

# R4 Rural Resilience Initiative

# Senegal

Annual Report (July 2011 - June 2012)



WFP/Fabio Bedini



**World Food  
Programme**



**OXFAM**  
America

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# Executive Summary

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The R4 Rural Resilience Initiative is the result of a partnership between Oxfam America and WFP to enable poor households to strengthen their food and income security through: improved resource management (risk reduction); insurance (risk transfer); microcredit (prudent risk taking); and savings (risk reserves). R4 builds on the initial success of Horn of Africa Risk Transfer for Adaptation (HARITA), an integrated risk-management framework developed by Oxfam America, the Relief Society of Tigray and their partners. HARITA has broken new ground in the field of rural risk management by enabling Ethiopia's poorest farmers to pay for crop insurance with their own labour. HARITA has shown promising results and has grown from 200 households in one village in 2009 to over 13,000 enrolled households in 43 villages in 2011 – directly affecting 75,000 people.

By leveraging the strengths of Oxfam America and WFP, and by adapting HARITA's successful model in other countries, the R4 partnership is expected to enable thousands more poor farmers and food-insecure households to manage weather vulnerability through an affordable, comprehensive risk-management programme that builds long-term resilience. The R4 partnership in Senegal was launched in March 2012 and has made since significant progress, including national and global teams, and mechanisms for joint implementation.

A national assessment has been completed and has provided critical inputs for the selection of pilot areas, the choice of implementation partners and the design of R4 components. Pilot areas were selected based on: indicators of poverty and food insecurity; high climate variability; and the presence of Oxfam America and WFP to support the development of sustainable financial services and build assets to reduce vulnerability to weather shocks.

## Milestones achieved during the first year of implementation:

- R4 Senegal country teams for both WFP and Oxfam America established;
- national assessment report completed; and
- target area for piloting R4 selected.

The last two quarters of 2012 will be critical as an analysis will assist in the selection of pilot villages, inform the selection of local partners and facilitate planning of subsequent phases. A seasonal livelihoods and risk analysis workshop will provide elements for the design of R4 components. The financial package is expected to be ready at the beginning of 2013, followed by capacity building of potential clients on finance. Construction of natural and physical assets to reduce vulnerability to weather shocks could begin by January 2013 while insurance policies may be available for purchase in the second quarter of 2013.

A detailed monitoring, evaluation and learning framework for R4 based on the Theory of Change paradigm will be finalized in the last quarter of 2012. A baseline to measure progress in the achievement of outcomes will be established in the first quarter of 2013.

# Background

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For the 1.3 billion people living on less than one US\$ per day who depend on agriculture for their livelihoods, vulnerability to climate-related shocks is a constant threat to food security and well-being. As climate change drives an increase in the frequency and intensity of natural hazards, the challenges faced by food-insecure communities will increase as well. Building rural resilience against climate-related risk is critical for addressing global poverty.

In response to this challenge, Oxfam America and WFP have launched the R4 Rural Resilience Initiative. R4 refers to the four risk management strategies that the initiative integrates: improved resource management (risk reduction), insurance (risk transfer), microcredit (prudent risk taking) and savings (risk reserves). R4 builds on the success of Horn of Africa Risk Transfer for Adaptation (HARITA), an integrated risk-management framework developed by Oxfam America, the Relief Society of Tigray (REST) and their partners that enables poor farmers to strengthen their food and income security by employing these four strategies.

HARITA has broken new ground in the field of rural risk management by enabling Ethiopia's poorest farmers to pay for crop insurance with their own labour. In its three years in Ethiopia, HARITA has shown promising results for replication. The project has been scaled up from 200 households in one village in 2009 to 13,000 enrolled households in 43 villages in 2011 – directly affecting 75,000 people.

R4 expands upon the lessons learned through HARITA to bring together four risk management tools into a holistic approach that empowers food-insecure families. It also represents a new kind of partnership, bringing together public- and private-sector actors in a large-scale initiative to assist the most vulnerable people in building resilient livelihoods. R4 builds upon the strengths of its partners: Oxfam America's capacity to build innovative partnerships and WFP's global reach and capacity to support government-led safety nets for vulnerable people.

This innovative approach is designed to support continuous growth based on evaluation and on-going learning in order to empower and protect food-insecure households. R4 aims to empower 500,000 food-insecure people to improve their lives and livelihoods in the next five years. Its main strategic

objective is to achieve long-term impacts well beyond the initial implementation period. This will be accomplished by: (i) building a sustainable commercial market for risk management; and (ii) strengthening government support for rural resilience.

The R4 partnership will develop and test a new set of tools to extend the risk-management benefits of financial services such as insurance and credit to the most vulnerable populations. The focus will be on mechanisms that can be integrated into broader social-protection systems such as productive safety nets so that successes can be broadly applied by governments and international organizations. For example, insurance for work – a main component of the R4 framework – can not only be used to expand access to insurance, but can complement labour-based safety nets in order to protect beneficiaries and reduce costs for governments and donors.

