



R4 Rural Resilience Initiative

Fabio Bedini
R4 Coordinator, WFP
Fabio.bedini@wfp.com



World Food Programme



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

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 America does not receive funding from the US government.

www.oxfamamerica.org/r4

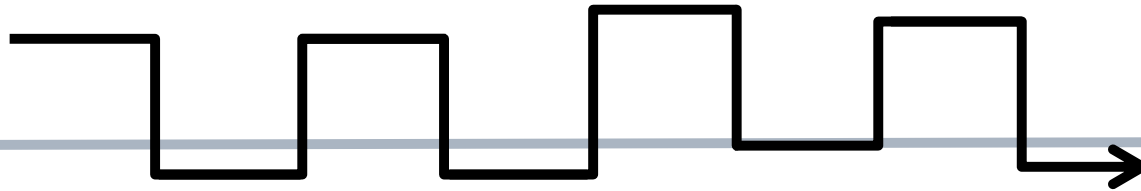
With support from



Cycle of livelihoods decline

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative

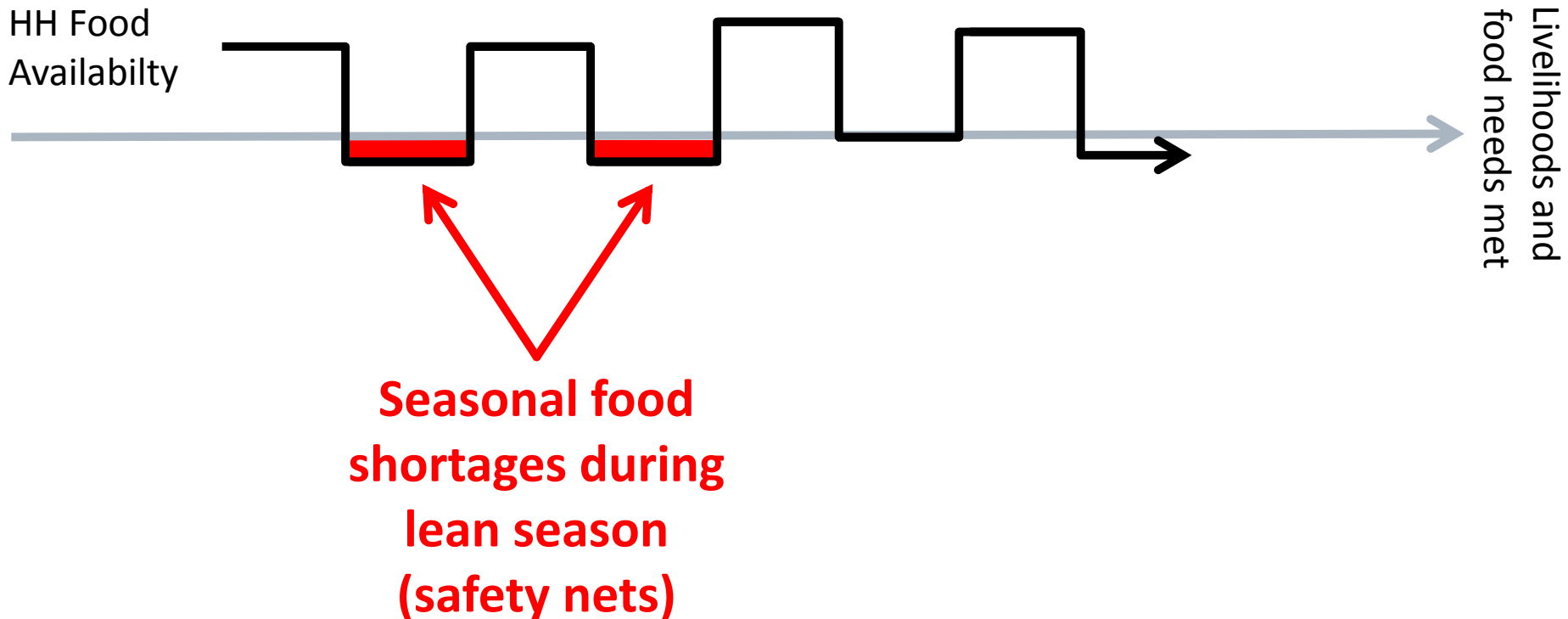
HH Food
Availability



Livelihoods and
food needs met

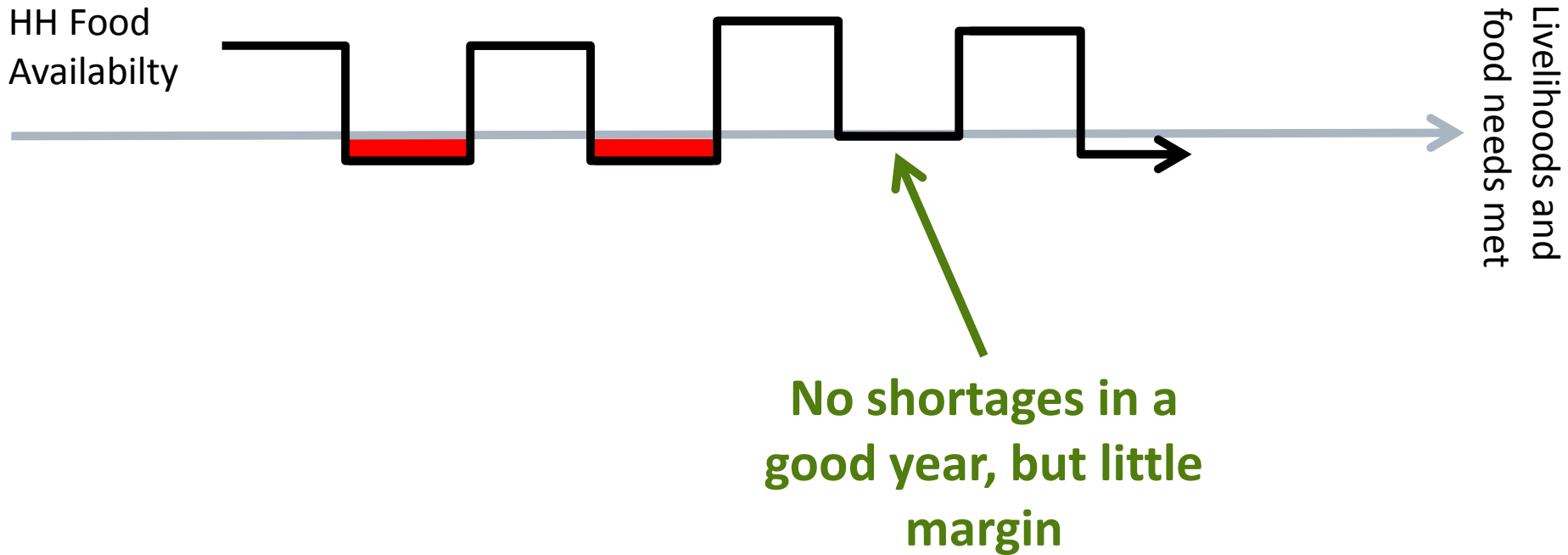
Cycle of livelihoods decline

