

# R4 Rural Resilience Initiative

QUARTERLY REPORT | APRIL - JUNE 2014





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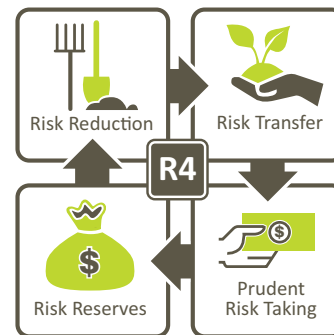
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## EXECUTIVE SUMMARY

The R4 Rural Resilience Initiative (R4) is a strategic partnership between Oxfam America (OA) and the UN World Food Programme (WFP). R4 was initiated in 2011 to respond to the challenges faced by food-insecure communities enduring increasingly frequent and intense climate disasters and other shocks. The program builds on the initial success of HARITA (Horn of Africa Risk Transfer for Adaptation), an integrated risk management framework developed by Oxfam America, the Relief Society of Tigray (REST), Ethiopian farmers and several other national and global partners.<sup>1</sup>

R4 refers to the four integrated risk management strategies comprised within the project to strengthen farmers' food and income security. The initiative combines improved **resource**



**management** (risk reduction), **insurance** (risk transfer), **microcredit** (prudent risk taking), and **savings** (risk reserves). In 2014, R4 has successfully expanded HARITA in Ethiopia and launched implementation in Senegal.

1. See Appendix I: 'R4 partners and institutional roles' for full list of R4 partners.

Wezero Abrehet tends to her microgarden in Hadush Adi, Tigray, Ethiopia.  
Michiale Tamrat / REST






















In Ethiopia, R4 exceeded its goal of reaching 22,500 farmers—successfully extending insurance to over 24,000 farmers in 84 villages. In the region of Amhara, R4 is being implemented in partnership with the Organization for Rehabilitation and Development in Amhara (ORDA), while REST continues to implement R4 in Tigray, where it initially started.

In Senegal, insurance was formally offered for the first time this year after a successful dry-run in 2013. Almost 2,000 farmers purchased insurance in exchange for labor out of the 3,000 targeted. Over 5,000 farmers participated in the initiative’s savings and credit components through Saving for Change (SfC) groups.

For the first time, Insurance for Assets (IFA) premiums were directly paid to local insurance companies, rather than passing through local partners. WFP is now directly transferring funds to the relevant financial institutions, in close consultation with local partners. This is an important milestone in the program’s vision to expand R4 through the creation of scalable systems that build local insurers’ capacity to offer commercially viable insurance products.

This report outlines the key accomplishments during the April to June 2014 quarter, as well as enrollment results for the 2014 agricultural season in Ethiopia, and information about the insurance product launched in Senegal.

Figure 1. R4 achievements

Payouts			 \$ 17,000	 \$ 320,000	 \$ 24,000	
Value of Premiums	 \$ 2,500	 \$ 27,000	 \$ 215,000	 \$ 275,000	 \$ 283,000	 \$ 306,187
Total sum insured	 \$ 10,200	 \$ 73,000	 \$ 940,000	 \$ 1,3m	 \$ 1,2m	 \$ 1,592,595
Farmers insured	 200	 1,300	 13,000	 18,000	 20,000	 26,132
Countries	Ethiopia	Ethiopia	Ethiopia	Ethiopia Senegal	Ethiopia Senegal	Ethiopia Senegal
	2009	2010	2011	2012	2013	2014

# STATUS SUMMARY

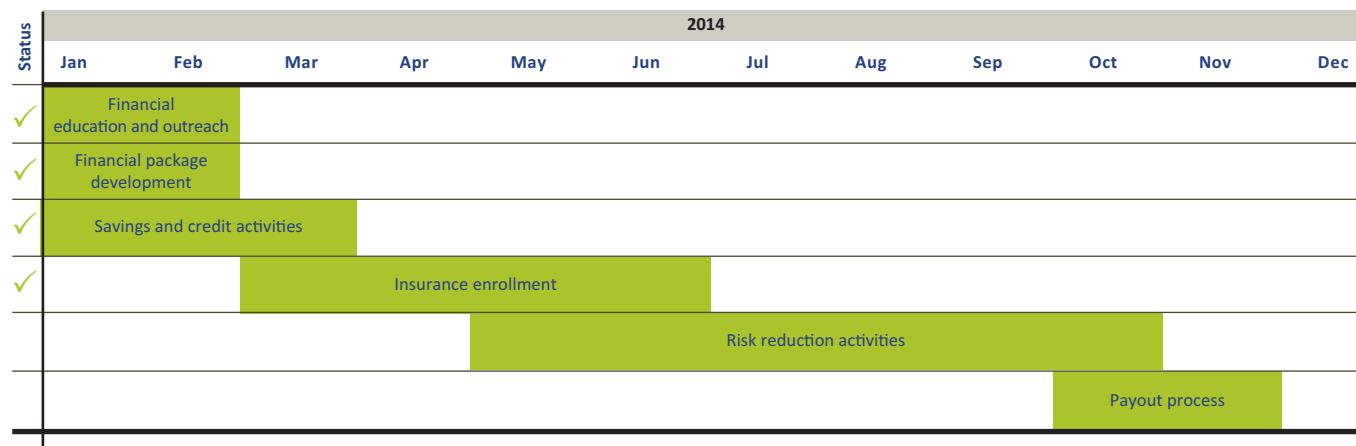
## ETHIOPIA

During the 2014 agricultural season, insurance was offered in 81 villages in Tigray, and in three villages in Amhara. A total of 24,143 farmers purchased insurance, exceeding the program goal of reaching 22,500 farmers. Farmers had the option to purchase insurance through labor or cash. In all of the three villages in Amhara, farmers paid for insurance in exchange for labor;

whereas in Tigray, over 900 farmers in 26 villages paid for insurance with cash, while the remaining purchased insurance in exchange for labor.

More details on the 2014 enrollment appear in the “R4 Rural Resilience in Ethiopia: 2014 Insurance Enrollment Results” section of this report.