By combining HARITA's successful model for participatory design and capacity building with WFP's global capacity, R4 will scale up and test this innovative approach in Ethiopia, Senegal and two other countries in the next five years. R4 constitutes a first step toward developing a sustainable insurance market for poor people, which is essential to protect farmers' livelihoods and food security over the long term.

An implementation agreement between the United States Agency for International Development (USAID) and WFP for R4 in Senegal was signed in July 2011. Oxfam America's support to R4 in Senegal comes from the Rockefeller Foundation, which funds strategies for assisting communities in building resilience to climate change-related shocks, and Swiss Re, a global reinsurer and leader in climate change advocacy.

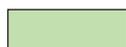
This report describes the progress made and the results achieved during the first year of implementing R4 in Senegal. It also details the immediate next steps and outlines the work plan and targets for future implementation.

# Progress in Year 1

Figure 1. R4 Senegal timeline for Year 1

| Status | 2011 |                                    |      |      |      |      | 2012            |      |                    |   |     |                                    |  |
|--------|------|------------------------------------|------|------|------|------|-----------------|------|--------------------|---|-----|------------------------------------|--|
|        | Jul. | Aug.                               | Sep. | Oct. | Nov. | Dec. | Jan.            | Feb. | Mar.               | Apr.  | May | Jun.                               |  |
| ✓      |      | Global consultations with partners |      |      |      |      |                 |      |                    |   |     |                                    |  |
| ✓      |      |                                    |      |      |      |      | Hiring of staff |      |                    |   |     |                                    |  |
| ✓      |      |                                    |      |      |      |      |                 |      |                    |   |     | Oxfam and WFP R4 teams established |  |
| ✓      |      |                                    |      |      |      |      |                 |      | Stagegate Workshop |   |     |                                    |  |
| ✓      |      |                                    |      |      |      |      |                 |      |                    | National assessment                                     |     |                                    |  |
| ✓      |      |                                    |      |      |      |      |                 |      |                    |   |     | Draft national assessment report   |  |
| ✓      |      |                                    |      |      |      |      |                 |      |                    |   |     | Selection of pilot area            |  |
|        |      |                                    |      |      |      |      |                 |      |                    |   |     | Detailed regional / local analysis |  |
|        |      |                                    |      |      |      |      |                 |      |                    | Monitoring, evaluation and learning (MEL) system design |     |                                    |  |