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



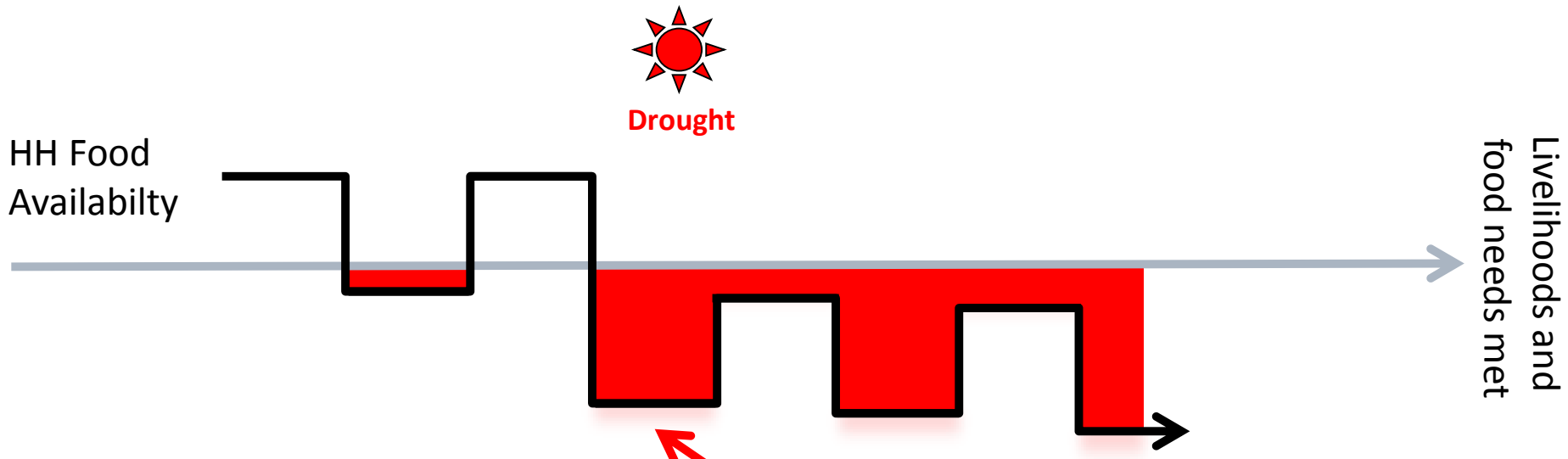
Cycle of livelihoods decline

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



Cycle of livelihoods decline

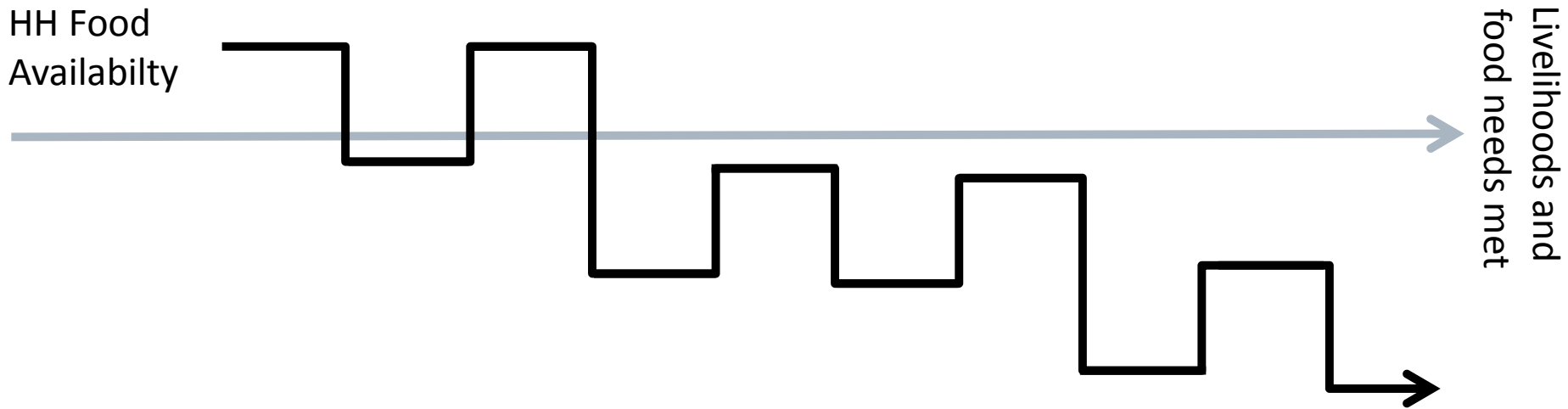
LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