Figure 2. R4 Ethiopia timeline for the 2014 agricultural season



## SENEGAL

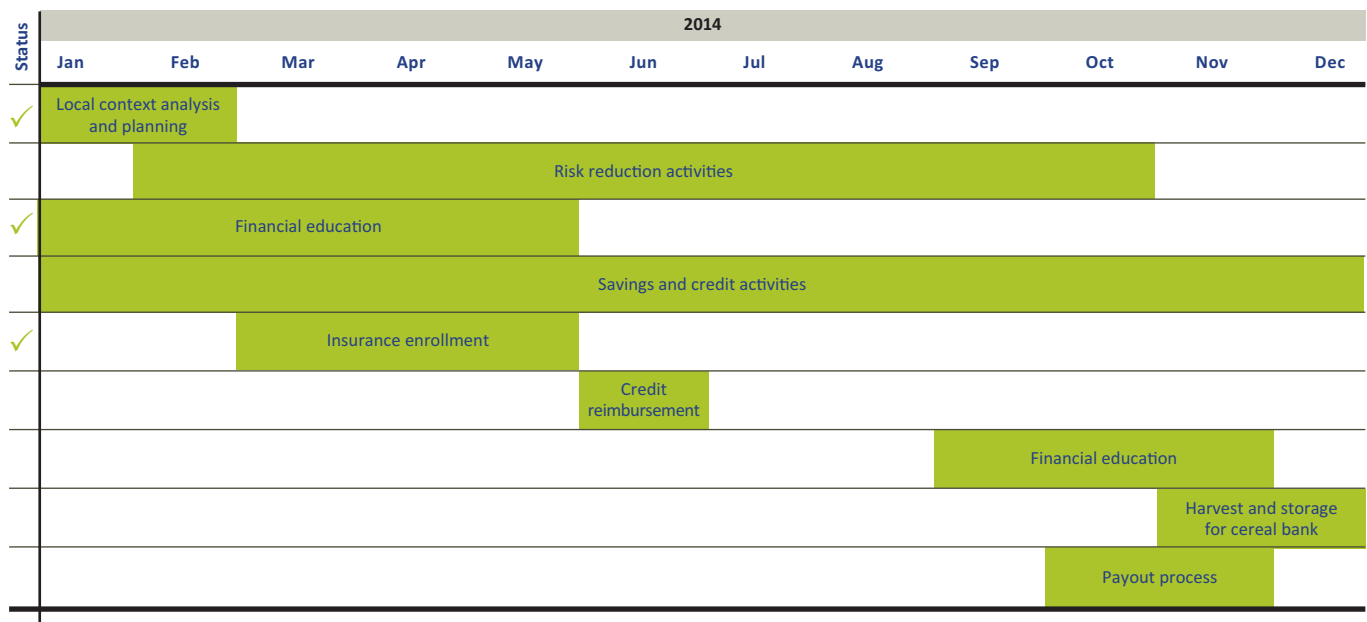
In 2014, R4 Senegal expanded its operations to eight new rural communities in the Tambacounda region and to six rural communities in the Kolda region, reaching a total of 15 (including Koussanar, the first rural community reached in 2013 in Tambacounda). In the second quarter of the year, weather index insurance was offered to 3,000 smallholder farmers: the insurance product was based on the indices developed through the “dry run” testing conducted during the 2013 agricultural season.

Of the 1,989 smallholders who bought insurance, roughly half were women. They bought insurance through the Insurance for Assets (IFA) schemes, working on community-identified assets. Assets built under the IFA schemes included the creation and maintenance of nurseries for *vetiver* plants; compost pit making; and creation of vegetable gardens. Additional risk reduction community works are being implemented in exchange for food and cash.

Under the savings and credit components, 228 savings groups have been established in the two regions with a total of 5,150 members (196 female and 32 male groups), an inventory credit system has been set up in one village, and financial literacy trainings have been carried out. A total of USD 1,800 worth of loans has been granted by the microfinance institution (U-IMCEC) to 14 members of the Kouthiacoto cereal bank, who provided their stock as collateral. These loans are provided at a monthly interest rate of 1 percent over a six-month period.

In May 2014, the R4 team organized an extended meeting of the Risk Transfer Working Group (RTWG), convening all institutions dealing with agricultural insurance in Senegal. The purpose of this initiative was to improve knowledge of, and share lessons learned from current insurance programs being implemented in Senegal, with a focus on index design and product development, delivery channels and distribution.

Figure 3. R4 Senegal timeline for the 2014 agricultural season



# ACCOMPLISHMENTS THIS QUARTER

## METRICS FROM THE FIELD

### ETHIOPIA



#### Risk Reduction

- A total of eight Participatory Vulnerability and Capacity Assessments were conducted in Tigray.
- In Tigray, 150,000 cactus plants were provided to 4,600 female-headed households.
- A total of 137 farmers and 11 development agents were trained in Disaster Risk Reduction (DRR) activities in Amhara.
- A total of 400 farmers in Tigray and 95 farmers in Amhara participated in *Training of Trainers*.
- In Amhara, three stone faced soil bunds, 25 water percolation trenches, 100 micro-basins, 944 micro-trenches, 172 counter trenches, 17 km of hillside terrace, and 12m<sup>3</sup> of gabion check dams were constructed; and 3,960 compost pits were prepared.



#### Risk Transfer

- Insurance was purchased by 23,001 farmers in Tigray and 1,142 farmers in Amhara. The IFA products were offered by Nyala Insurance Company in eight villages, and by Africa Insurance Company in 76 villages. Cash-only insurance policies were purchased in 16 villages where Africa Insurance Company was operating, and in eight villages where Nyala was present.
- The total sum insured was USD 1,348.732 (26,085.550 ETB), while the premiums paid amounted to USD 269,963 (5,105.248 ETB).
- In Tigray, 14,000 farmers, 184 development agents and district officials participated in weather index.



#### Risk Reserves and Prudent Risk Taking

- A total of 35 Village Savings and Loan Groups were established in two villages, covering 703 farmers.

### SENEGAL



#### Risk Reduction

- Studies were conducted in 16 clusters of villages in eight rural communities to develop management plans for each lowland area, taking into account risk reduction and reforestation activities.
- A total of four dams were strengthened in Dawady, Colombo, Kouthiacoto and Kalbirom.
- Stone bunds were constructed in 16 clusters: 6,500 ml were completed out of 8,000 ml (linear meter) planned.
- 135ha of rice cultivation area was divided into smaller areas through wooden posts.
- Training on dike-embankment building techniques was provided to 1,400 farmers, of which 75 percent were women.
- Building of 2,550 ml of embankments with 1,800 ml ridges, used as separating dams, and 750 ml ridges used as belt.
- Removal of sand from two pools around Ndorna and Dioulacolon villages.
- Distribution of agricultural tools to producers (636 units).
- Preparation for the rainy season: Clearing of lowlands, distribution of 5.75 MT of rice seeds (quality BG 90.2).





### **Risk Transfer**

- A total of 1,989 farmers purchased insurance of which 1,053 were women and 936 were men.
- Insurance coverage included a total of 3,788ha of cultivated area.
- Farmers paid a total of USD 18,112 (9,021.697 FCFA) in premiums in the form of labor, while the total sum of premiums, including the 50 percent provided by the Government, was USD 36,224 (18,043.394 FCFA).
- The total sum insured was USD 243,863.3 (121,470.000 FCFA).
- A total of 11 facilitators from *La Lumière* were trained in index insurance.
- 12 *relais* (leaders) of the *Fédération Yakaar Niani Wouli* (FYNW) were trained in insurance distribution.



### **Risk Reserves**

- In Tambacounda, 144 savings groups have been established in nine rural communities: 132 women's savings groups covering 2,952 women and 12 men's savings groups covering 268 men.
- In Kolda, a total of 84 groups have been established in six rural communities: 64 women's savings groups covering 1,570 women and 20 men's savings groups covering 360 men.
- A total of USD 15,320 (7,384.175 FCFA) was accumulated as savings in Tambacounda and USD 4,807.5 (2,317.250 FCFA) in Kolda.
- A total of 15 animators of *La Lumière* were trained in SfC and SfC+Business methodology.



### **Prudent Risk Taking**

- USD 1,800 worth of loans have been granted to 14 members of the Kouthiacoto cereal bank. This amount represents 80 percent of the value of the stock stored in the bank. The loans are provided at a monthly interest rate of one percent over six months.
- A total of 15 tons of cereal has been stored in the cereal bank.