Legend



Activities



Milestones

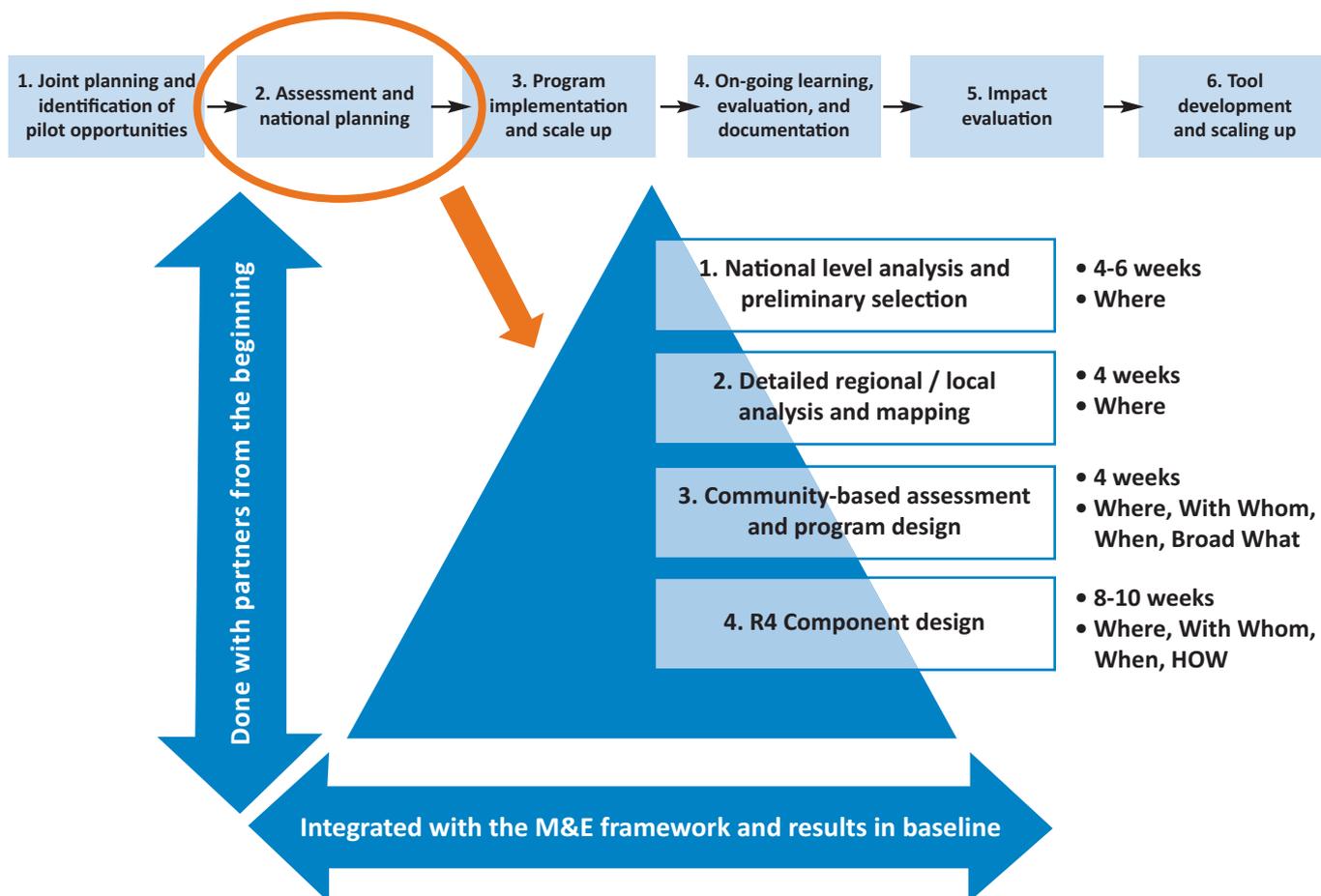
## Management

- A Global Coordinator for R4 in Senegal was hired by WFP in March 2012.
- R4 Senegal country teams for joint field operations were established by both WFP and Oxfam America (see annex for team composition).
- A workshop was held in Rome, Italy from March 13 to 15 2012 for planning, team building and establishing the mechanisms for joint implementation. The country teams from WFP and Oxfam America, and the global R4 teams from Boston and Rome also attended. The workshop yielded a country-level work plan for 2012–2013. By the end of June 2012, a national-level assessment was completed along with the preliminary selection of project areas.

## National assessment

The assessment and national planning phase is critical for R4 implementation (see Figure 2). As part of this phase, a national-level analysis was completed to inform decisions on pilot area selection, strategy and design, partner selection and coordination with major stakeholders.

**Figure 2.** R4 implementation sequence



The national-level analysis represents a consolidation of sector studies conducted by WFP and Oxfam America's R4 teams, including:

- climate and food security risk analysis;
- national policies and strategies, and institutional frameworks related to climate change, food security, agriculture, environment, disaster risk reduction, microfinance and micro-insurance;
- existing projects;
- the existing insurance market, with a focus on agriculture-based products; and
- micro finance.

A summary of the consolidated national assessment report is presented in the Results section. The national-level analysis led to the preliminary selection of R4 pilot areas within Senegal.

In addition, the Senegal R4 team carried out two visits to Tambacounda and Koumpentoum Departments in the Tambacounda Region in the southeast, where team members conducted focus-group discussions and meetings with potential local partners. These discussions indicated favourable conditions for R4 in Senegal and guided selection of a pilot area for R4 implementation.

## Monitoring, evaluation and learning (MEL)

A Monitoring, evaluation and learning (MEL) framework for R4 was produced during the second quarter of 2012. The framework will be finalized in the third quarter of 2012 following local planning and design. The MEL system is

based on the Theory of Change paradigm in order to assist the team in identifying which outputs will yield the desired outcomes and ultimately achieve positive impacts for target households. The framework also identifies indicators and defines responsibilities and timeframes for the MEL system. An environmental management and monitoring plan is also being developed to assess the impacts of R4 interventions on the environment and identify mitigation measures.

### Box 1. R4 global

In order to support the development of R4 and to lay a foundation for sharing lessons learned, WFP and Oxfam America are establishing a R4 strategic advisory board and R4 technical advisory board. The terms of reference for these bodies have been developed and members have been identified.

R4 was presented at several high-profile global events including:

- Building disaster resilience: Gaps and Innovations in Disaster Risk Modeling and Financing, a workshop organized by the United Kingdom's Department for International Development (DFID);
- the Swiss Re Agricultural Insurance Client and Expert Roundtable in Nairobi;
- the I4 Technical Meeting 2012, organized by the I4 Index Insurance Innovation Initiative in Rome;
- a technical workshop on the challenges of index-based insurance for food security in developing countries organized by the Joint Research Centre of the European Commission (JRC/EC) and the International Research Institute for Climate and Society in Italy; and
- the Academy of International Business panel on Trading Places: The Evolving Role of Government, Business and Civil Society in the Global Business Environment.

In addition, the Forum for Agricultural Risk Management in Development (FARMD), an online platform led by the World Bank's agricultural risk management team to promote knowledge exchange, highlighted R4 in a recent newsletter and on its web site.

R4 was also highlighted in an article by CNN's Victoria Eastwood entitled Insurance helps Kenya's herders protect against drought.