Major drought has immediate and long term impacts on household livelihoods

Cycle of livelihoods decline

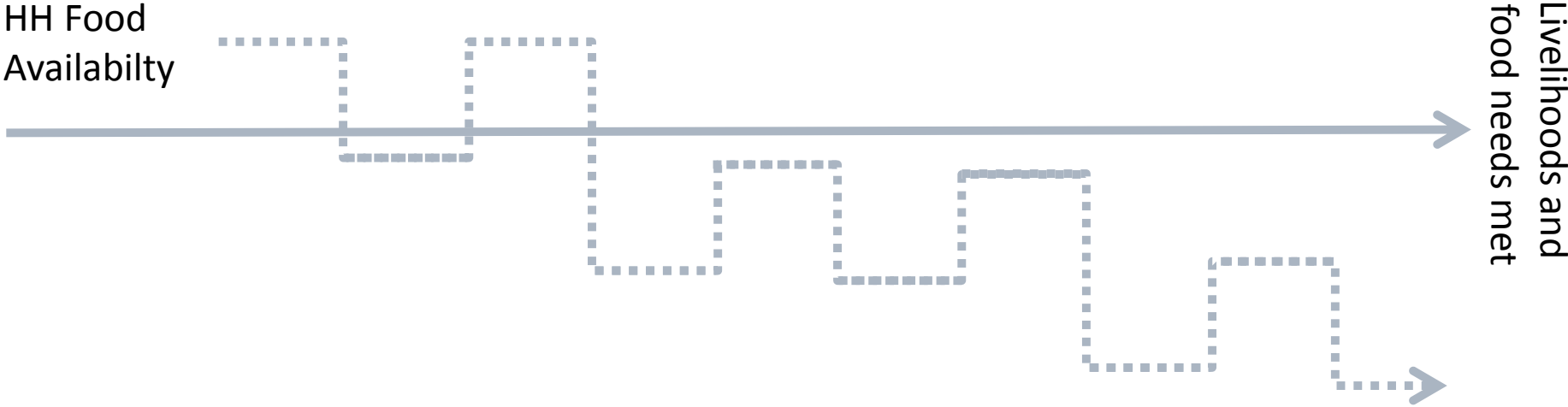
LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