## R4 RURAL RESILIENCE IN ETHIOPIA: 2014 INSURANCE ENROLLMENT RESULTS

In 2014, to date, a total of 24,143 farmers in 84 villages purchased insurance, including 81 villages in Tigray and three villages in Amhara, exceeding the goal of reaching 22,500 farmers. **The enrollment continues to reflect a very strong demand for insurance.** The Insurance for Assets (IFA) option was offered in all the project villages, unlike last year where only 37 villages out of the total 80 villages had the option of purchasing insurance only in cash. Furthermore, compared to last year when IFA farmers in Tigray paid 10 percent in cash and the remaining

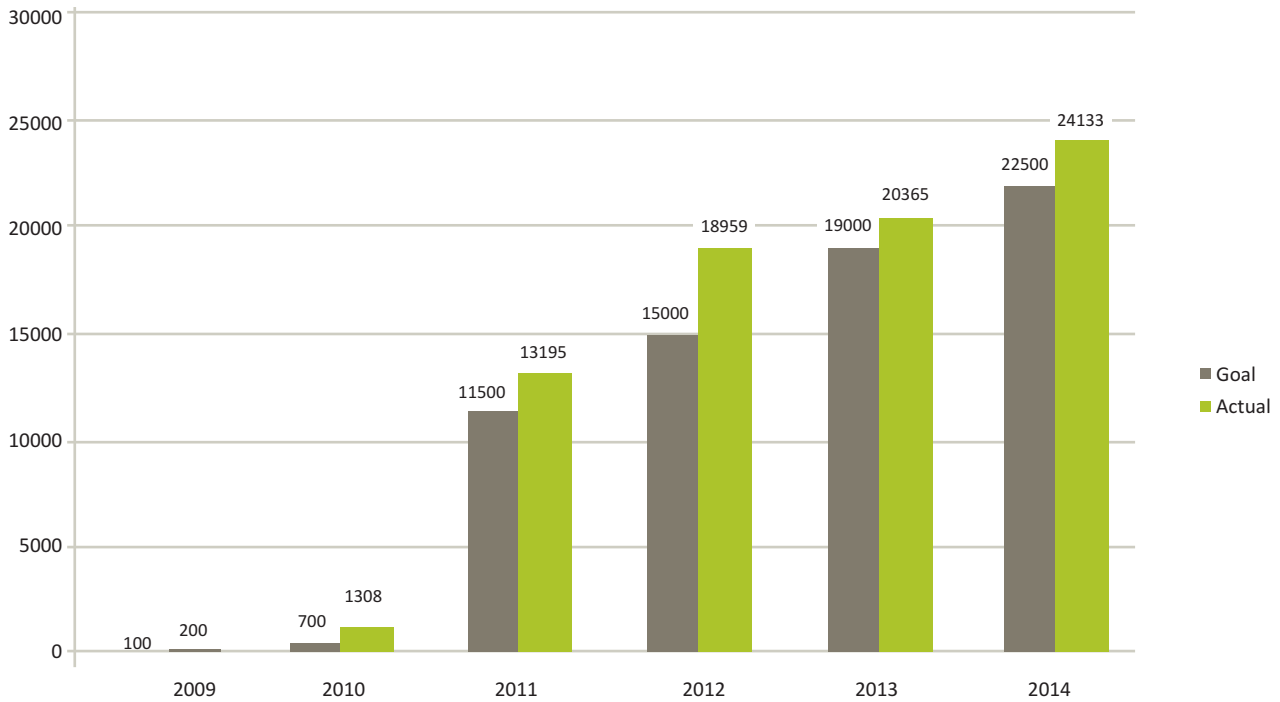
amount with labor, this year IFA farmers in the region contributed to a 15 percent share in cash. Given the earlier stages of implementation in Amhara, participants there were not requested to provide in cash contributions.

This section illustrates enrollment results for the 2014 season in Ethiopia, using data collected immediately following enrollment. The results do not reflect final outcomes, which are being studied by the monitoring and evaluation team.

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Farmer tending livestock in Tigray, Ethiopia.  
*Sophie Romana / Oxfam America*

Figure 4. HARITA to R4 scale-up: Goal vs. actual households



### PRODUCT OPTIONS

Farmers in Tigray chose products that covered long cycle crops (maize, wheat, and sorghum). In Amhara, farmers chose both the option to cover long cycle crops, such as wheat and maize, as well as teff, which is a short cycle crop. The products are offered for two windows<sup>2</sup> in a given season depending on the type of crop:

- For long cycle crops: participants had the option to purchase cover for both early and late windows, as well as for the late window only.
- For short cycle crops: participants could only insure for the late window.

An early window coverage targets severely late onset of rainfall or significant dry spells for long cycle crops that occur after sowing, while a late index coverage targets severely early end of rainfall or significant dry spells in the late season, that affects flowering and grain filling for all crops.

For each index, a dry option was offered, set to have a meaningful payout about once every four or five years for each window. Insurance was offered by two Ethiopian insurance companies: Africa Insurance Company and Nyala Insurance Share Company.

2. The term 'window' here refers to critical periods within a growing season that the index targets.

The basis risk issue faced in 2013 provided critical lessons to further improve the weather index design process. Insurance indices were restructured following the recommendations that emerged from the in-depth analysis of the performance of the 2013 indices, and based on the discussions with farmers. The early and late windows were re-calibrated to target periods of the season when farmers report rainfall shortages that result in the most significant (greater than 50 percent) losses in planted crops.

**Basis risk** - Basis risk is the potential mismatch between the index-triggered payouts and the actual losses suffered by policy holders. It is an inherent problem to index insurance because of the diverse microclimates found within relatively small geographic areas.

Both of the re-calibrated early and late windows have been tested and found to improve the performance of the index in targeting the historically worst years reported by farmers.

**Table 1. Districts, villages, and crops insured in 2014**

	District	# of villages	Crops Insured
<b>Tigray</b>			
1	Adua	8	Wheat
2	Alamata	6	Sorghum
3	Ahferom	8	Wheat
4	Atsbi	5	Wheat
5	KilteAwlaelo	8	Wheat
6	KolaTembien	9	Maize
7	Raya Azebo	10	Sorghum
8	Saes-Tsaeidaemba	8	Wheat
9	Samre	5	Wheat
		1	Sorghum
10	TanquaAbergele	6	Sorghum
11	WiereLahe	7	Wheat
<b>Amhara</b>			
12	Libo KemKem	1	Wheat
		2	Maize, Teff

## 2014 ENROLLMENT

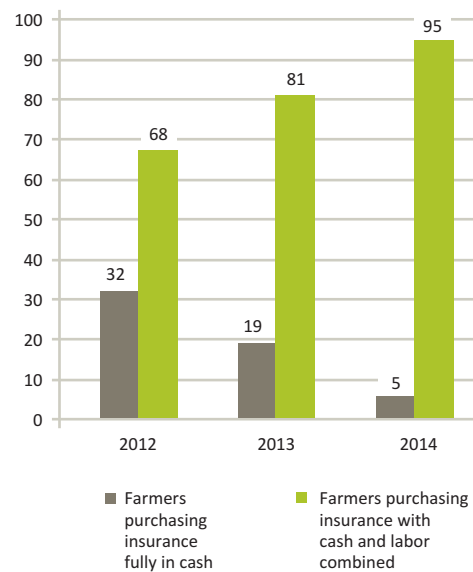
A distinctive aspect of R4 is the Insurance for Assets (IFA) component through which farmers participating in a government-run Productive Safety Net Programme (PSNP), which serves 8 million chronically food-insecure households nationwide, are able to pay for the insurance with their labor. This year, R4 expanded to two new villages in Amhara and one new village in Tigray, covering a total of 84 villages. In all of the villages, farmers had the option of purchasing insurance either through cash or labor, i.e. 37 villages where farmers only had the option to purchase insurance with cash last year also had the option to purchase insurance in exchange for labor this year.