# Results

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This section provides a summary of major outputs of the national-level analysis, which provided insights for program strategy, design, pilot area selection and partner identification.

## Rationale for R4 pilot in Senegal

In Senegal, poverty is predominantly a rural phenomenon, affecting households that are dependent on agriculture for their livelihoods. While the population in the south is food insecure as a result of conflict and economic isolation, the rest of the country is impacted by weather-related shocks.

These shocks inhibit agricultural investment, which in turn sets back government efforts to increase agriculture production and improve rural incomes. Climate shocks include flooding, insufficient rainfall, delays in the start of rains and long dry spells during the growing season.

Demographic pressures push farmers to cultivate on poor soils and reduce their ability to rotate crops, contributing to land degradation. A strong focus on high input-high output agriculture has intensified single cropping and the use of chemical fertilizers versus a more integrated approach to managing soil fertility.



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With limited resources, the Government has focused its investments in areas where the effects are more visible, such as the tourism industry and large-scale irrigation schemes with immediate returns. However, investments in water-runoff management can provide communities with opportunities to reduce risks linked to rainfall uncertainty and increase income opportunities in areas with no permanent water sources. There is a substantial scope for enhancing rural communities' resilience to weather-related shocks. WFP's Food For Assets (FFA) activities provide food-insecure households with short-term food or cash transfers to compensate them for time spent creating community assets that reduce their vulnerability to future shocks.

Seasonality of agriculture implies seasonal labour requirements and incomes that do not always match spending needs. For this reason, formal and informal credit and savings mechanisms have an important role in sustaining households. Senegal has a strong microfinance sector; however these services are not always accessible in the

poorest communities. In addition, while Senegal has some of the strongest producers' associations in the region, membership is not always open to asset-poor households. Oxfam America's community finance programme, Savings for Change (SfC), provides savings and lending services to marginalized groups. SfC was launched in Senegal in 2007 and now has 49,000 members in 2,000 groups. Results of an on-going evaluation of SfC's economic and social impact will inform the design of R4.

Senegal's Government has created a specialized body for providing agriculture insurance, which currently subsidizes most agriculture insurance products at 50 percent of their cost. Given the costs of delivering traditional loss-adjustment insurance and the challenges of area-yield insurance, weather index insurance currently provides the most promising option. Two current pilot projects are expected to provide valuable lessons on the potential and pitfalls of developing weather index insurance products in Senegal.

