

Extreme Climate Facility (XCF)

Activities Extreme Climate Facility	Specific Planned Activities	USD
Further Extreme Climate Index (ECI) Risk Modelling	Following the review and the final ECI definition, further ECI computation, preparation climate scenario simulation	100,000
Internal ECI Review Workshops	Two Extreme Climate Index (ECI) review workshops	59,046
XCF Cost Benefit Analysis (CBA)	Commission an XCF Cost Benefit Analysis (CBA) and related adaptation planning standards and guidelines review and refinement	100,000
ARC Member State Extreme Climate Index (ECI) Dissemination & Sensitisation	Commission a partner to develop and deploy an ARC Member State ECI dissemination and sensitisation campaign	152,000
Scoping Missions	Partner engagement strategy: scoping missions to potential XCF countries and donors, conference travel (20 unique missions)	50,000
XCF Dissemination Workshop	Partner workshop focusing on Extreme Climate Index (ECI) and Cost Benefit Analysis (CBA) results and next steps to operationalisation	111,000
Commence Market Outreach on Extreme Climate Index (ECI)	Following Extreme Climate Index (ECI) review results (3 missions)	11,700
Training	Staff training	3,391

Fixed Costs	Rent & Utilities, TC/IT Equipment & Services, Office Supplies & Equipment	18,679
Total		605,815