On average, farmers paid a 19 percent premium of the total sum insured, while the overall premium across all villages ranged between 13 and 26 percent.

The higher enrollment rates reflect a combination of demand for insurance and the program's remarkable outreach capacity, despite tight registration constraints. This year meteorologists had forecasted El Niño conditions, which indicate enhanced drought risk in Ethiopia between July and September. This meant significantly high premium rates for farmers registering for insurance after May 10. To avoid higher premiums for farmers, registration commenced and ended exceptionally early. However, and despite a more limited timeframe for farmers to purchase insurance, the R4 team, through its partners REST and ORDA, managed to register over 24,000 farmers, exceeding the planned goal of 22,500.

In the last three years, the percentage of farmers purchasing insurance fully in cash has gradually decreased while the percentage of farmers purchasing partially with cash and the remaining amount with labor has increased over time. It is worth noting that in 2012 and 2013, 33 and 37 villages respectively did not have the option of purchasing insurance with labor, whereas in 2014 all villages had this option available to them. If given the option, farmers tend to purchase insurance with labor instead of cash. The reduced registration timeframe mentioned above also explains this reduction, since farmers buying insurance fully in cash usually need more time and marketing efforts. This accounts for the significant decrease in the percentage of farmers purchasing insurance fully in cash from 19 percent last year to 5 percent this year. However, in Tigray, for farmers who purchased insurance partially with cash and the remaining amount with labor, the amount of cash contribution increased from 10 percent in 2012 and 2013 to 15 percent this year. This represents an important progress toward building a commercial insurance market in rural Ethiopia and towards long-term sustainability. As the program expands in additional regions, R4 seeks to gradually increase farmers' cash contribution.

**Figure 5. Percentage of farmers purchasing insurance fully in cash vs. cash and labor combined**

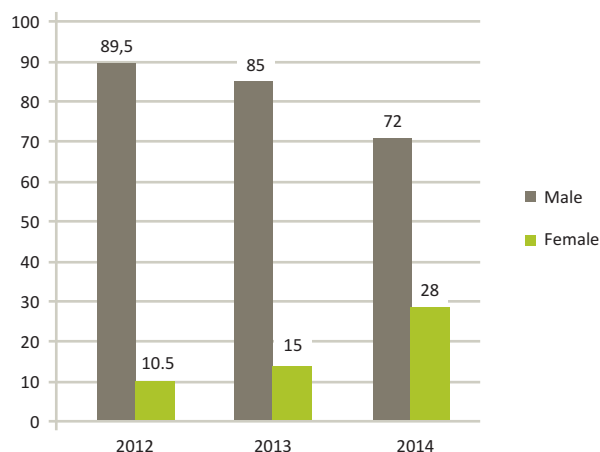


### FEMALE VS. MALE PURCHASERS

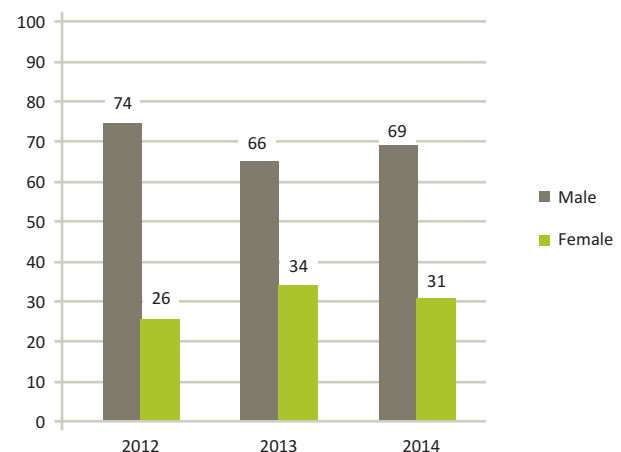
While overall the percentage of farmers paying fully in cash had decreased in the last three years, this year there has been a significant increase in the number of women who purchased insurance fully with cash (28 percent), compared to the last two

years. On the other hand, there is a slight decrease in the percentage of women who purchased insurance partially with cash and partially with labor. It will be important to understand the factors that led to this, in order to assess how the program is affecting women over time by using multiple seasons of data.

**Figure 6. Percentage of female vs. male farmers who purchased insurance with cash**



**Figure 7. Percentage of female vs. male farmers who purchased insurance with cash and labor combined**





## R4 RURAL RESILIENCE INITIATIVE IN SENEGAL: WEATHER INDEX INSURANCE PRODUCT, PARTNERS AND PROCESS

### BACKGROUND

With a successful dry-run testing of prototype weather index insurance products during the last agricultural season, this year, R4 participants in Senegal were offered the option of purchasing insurance. Almost 2,000 farmers purchased insurance in exchange for labor. This section presents the insurance products offered, the partners involved and the process established to deliver the insurance products.

### INSURANCE PRODUCT

In 2014, R4 offered insurance to five of the total 15 rural communities. Each rural community has an average of 2 clusters, where a cluster is defined as a group of villages. The insurance product for each cluster is designed based on information collected in one village per cluster, called the Index Design Village (IDV). The same product is then extended to all the villages in the cluster within a radius of a maximum of 5 km from the IDV (although the Koussanar 2013 pilot region covers a wider geographical area). The IDV structure allows practical product design and scale up.

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Woman harvesting rice in rehabilitated low lands in Koussanar, Senegal.  
*Fabio Bedini / World Food Programme*

The boundaries of the R4 2014 insurance areas (in Tambacounda and Koumpentoum départements) were defined by broadly selecting similar climatic conditions (between 600mm to 800mm seasonal rainfall) and similar farming systems to those in Koussanar. During the 2014 agriculture season, farmers growing millet, maize, rice, sorghum, and groundnuts, were able to insure against rainfall deficit (drought) and to insure areas ranging from 1 to 3ha.

Some of the key features of weather index insurance include the following elements:

- **The period of insurance and the windows**

Two separate indices have been developed to address the drought periods identified during the initial assessment. Each index is a single window. The period of the insurance or the window coincides with the crop growth period, and in this case is divided into two windows, each with its own trigger, increment and limit, specified in the insurance contract.

1. Early Index: targets the drought peril due to late or weak onset of rainy season affecting sowing, and establishment of crops.
2. Late Index: targets the late season drought peril due to early or weak end of rainy season affecting flowering and ripening of all crops.

For each village, index 1 and index 2 are calibrated to the crop calendars and rainfall amounts in the village. The start and end of each index is set by local experts during discussions with the farmer design team in each village. The first window was set from June 21 to July 31, while the second one covers the period between September 11 and October 20.

- **Sum insured**

The sum insured was established through a gross margin study of the costs and returns for crop production, considering the intensity adopted by different farmers. The study conducted in Senegal suggested that a maximum sum insured per hectare should be based on 50% of the expected revenue per hectare, taking into account existing levels of yield and cropping intensity.

The main objective of this approach is to allow farmers to choose their sum insured from a simple menu of options, subject to a maximum per hectare. The study put a value on household labor per day, recognizing that the costs of production included actual inputs (seed, fertilizer etc.), labor (mainly family labor), noting that the vast majority of farmers practice low intensity crop production (low inputs and technology, low yields, and family

labor). The total sum insured per hectare is split between the two windows of the contract. For example, if the sum insured is CFCA 30,000 per hectare, the sum insured is CFCA 15,000 in the first window, and CFCA 15,000 in the second window.