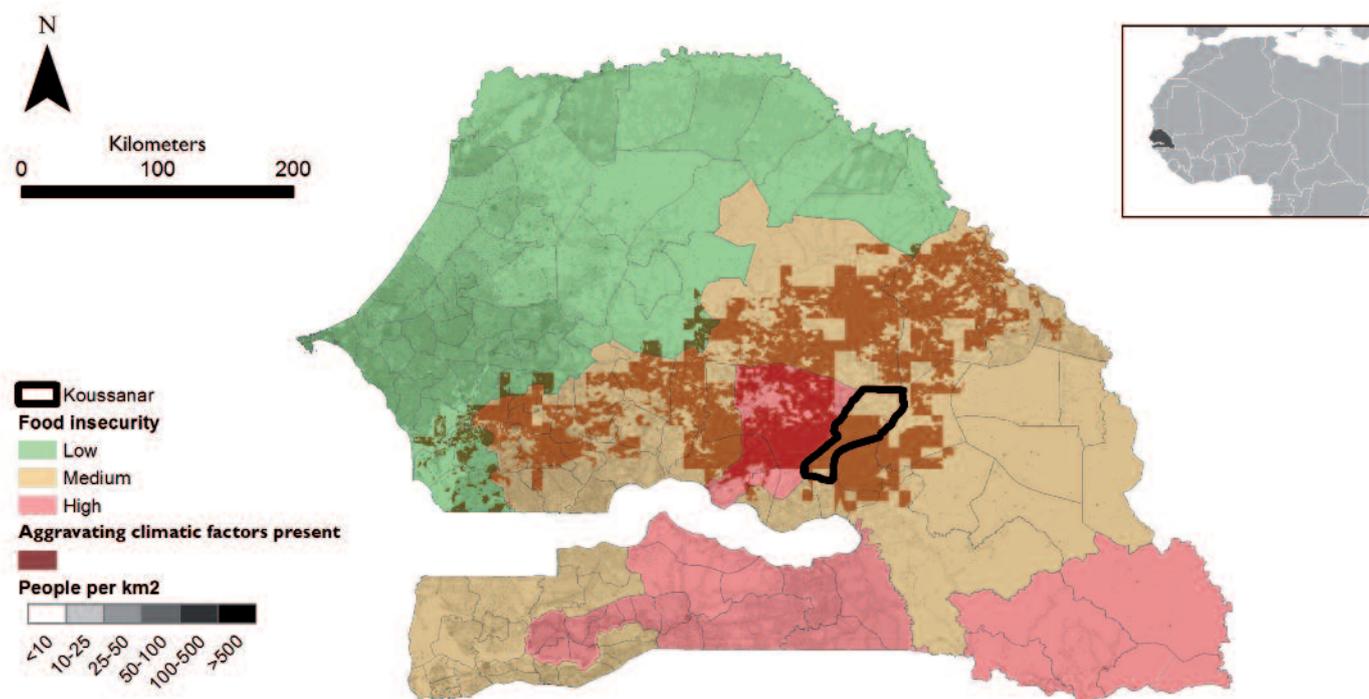
### **Choice of R4 pilot area**

The national assessment demonstrated the significant potential of micro insurance to protect household savings and productive investments.

WFP’s multi-sector team assessed food security, livelihoods, average rainfall and rainfall variability to inform the geographical selection of R4 areas. Based on factors including food insecurity, weather-related shocks and the presence of WFP and Oxfam America operations, the Tambacounda Region in southeast Senegal was identified for a pilot of R4. The pilot area was further narrowed down to nine *Communautés Rurales* in Tambacounda and Koumpentoum Departments, and then to the *Communauté Rurale* of Koussanar in Tambacounda Department (highlighted in the maps below).<sup>1</sup>

## R4 partners

### Entry points for R4 Rural Resilience Initiative Food Insecurity and Aggravating Climatic Factors in Koussanar

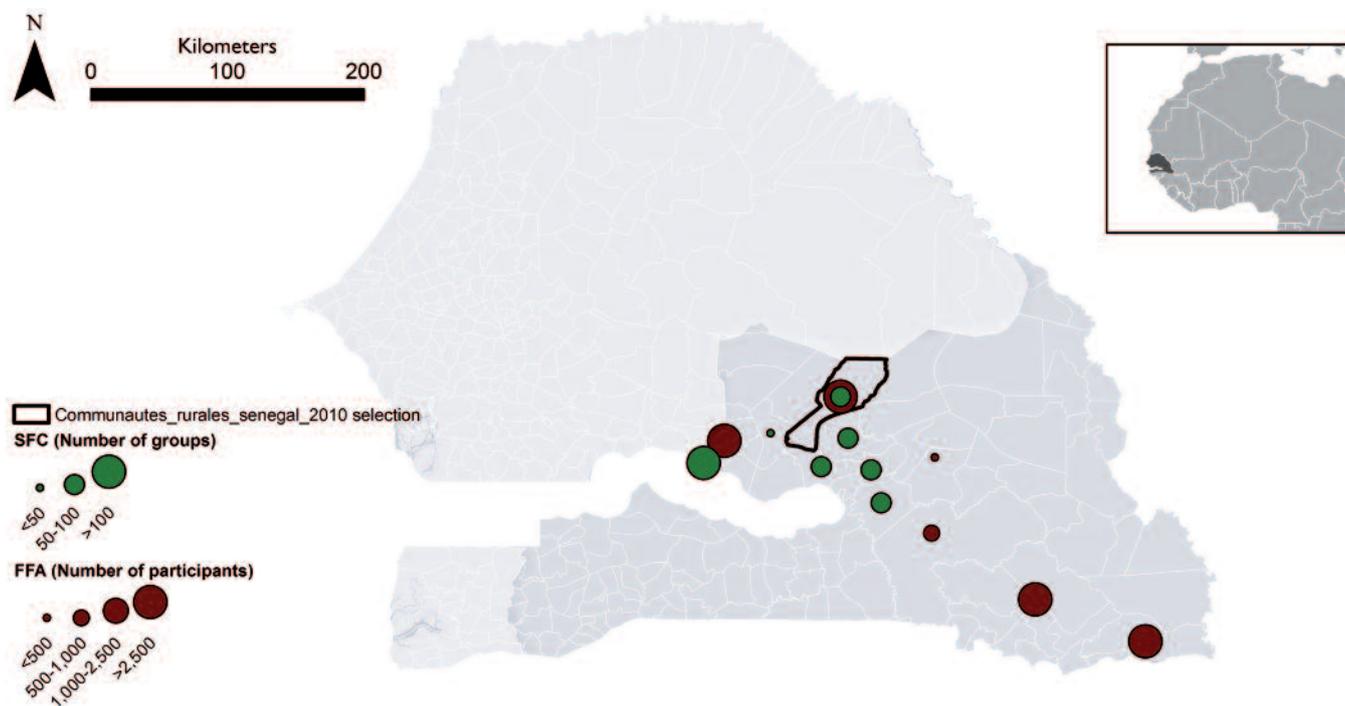


Food insecurity is shown in this map through three proxies: prevalence of food insecurity, poverty incidence and global chronic malnutrition as measured by the CFSVA (2009/2010). A department is considered to have high food insecurity when prevalence of food insecurity is >20%, poverty incidence is >60% and GCM is >30%. A department is considered to have medium food insecurity when prevalence of food insecurity is 15-20%, poverty incidence is 40-60%, and GCM rates are 20-30%. A department is considered to have low food insecurity when prevalence of food insecurity is <15%, poverty incidence is <40%, and GCM rates are <20%.

Source: WFP (2012)

1. The map shows only seven rural communities since two of them were only recently sub-divided.

## Operational presence of WFP (food-for-assets) and Oxfam America (saving for change)



The map highlights areas of WFP food-for-assets operational presence and Oxfam America Savings for Change presence. Red circles show the number of beneficiaries in WFP-supported FFA projects. The size of groups participating in Oxfam America SFC projects is shown by the green circles. Oxfam America is also present in Kolda and Kedougou. The transparency hides regions apart from Kolda and Kedougou for easy identification of potential collaboration areas.

Source: WFP (2012)

The national assessment highlighted potential partners for policy and technical implementation.

### Policy

While the R4 Initiative falls within the domain of disaster risk reduction and resilience building, its components overlap with sectors as varied as agriculture development, social protection and financial services. The WFP/Oxfam America R4 team in Senegal has begun discussions with the Government to define which body is best placed to lead and provide national visibility to the R4 approach.

### Technical

Potential national technical partners for R4 were identified.

While some already play a role in the initiative,<sup>2</sup> others may be involved depending on the outcome of the detailed regional and local analysis, and community-based assessment. Identified institutions have been invited to participate in an upcoming seasonal livelihoods and risk analysis (SL&RA) workshop in order to explore new partnerships.

# Work plan and targets

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## Two-year work plan

The assessment and planning phase will be completed in 2012; the implementation and scale-up phase will begin soon after. A regional and local analysis will follow the national-level analysis to further refine pilot area selection, inform the selection of local partners and provide data for

planning the next phases. This analysis will include: a detailed investigation of livelihood systems and how they are affected by climate shocks; an appraisal of markets and value chains; and the mapping of local institutions and capacities. The results will inform the design and integration of programme components.



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2. For example, Centre de Suivi Ecologique (CSE; Ecological Monitoring Centre) was contracted to perform land-use analysis.



The construction of natural and physical assets to reduce vulnerability to weather shocks should occur between January and August 2013. Depending on the season, individuals building these assets may be compensated for their labour with food, cash or an insurance policy to protect the household against shocks.

The financial package is expected to be complete at the beginning of 2013, followed by capacity building of potential clients in the area of finance. In the second quarter of 2012, participants will be able to purchase insurance policies – either in cash or through asset-building activities.

Payments to insurance subscribers will likely be triggered in the third quarter of 2013, depending on the type of insurance product and the occurrence of shocks. Shortly after, WFP and Oxfam America will organize a learning event to exchange information on programme successes and challenges met. The lessons learned through the process will inform the design of Year 2 activities.

Monitoring, Evaluation and Learning (MEL) is a continuous process that supports and guides implementation. Based on the MEL framework to be finalized with stakeholders, a baseline to measure progress in the achievement of outcomes will be established in the first quarter of 2013. Activity progress and the delivery of outputs will be recorded on a monthly basis and published in quarterly reports. The time frame for measuring outcomes will be defined once additional data is collected about how seasonality affects livelihoods and risk management in the target area. There will also be a focus on assessing the impact of R4 initiatives on the environment.

Major events will include: a regional workshop in November 2012, which will officially launch R4; and an event in March 2013 to introduce national partners and provide a detailed implementation plan. The latter event could also provide opportunities for policy discussions and fundraising.

**Table 1.** Work plan 2012–2014

| 2012   |   | 2013   |                              |                |                             | 2014                         |    |
|--|---|--|------------------------------|----------------|-----------------------------|------------------------------|----|
| Q3   | Q4  | Q1   | Q2                           | Q3             | Q4                          | Q1                           | Q2 |
| <b>Assessment &amp; national planning</b>      |   | <b>Programme implementation and scale up</b> |                              |                |                             |                              |    |
| MEL framework                                  |   |  |                              |                |                             |                              |    |
| Detailed regional / local analysis and mapping |   |  |                              |                |                             |                              |    |
|  | Community-based assessment & design                   |  |                              |                |                             |                              |    |
|  | Component design, incl. financial package development |  |                              |                |                             |                              |    |
|  |   | Financial education & outreach               |                              |                |                             |                              |    |
|  |   | Organization of national event               |                              |                |                             |                              |    |
|  |   |  | Insurance enrolment 1,200 Hh |                |                             |                              |    |
|  |   | Risk-reduction activities                    |                              |                |                             |                              |    |
|  |   |  |                              | Payout         |                             |                              |    |
|  |   | Baseline survey                              |                              |                |                             |                              |    |
|  |   |  |                              | Learning event |                             |                              |    |
|  |   |  |                              |                | Tool development & Scale up |                              |    |
|  |   |  |                              |                |                             | Risk-reduction activities    |    |
|  |   |  |                              |                |                             | Insurance enrolment 6,000 Hh |    |
| Monitoring / research                          |   |  |                              |                |                             |                              |    |