- **Triggers**

Triggers set the amount of rainfall below which the insurance contract starts to pay. Triggers have been established through the analysis of over 20 years of satellite rainfall estimates (RFE), the analysis of past growing seasons, planting criteria used by farmers, adverse years recalled by farmers and local agro-meteorological knowledge. The index is triggered using the NOAA ARC2 satellite estimates of rainfall, freely available from the International Research Institute for Climate and Society (IRI) or NOAA. For each village, the satellite information used is for the 10km x 10km pixel reflecting the rainfall for that village. The product is designed to trigger, and therefore disburse payouts, in years of significant rainfall deficit which are expected to lead to serious crop shortfall or crop failure.

## INSURANCE PARTNERS

The main partners and respective responsibilities include the following:

- **CNAAS**, (*Compagnie Nationale d'Assurance Agricole du Senegal*) is responsible for the implementation of the insurance component, including product development (in coordination with **IRI** and **Swiss Re**), the creation of policy documents, the collection of premiums through partners on the ground, the disbursement of payouts (through the *Fédération*), and insurance training. CNAAS also obtains product approval from the Regulator of Insurance. Swiss Re, a global reinsurance company, is the re-insurer, playing an important role in product pricing and as global technical support to R4.
- **PAPIL** (*Project d'Appui à la Petite Irrigation Locale*) is responsible for the organization and supervision of the Insurance for Assets activities, which include community and household level assets building e.g. creation and maintenance of nurseries for *vetiver* plants; compost pit making; and creation of vegetable gardens.
- **The Fédération Yakaar Niani Wouli** (FYNW) is the main intermediary between the CNAAS and smallholder farmers regarding farmers' registration and payouts disbursement.
- **La Lumière**, a local NGO, is responsible for the implementation of the credit and savings components, and overall community engagement.

## INSURANCE PROCESS

The flowchart in Figure 8 illustrates the mechanism through which the insurance process works, following the steps outlined below:

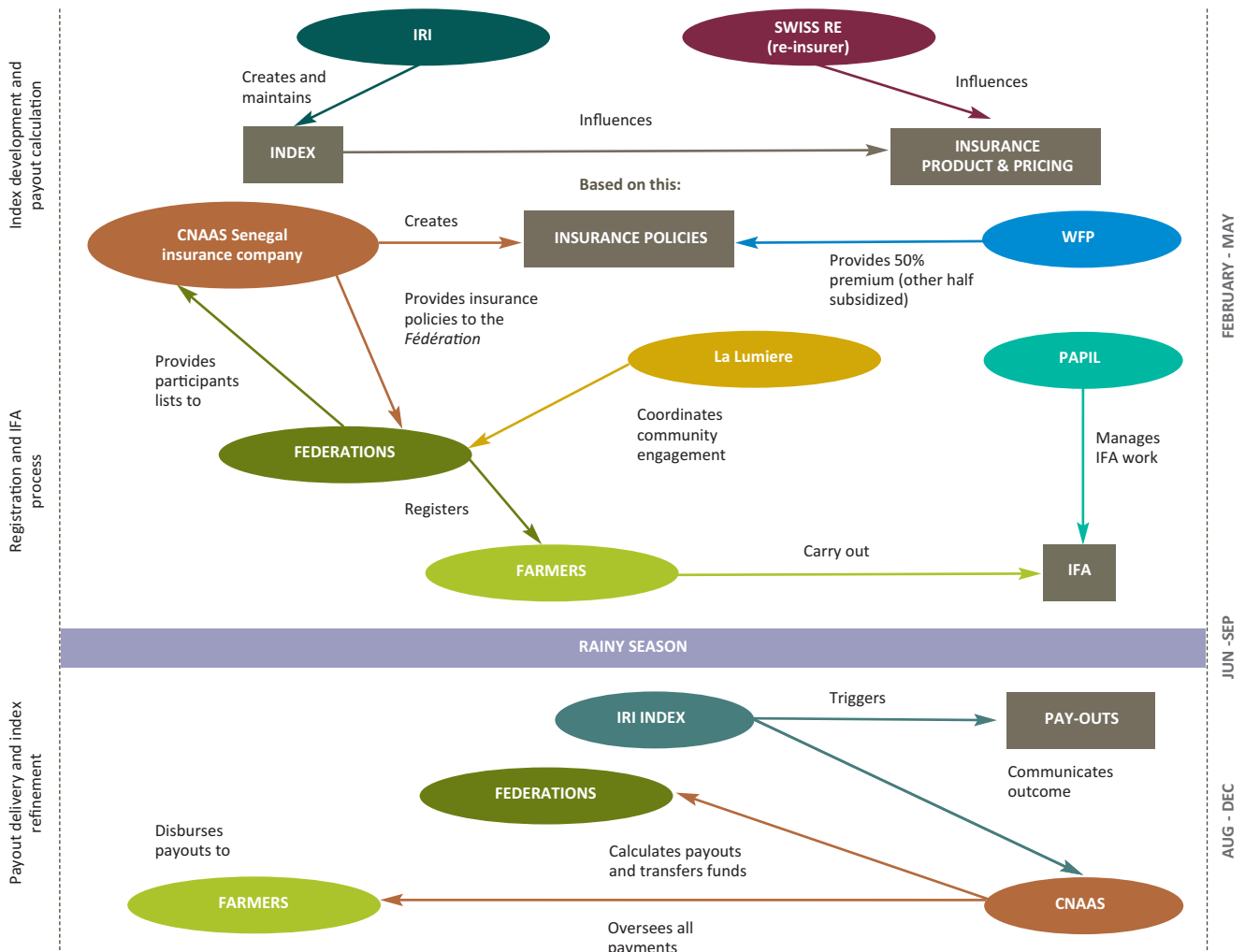
1. IRI creates and maintains the index triggers and parameters, following field visits with WFP, OA and partners.
2. Based on the index and on Swiss Re and CNAAS recommendations, an insurance product is created and a price is set.
3. Once the insurance product is developed, following the marketing of products and farmer registration for insurance, CNAAS creates the insurance policy documents and provides them to the *Fédérations*. These are the main intermediary between CNAAS and smallholder farmers.
4. WFP pays 50% of the premiums budget, while the other 50% is subsidized by the Senegalese Government.

5. Throughout the process, *La Lumière* engages the targeted communities, providing training and raising awareness on and supporting registration.
6. Once they register to receive the insurance policy, farmers conduct Insurance for Assets (IFA) activities. These activities are managed and supervised by PAPIL.

In case a payout is triggered:

7. IRI provides CNAAS with information about the outcome of the satellite rainfall and possible triggering of the index.
8. CNAAS calculates payouts and transfers funds to the *Fédération*.
9. The *Fédération* disburse payouts to the farmers.

Figure 8. From index design to payout - Senegal







## CONCLUSION

The year 2014 started with important observations and valuable insights gained from the previous season. In Ethiopia, the insurance enrollment exceeded the goal set this year by reaching over 24,000 farmers. Following the lessons from last year and the recommendations from the end-of-the-season assessment, the team has developed a strategy to address basis risk. Based on the strategy, a basis risk fund is being conceptualized and will be piloted this year.

In Senegal, for the first time, farmers have been offered insurance after a successful dry-run of index products last year. The participation of women in insurance purchase is very encouraging. More details on the risk reduction activities conducted by IFA farmers will be shared in the upcoming reports. With continued progress on the ground, the R4 program is set to enable many more vulnerable people to graduate from food insecurity through a community-oriented, risk management-focused, and market-based approach to achieve rural resiliency.