**Legend**  Implementation  Monitoring, evaluation & learning (MEL)

## Detailed six-month work plan

During August 2012, a study of land use was implemented in the rural community selected for the R4 pilot. This involved: (i) mapping current land-use and trends over time; (ii) analysis of trends in land use and land degradation or improvement over time (including tree cover); and the identification of territorial units for asset-building activities (e.g. watersheds). This exercise is to provide the background for designing a participatory land-use plan, which will be used to define natural and physical asset-building activities and establish a baseline for environmental monitoring. At the end of August, a rapid assessment of local markets will be carried out to detect factors that could impede implementation of R4. This assessment will complement the seasonal analysis of livelihoods and risks, and inform the selection of pilot communities.

In September 2012, WFP and Oxfam America will hold a consultation on seasonal livelihoods and risk analysis. The consultation will be facilitated by a joint WFP/Oxfam America team and held during the slack time between the two peak labour periods for agriculture. Participants are expected to discuss local livelihoods, seasonality, and 'typical' and 'bad' years for different communities in order to provide a deeper understanding of where, when, to whom, and how to intervene. Participants will: identify the most appropriate responses according to season calendar; define activities and partners; and elaborate a roadmap for action. The consultation will involve approximately 30 participants, including: community representatives (village leaders and members of farmers' associations, economic interest groups and informal saving and credit schemes); Government and NGO staff; and current and potential R4 partners. It is expected that half the participants will be women.

Bringing together the results from the land-use study, the market assessment and the seasonal livelihoods analysis, the R4 team will begin working with local communities to: identify potential resource management interventions that would reduce vulnerability to weather shocks; and define the most appropriate time line.

R4 will be officially launched at a workshop in the Tambacounda Region in November 2012. The workshop will provide an opportunity to formalize local partnerships in order to proceed with the design of programme components. Potential national partners and major donors will be invited to the workshop, which will be chaired by regional authorities.

Immediately after the workshop, the R4 team will collaborate with local authorities and partners to select target villages for the first year and will develop partnership agreements; this will be followed by the design of R4 components. Three teams will each be in charge of one component (the risk taking and risk reserves components will be grouped together). The teams will receive coordination support to ensure coherence of operating mechanisms and type of beneficiaries.

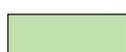
A detailed logical framework to support the MEL process will be designed with all stakeholders once it is clear how the various components are being integrated and which deliverables are expected to bring about the desired changes in the target communities (October/November).

The detailed framework will specify indicators for measuring progress, define outputs (content and frequency), and assign clear responsibilities for the MEL system.

**Table 2.** Detailed work plan June–December 2012

| 2012                                  |                         |   |   |                   |      |
|---------------------------------------|-------------------------|---|---|-------------------|------|
| Jul.                                  | Aug.                    | Sep.  | Oct.  | Nov.              | Dec. |
| Land use and land use change analysis |                         |   |   |                   |      |
|                                       | Rapid market assessment |   |   |                   |      |
|                                       |                         | SL&RA consultation  |   |                   |      |
|                                       |                         |   | Regional / local analysis report                      |                   |      |
|                                       |                         | Selection of operational area and partnership development |   |                   |      |
|                                       |                         |   |   | Regional workshop |      |
|                                       |                         |   | Component design, incl. financial package development |                   |      |
|                                       |                         |   | Detailed MEL framework                                |                   |      |

Legend



Activities



Milestones

## Targets

Since different combinations of services may be required by R4 participants, it was decided to record as an R4

**participant:** (i) anyone who participates in any R4 activity implemented by Oxfam America, WFP or their grantees, or (ii) anyone who registers for financial services provided by R4 partners. This includes participants in: (i) capacity building, including financial literacy; (ii) risk reduction; (iii) savings; (iv) insurance (paying with labour or cash); (v) credit; and (vi) any combination of these services.

Household members of R4 participants will also be counted as **direct beneficiaries**, while community members receiving indirect benefits from R4 services such as community risk-reduction projects will be considered **indirect beneficiaries**.

Disaggregated data on types of participants will be collected.

R4 is expected to build upon ongoing asset-building

### Box 2. R4 global

A learning event will take place in Ethiopia during the first week of August 2012. Its objectives are to: share and learn from the HARITA experience and global trends in weather index insurance; and begin building a network of R4 professionals worldwide. This event will also provide an opportunity to present the R4 Senegal national assessment, design the environmental impact assessment, and begin exploring the potential for expanding R4 in Kenya.