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Women participate in a Saving for Change group in Koussanar, Senegal.  
*Mansi Anand / Oxfam America*

# APPENDIX I: R4 PARTNERS AND INSTITUTIONAL ROLES

## OUR LOCAL/NATIONAL PARTNERS IN ETHIOPIA

- **Africa Insurance Company:** Private insurer in Ethiopia operating in the Tigray, Amhara, and Oromiya regions.
- **Dedebit Credit and Savings Institution (DECSI):** Second-largest microfinance institution (MFI) in Ethiopia with nearly a full comprehensive coverage of Tigray. Named by Forbes magazine as one of the top 50 MFIs in the world.
- **Ethiopian farmers' cooperative:** Primary organizing body for farmers in the community.
- **Ethiopian National Meteorological Agency (NMA):** Agency offering technical support in weather and climate data analysis.
- **Institute for Sustainable Development (ISD):** Research organization dedicated to sustainable farming practices.
- **Mekelle University:** Member of the National Agricultural Research System providing agronomic expertise and research.
- **Nyala Insurance Share Company:** Private insurer in Ethiopia with a strong track record in agricultural insurance.
- **Organization for Rehabilitation and Development in Amhara (ORDA):** Established in 1984 with a focus on natural resource management, food security and agricultural development in Amhara.
- **Relief Society of Tigray (REST):** Local project manager for HARITA, responsible for operating the Productive Safety Net Program (PSNP) in six districts of Tigray and overseeing all regional coordination. Established in 1978. Working with Oxfam since 1984 on development issues. Largest nongovernmental organization in Ethiopia (and one of the largest in Africa).
- **Tigray Regional Food Security Coordination Office:** Office with oversight of the PSNP in the pilot area.
- **Tigray Cooperative Promotion Office:** Office responsible for helping organize farmers at the village level.

## OUR LOCAL/NATIONAL PARTNERS IN SENEGAL

- **Agence Nationale de Conseil Agricole et Rural (ANCAR) - National Agency for Rural and Agricultural Assistance.** Technical agency affiliated with the Ministry of Agriculture. In Koussanar, it is responsible for leading community awareness and mobilization activities, and providing seeds as well as

technical advice to farmers. Like PAPIL and INP (listed below), ANCAR is a key partner for the Risk Reduction component.

- **Agence Nationale pour l'Aviation Civile et de la Météorologie (ANACIM) - National Meteorological and Civil Aviation Agency.** Will help with the design of insurance products by providing historical and current climate data, and installing and maintaining weather stations.
- **Centre d'Appui au Développement Local (CADL) - Support Center for Local Development.** A body of the Ministry of Regional Development and of local government, it is responsible for coordinating rural development projects in each rural community. Chairs the R4 Local Technical Committee in Koussanar, and is responsible for the coordination between the various local partners and for the overall coordination of all R4 components on the ground.
- **Union des Institutions Mutualiste d'Epargne et de Credit (U-IMCEC).** A microfinance institution with an important national coverage, including in the Tambacounda and Kolda regions. In Koussanar, it will be the implementation partner for the risk taking (credit) component.
- **Compagnie Nationale d'Assurance Agricole du Senegal (CNAAS) - National Agricultural Insurance Company of Senegal.** Senegal's only agricultural insurance company (public-private company founded in 2008 by the government). It will be the insurance provider for the products offered under the Risk Transfer component.
- **Institut National de Pédologie (INP) - National Institute for Pedology.** Technical agency affiliated with the Ministry of Agriculture, in charge of soil conservation and restoration projects, including building stone bunds and check dams, and composting.
- **La Lumière.** A grass-root Senegalese NGO which provides financial services to low-income rural households. It is the current implementation partner for Oxfam's Saving for Change program in Senegal, and will be the implementation partner for the Risk Reserves component in Koussanar.
- **Projet d'Appui à la Petite Irrigation Locale (PAPIL) - Project to Support Small Local Irrigation.** Technical agency affiliated with the Ministry of Agriculture, in charge of lowland rehabilitation and rice production activities.

- **PlaNet Guarantee.** Insurance broker specializing in micro-insurance for development and poverty reduction. In Koussanar, it will help CNAAS commercialize R4's insurance products by conducting awareness-raising and marketing activities among clients.
- **Regional Research Centre for the Improvement of Drought Adaptation (CERAAS).** Will help with the design of insurance products by helping create the rainfall index (including by contributing to studies on the use of remote sensing tools), and by carrying out crop monitoring.
- **Goulston & Storrs, and Weil, Gotshal & Manges:** Law firms providing pro bono legal expertise.
- **Index Insurance Innovation Initiative (I4) at University of California, Davis (UC Davis):** Research partnership on index insurance between academia and development organizations, with UC Davis, the Food and Agriculture Organization of the United Nations, International Labour Organization, and the US Agency for International Development.
- **Swiss Re:** Global reinsurer and leader on climate change advocacy with funding and technical expertise.
- **The International Fund for Agricultural Development (IFAD):** A specialized agency of the UN focused on rural poverty reduction, hunger and malnutrition.
- **The International Research Institute for Climate and Society (IRI):** Member of Columbia University's Earth Institute offering research and technical expertise in climate data and weather index design for rural farmers.

## OUR GLOBAL PARTNERS

- **Fondation pour les Etudes et la Recherche sur le Développement International (FERDI):** The Foundation for International Development Study and Research was created in 2003 on the initiative of CERDI- the *Centre d'Etudes et de Recherches sur le Développement International (Université d'Auvergne, France)* to support research in the field of international economic development.