R4 will be discussed during the July 2012 session Drought Response and Resilience – Innovations in the Horn of Africa and Beyond at the World Bank Global Facility for Disaster Reduction and Recovery (GFDRR) Understanding Risk conference in Cape Town, South Africa. <http://www.understandrisk.org/ur/group/drought-response-and-resilience-innovations-sahel-horn-africa-and-beyond>

The R4 global and Ethiopia teams will also contribute to an August 2012 course on risk transfer organized by the Swiss Agency for Development and Cooperation in Davos, Switzerland through a poster-presentation, panel discussion and a game session.

The first semi-annual meeting of the technical advisory board will be held in September or October 2012.

initiatives and rely on existing financial services. Combining and complementing existing initiatives with micro-insurance is likely to be the main innovation and added value of R4.

It is estimated that there will be 1,200 R4 participants in 2013. The majority will be paying the premium for their insurance contract with their own labour, while an estimated 5 percent will pay in cash. The type of risk to be insured will be determined following the SL&RA consultation in September 2012. Given that R4 targets very poor households, insurance contracts will be designed to keep premiums at an affordable level.

The target for 2014, which now stands at 6,000 participants, may be revised based on the experience of the previous year.

# Risks

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A number of risks to the implementation of R4 may hamper the achievement of objectives (see Table 3 for details). Most of these risks appear to be manageable: they have either a low probability of occurring or their impact would be low. The most significant risk is that high basis risk or the removal of subsidies on agricultural insurance by the Government will discourage households from purchasing insurance, which may have serious consequences for the micro insurance sector. To minimize this risk, the R4 team will design products that are less sensitive to subsidies (e.g. lower-value products) and less prone to basis risk (e.g. community insurance mechanisms).

The time invested in assessing context in Senegal, the methodical process of pilot area selection, the careful identification of partners and systematic efforts to draw lessons from existing projects all aim to minimize the implementation risks for R4 in Senegal.



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**Table 3. Risks facing R4 implementation in Senegal**

| Risk Source  | Mitigation Plan  | Probability | Impact | Score | Impacts Cost             | Impacts Schedule                    | Impacts Performance                 |
|--|--|-------------|--------|-------|--------------------------|-------------------------------------|-------------------------------------|
| <b>SENEGAL RISKS</b>   |  |             |        |       | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| High basis risk and/or removal of Government subsidies on agricultural insurance discourages households from buying insurance products.  | Design products that are less dependent on subsidies and less prone to basis risk.   | 6           | 7      | 42    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Partners with adequate skills cannot be found in the area.   | Inventory of potential partners was completed, contractual arrangements and capacity building activities must be started quickly.  | 7           | 4      | 28    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Possible impact on sign up rates, given uncertainty in advance of planting season.   | Use lessons from current pilots for maize and groundnuts.  | 5           | 5      | 25    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Complementary resources to scale up FFA and SFC in R4 pilot areas are not forthcoming.   | Try to leverage R4 to mobilize long term resources for FFA and SFC but also link R4 to other programmes.   | 4           | 6      | 24    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Postponement of Seasonal Livelihood and Risk Analysis until September after the rainy season delays R4 design calendar.  | Carry out preparatory work during June-August, including hiring field staff (WFP monitors), prepare components' design plan, prepare contractual arrangements with partners, start building partners' capacity.                          | 2           | 7      | 14    | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Components do not link well together - integration.  | Clearly assign tasks and draw detailed workplans with milestones for component design and for their integration.   | 2           | 7      | 14    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Monitoring & evaluation framework in Senegal is needed for (a) planning community assessments (to have working draft of framework as input) and (b) developing baseline study. | Develop R4 logic model or theory of change, building upon HARTIA evaluation methodology.   | 2           | 6      | 12    | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Quality control during scale up (e.g. customized assessment / design becomes less feasible).   | Partner involvement during the start and adequate documentation of process to prepare for scale up.  | 3           | 4      | 12    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Existing partnership mechanisms (FFA, SFC) are not adequate to respond to R4 complexity.   | Establish adequate institutional coordination mechanisms starting from conception / design phase.  | 6           | 2      | 12    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Current food security crisis affects workload for OA/WFP.  | OA and WFP have dedicated staff full time to R4.   | 2           | 5      | 10    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Emergency actions carried out in response to current food security crisis undermine future asset creation initiatives.   | WFP will invest in preparing adequate asset building plans to support FFA in R4 pilot areas; Communicate to partners that in order to prevent food crises future emphasis should be more on recovery and resilience building activities. | 2           | 5      | 10    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Ability to scale if FFA programme does work at a different time in the calendar year than Insurance for Work.  | Design process will ensure best timing between FFA and IFA.  | 2           | 5      | 10    | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Multiple payouts or multiple drought years could decrease incentives for insurance partners.   | This would be an exceptional event that could be compensated with ad-hoc mitigation measures (ARCF?).  | 1           | 4      | 4     | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |



WFP/Fabio Bedini

## 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/disaster-risk-reduction](http://www.wfp.org/disaster-risk-reduction)

*With support from*



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 American does not receive funding from the US government.

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