# APPENDIX II: RURAL RESILIENCE EVENT SERIES

Event Name	R4 role	Organizer	Focus	Expert Panel/Speakers/Attendants	Event Date & Location
Capacity Development to Support National Drought Management Policy, Regional Workshop, Eastern and Southern African Region	Ezimeles e Tecleab (WFP), Munaye Tesfaye (OA), Presenters	UN Water, WMO, FAO, UNCCD, the secretariat of the Convention on Biological Diversity (CBD)	To develop capacities of stakeholders on national drought management policies.	Participants from 10 African countries including NGOs, policy makers, and experts in agriculture, water, environment, biodiversity and meteorological services.	Addis Ababa, August 5-8, 2014
Alternative Financing Sources for Climate Change Adaptation	Munaye Tesfaye (OA), Presenter		To promote constructive dialogue to foster collaboration between public and private institutions, as well as international development organisations on alternative financing for climate change adaptation.	Public and private organizations, multilateral banks, cooperation agencies and NGOs.	Lima, August 28-29, 2014
Social Innovation Summit 2014	Richard Choularton (WFP), Presenter	UNEP	The Social Innovation Summit gathering innovative thinkers who play at the nexus of technology, investment, philanthropy, international development, and business to investigate solutions and catalyze inspired partnerships.	Public and private organizations, multilateral banks, cooperation agencies and NGOs.	New York, May 29, 2014
MCII/GIZ Workshop on "Innovative Insurance Solutions for Climate Change in a Comprehensive Risk Management Approach - Developing a Toolkit"	Azzurra Massimino (WFP), Presenter	United Nations	To inform the policy discussion on comprehensive risk management approaches and to support climate negotiators in their short and long-term strategies to address loss and damage.	Public and private organizations, multilateral banks, cooperation agencies and NGOs.	Bonn, May 12-13, 2014
Adaptation Futures 2014: Third International Climate Change Adaptation Conference	Mansi Anand (OA), Presenter	Munich Climate Insurance Initiative (MCII)	To share insights into the challenges and opportunities that adaptation presents, and strategies for decision making from the international to the local scale.	Over 300 participants from 50 countries including researchers, policy makers and practitioners from developed and developing countries.	Fortaleza, May 12-16, 2014
"Harnessing Community Savings Groups for Integrated Risk Management" as part of the Webinar Series: Taking Savings Groups on the Road"	Tenin Fatima Dicko (OA), Fabio Bedini (WFP), Presenters	Earth System Science Center of the National Institute for Space Studies, Brazil and UNEP	To discuss the role of saving groups in expanding financial inclusion and development.	Saving group practitioners and development community in general.	Remotely via WebEx, April 23, 2014
ODI Shockwatch Social Protection Workshop "Responding to a crisis: The design and delivery of social protection"	Cecilia Costella (WFP), Presenter	Oxfam America, SEEP Network, Carsey Institute Overseas Development Institute (ODI)	To discuss the policy design and implementation features that facilitate timely and adequate social protection response in the event of a covariate shock and the financing and planning mechanisms that help secure shock response preparedness. Workshop agenda and concept note are attached.	Social protection specialists and humanitarian emergency response experts from the UN, the World Bank and other NGOs and think tanks.	London, April 2, 2014
Market Based Solutions: From Concept to Evidence Based strand at The 7th International AfREA conference	Asmelash Haile Tsegay (Independent Consultant for Oxfam America, HARITA), Presenter: Retta Gudisa (Monitoring, Evaluation & Learning Coordinator, Horn of Africa Regional Office-Oxfam America), Moderator	African Evaluation Association & Rockefeller Foundation with Oxfam	Market Based Solutions Methodology Panel: To assess the strengths, challenges and impacts of market based solutions to development and to share the various approaches in selecting an appropriate methodology. AfREA Conference: To promote and advocate AfREA's "Made in Africa" approach to evaluation and supporting the culture of evaluation in Africa.	Market Based Solutions strand: J-PAL, CARE, FHI 360. AfREA conference L 600-700 global participants and African policymakers.	Yaounde, Cameroon March 3-7, 2014. Proposal accepted
International Congress on Insurance and Reinsurance of Agricultural Risks	Cecilia Costella (WFP), Presenter	The African Centre for Catastrophe Risks, ACCR supported by the African Insurance Organisation, AIO, in collaboration with the Société Central de Réassurance, SCR, Maroc and The World Bank	To highlight significant risks that threaten the agriculture sector, and discuss this issue in the presence of experts and speakers in the field.	Representatives from the agriculture insurance and reinsurance industry.	Marrakech, January 29-31, 2014

# APPENDIX III: MEDIA CITATIONS AND RESOURCES

## IN THE NEWS

- Adreinne Klasa and Adam Rober Green, [“Africa’s catalytic agricultural innovations”](#), This is Africa (July 30, 2013).
- Becker-Birck, C., Crowe, J., Lee, J., & Jackson, S., [“Resilience in Action: Lessons from Public-Private Collaborations Around the World”](#), (July, 2013).
- World Bank, [“Ethiopia - Using a social safety net to deliver disaster insurance to the poor: case study”](#), (June, 2013).
- Climate Change The New Economy (CCTNE), The Guardian and United Nations Environment Programme (UNEP), [“G8 Climate Change: The New Economy”](#), (June, 2013).
- United Nations Office for Disaster Risk Reduction (UNISDR), [“From Shared Risk to Shared Value –The Business Case for Disaster Risk Reduction. Global Assessment Report on Disaster Risk Reduction”](#) (May, 2013).
- Disaster Risk Financing and Insurance Program (DRFIP), Global Facility for Disaster Reduction and Recovery (GFDRR), [“Senegal: Disaster Risk Financing and Insurance Country Note”](#) (November, 2012).
- Agence de Presse Sénégalaise, [“Sénégal: Le projet R4 veut aider les agriculteurs à faire face aux changements climatiques”](#), *AllAfrica* (Nov. 13, 2012).
- Sénégal – Humanitaire, [“Lancement au Sénégal d’une initiative de résilience rurale”](#), *SousLeManguier* (Nov. 14, 2012).
- [“Sécurité alimentaire: L’assurance agricole pour réduire les risques en zone rurale”](#), *Le Soleil* (Nov. 14, 2012).
- Stephan Faris, [“Seeds for Change”](#), *Time* (Sept. 24, 2012).
- Lisa Friedman, [“Companies Begin to See Necessity and Profits in Adapting to Climate Change”](#), *ClimateWire* (July 11, 2012).
- Victoria Eastwood, [“Insurance Helps Kenya’s Herders Protect Against Drought”](#), *CNN* (June 18, 2012).
- Forum for Agricultural Risk Management in Development (FARMD), [“Oxfam & WFP’s R4 Initiative Begins Expansion into Senegal, Fueled by Success in Ethiopia”](#), FARMD Member Updates (June 5, 2012).
- David Satterthwaite, [“Weather Insurance Builds Resilience for Farmers”](#), *Momentum* (March 2012).
- Jim French, [“Ethiopian Crop Insurance and the Secret Farm Bill”](#), *Hutchnews* (Dec. 22, 2011). This was also posted by: TreeHugger.com, All Voices: Local to Global News, and the World Food Programme.
- David Bornstein, [“News Flash: Progress Happens”](#), *The New York Times* (Dec. 15, 2011).
- Agnieszka Flak, [“Games Wake People Up to Climate Change”](#), *Reuters* (Dec. 2, 2011).
- Laurie Goering, [“Insurance Aims to Help Herders Avoid ‘Downward Spiral’ from Drought”](#), *AlertNet* (Nov. 30, 2011).
- Lisa Jones Christensen, [“Case Study: Swiss Re and Oxfam”](#), *Financial Times* (Nov. 1, 2011).
- DesMoinesRegister.com, [“Crop Insurance Can Pay Off for Small African Farms”](#) (Oct. 13, 2011).
- Alertnet, [“Scaling Up Innovative Climate Change Adaptation and Insurance Solutions in Senegal”](#) (September 19, 2011).
- Global Washington blog, [“Reforming Aid: Transforming the World”](#) (Sept. 8, 2011).
- [Alertnet, Index Insurance in East Africa](#), a video produced by the International Research Institute for Climate and Society (Sept. 2011).
- Reuters, [“Swiss Re Joins Ethiopian Micro-Insurance Project”](#) (June 10, 2011).
- Tina Rosenberg, [“To Survive Famine, Will Work for Insurance”](#), *The New York Times* (May 12, 2011).
- IRIN Humanitarian News and Analysis, [“Ethiopia: Taking the Disaster Out of Drought”](#) (Nov. 24, 2010).
- [“Global Insurance Industry Statement on Adapting to Climate Change in Developing Countries”](#), ClimateWise, in collaboration with the United Nations Environment Programme Finance Initiative, the Geneva Association, and the Munich Climate Insurance Initiative (MCII) (September 2010).
- Evan Lehmann, [“Supporters of Global Insurance Program Hope to Rebound After Dreary Copenhagen Summit,”](#) *ClimateWire* (Aug. 4, 2010).
- *MicroRisk*, [“Swiss Re Climate-Linked Crop Insurance Takes Off”](#) (July 2010).
- Deborah Kerby, [“Climate Covered,”](#) *Green Futures* (July 2010).
- Lloyd’s News and Features, [“Microinsurance to Mitigate Climate Change Impact”](#) (June 4, 2010).
- Anne Chetaille and Damien Lagrandré, [“L’Assurance Indicielle, Une Réponse Face aux Risques Climatiques?”](#) *Inter-réseaux Développement rural* (March 31, 2010).
- Pablo Suarez and Joanne Linnerooth-Bayer, [“Micro-Insurance for Local Adaptation”](#), *Wiley Interdisciplinary Reviews: Climate Change* (March 12, 2010).

- New England Cable News, “Oxfam Provides Farm Insurance in Africa” (Nov. 6, 2009).
- James F. Smith, “[World’s Poorest Farmers Now Offered Insurance](#)”, *The Boston Globe* (Oct. 13, 2009).
- Evan Lehmann, “[Africa Experiments with Climate Insurance— for \\$5 a Year](#)”, *The New York Times* (Sept. 30, 2009).
- “[Swiss Re, Oxfam America, Rockefeller Foundation, and Columbia’s IRI Expand Joint Risk Initiative in Tigray, Ethiopia](#)”, Swiss Re press release (Sept. 25, 2009).
- *The Guardian*, “[Climate Insurance: What Kind of Deal Can Be Made in Copenhagen?](#)” (July 24, 2009).
- Jeff Tollefson, “[Insuring Against Climate](#)”, *Nature* (July 22, 2009).
- Catherine Brahic, “[An Insurance Plan for Climate Change Victims](#)”, *New Scientist* (July 1, 2009).
- Omer Redi, “Insurance Firm Sows Seeds”, *Addis Fortune* (June 14, 2009).
- *Newsweek*, “[Coping with Climate](#)” (Dec. 29, 2008).

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- Pablo Suarez and Jaanne Linnerooth-Bayer, “[Insurance-Related Instruments for Disaster Risk Reduction](#)”, Global Assessment Report 2011, International Strategy for Disaster Risk Reduction (October 2011).
- Joanne Linnerooth-Bayer et al., “Drought Insurance for Subsistence Farmers in Malawi,” *Natural Hazards Observer* 33, no. 5, Natural Hazards Center, University of Colorado (May 2009).
- Molly E. Hellmuth, Daniel E. Osgood, Ulrich Hess, Anne Moorhead, and Hareesh Bhojwani, “Index Insurance and Climate Risk: Prospects for Development and Disaster Management,” International Research Institute for Climate and Society (IRI), Columbia University (2009).
- Peter Hazell, Jamie Anderson, Niels Balzer, Andreas Hastrup Clemmensen, Ulrich Hess, and Francesco Rispoli, “Potential for Scale and Sustainability in Weather Index Insurance for Agriculture and Rural Livelihoods,” International Fund for Agricultural Development (IFAD) and World Food Programme (March 2010).
- Marjorie Victor Brans, Million Tadesse, and Takeshi Takama, “Community-Based Solutions to the Climate Crisis in Ethiopia,” *Climate Change Adaptation and International Development: Making Development Cooperation More Effective*, Japan International Cooperation Agency (JICA) Research Institute (December 2010).

## STORIES

- [“Ethiopian Farmers Get a Payout, Easing Effects of Drought”](#)
- [“With Insurance, Loans, and Confidence, This Ethiopian Farmer Builds Her Resilience”](#)
- [“In Northern Ethiopia, Weather Insurance Offers a Buffer Against Drought”](#)
- [“Weather Insurance Offers Ethiopian Farmers Hope—Despite Drought”](#)
- [“Medhin Reda’s Best Asset Is Her Own Hard Work”](#)
- [“Gebru Kahsay Relies on Rain But Has the Security of Insurance”](#)
- [“Selas Samson Biru Faces Uncertainty with the Seasons”](#)

## VIDEOS/MULTIMEDIA

- [Africa’s Last Famine](#), a documentary co-produced by Oxfam America and Link TV, featuring HARITA
- [R4: The Rural Resilience Initiative](#)
- *A Tiny Seed and a Big Idea*
- *A New Tool for Tackling Poverty*

## PHOTOGRAPHY

Project photos are available upon request. See examples of photos used in the enclosed quarterly reports.

## PARTNER REPORTS

- [IRI FINAL 2013 End of Season Assessment Report](#): This report provides an assessment of the 2013 rainfall season for the R4 project in Ethiopia in terms of satellite rainfall estimates and their implication for the 2013 indices.
- [HARITA IRI Updated 2012 HARITA Initial End of Season Assessment October 2012](#): This report is a deliverable by the International Research Institute for Climate and Society (IRI) to Oxfam America. It provides an early, exploratory assessment of the 2012 rainfall season for the HARITA/R4 project in Ethiopia in terms of satellite rainfall estimates and their implication for the 2012 indices.
- [HARITA IRI Report to Oxfam America March 2012](#): This report is a deliverable by the IRI to Oxfam America on the 2012 index development processes and presents the final indices offered in the project villages.

- [HARITA IRI Report to Oxfam America May 2011](#): This report is a deliverable by IRI to Oxfam America on the 2011 index development processes. It provides a description of the indices, their structure, their data sources, the design process, and action plans for the project as well as a separate section with the educational materials used to support the 2010/2011 index development process.
- [HARITA IRI Report to Oxfam America June 2010](#): This progress report is a formal deliverable by IRI to Oxfam America and presents an overview of the scalable index insurance product development process for the 2010 growing season. It explains the economic risk simulation games conducted with farmers to understand their risk-management decisions/preferences and also to educate them about index insurance packages.
- [Technical Annex: HARITA IRI Report to Oxfam America June 2010](#): IRI has been working to build a formal statistical methodology that will systematically compare and integrate information on remote sensing of rainfall, ground-based data measurements, and other data sets. This report presents a preliminary analysis that focuses on Adi Ha—the pilot village—modeling rainfall at five neighboring sites, where daily rainfall amounts have been recorded during different intervals for each site over the course of a 49-year time period, from 1961 to 2009. This methodology is intended to be further developed and packaged into tools for contract design and evaluation.
- [HARITA IRI Report to Oxfam America October 2010](#): This progress report is a formal deliverable by IRI to OA that summarizes the 2011 scaling process and presents the education materials developed to support the scaling process.

## OTHER REPORTS

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- Woldeab Teshome, Nicole Peterson, Aster Gebrekirstos, and Karthikeyan Muniappan, “Microinsurance Demand Assessment in Adi Ha” (2008). A study commissioned by Oxfam America.
- Nicole Peterson and Conner Mullally, “Index Insurance Games in Adi Ha Village, Tigray Regional State, Ethiopia” (2009). A study commissioned by Oxfam America.
- Nicole Peterson, “Livelihoods, Coping, and Microinsurance in Adi Ha, Tigray, Ethiopia” (2009).
- Tufa Dinku et al., “Designing Index-Based Weather Insurance for Farmers in Adi Ha, Ethiopia,” IRI (2009). Report to Oxfam America.

# Collaboration

The R4 Rural Resilience Initiative is a strategic collaboration between the World Food Programme and Oxfam America, with no commingling of funds. Each partner has its own sponsors as listed. R4 is inviting donors to support expansion.



The World Food Programme is the world's largest humanitarian agency fighting hunger worldwide. Each year, on average, WFP feeds more than 90 million people in more than 70 countries.

[www.wfp.org/climate-change/r4-rural-resilience-initiative](http://www.wfp.org/climate-change/r4-rural-resilience-initiative)

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Oxfam America is an international relief and development organization that creates lasting solutions to poverty, hunger, and injustice, working with individuals and local groups in more than 90 countries. Oxfam America does not receive funding from the US government.

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