With increased climate risk, this pattern becomes even more difficult to manage

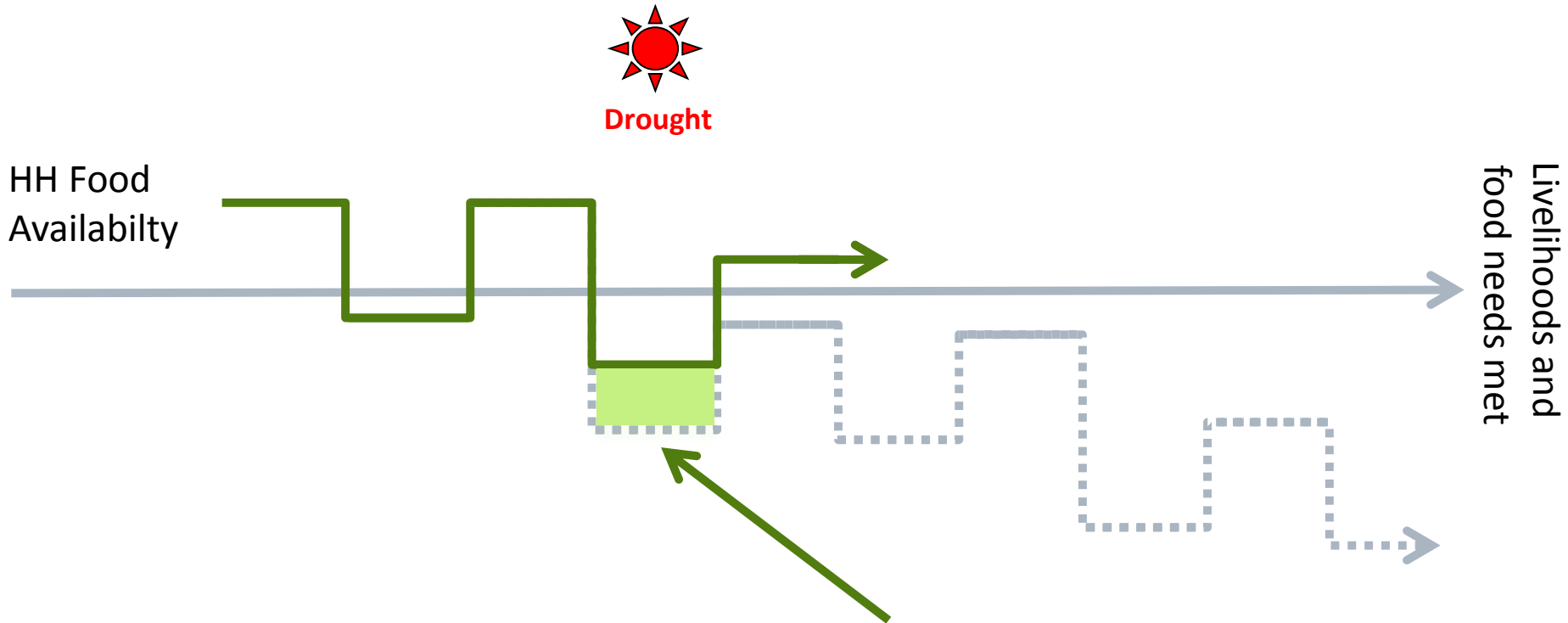
R4 Rural Resilience Model

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



R4 Rural Resilience Model

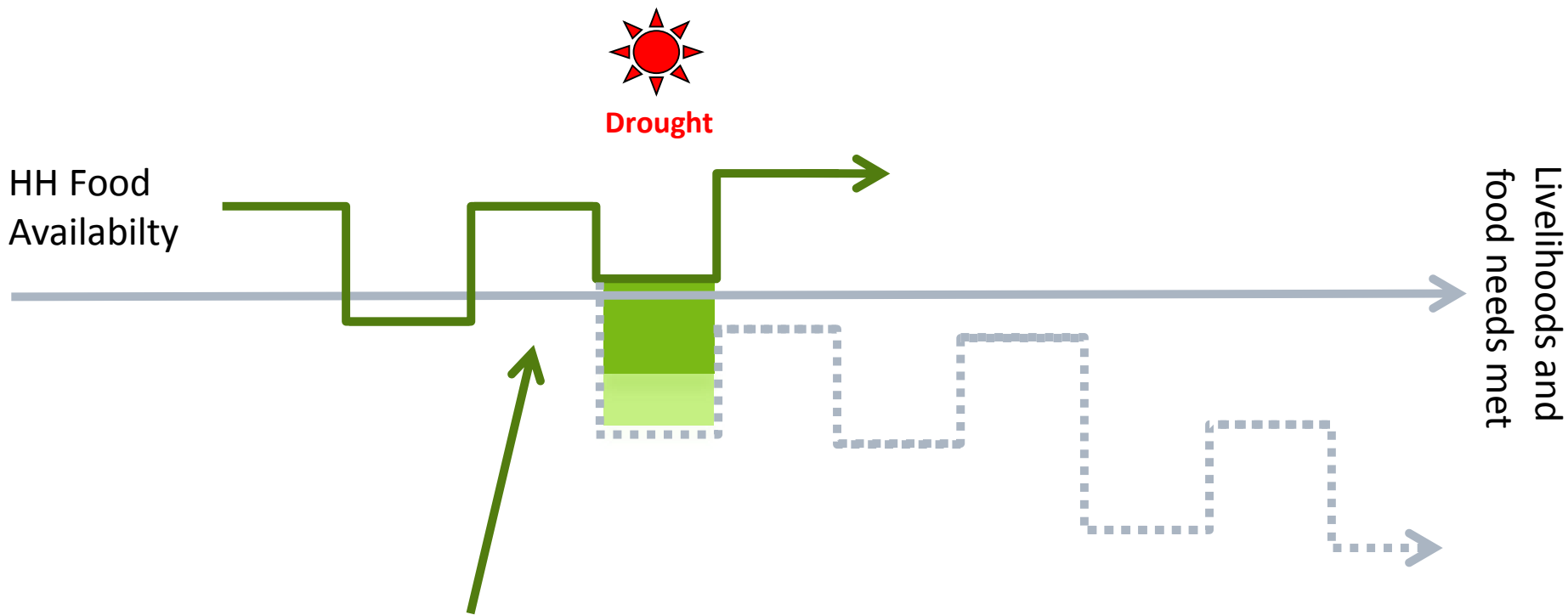
LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



Drought risk reduction – an irrigation system or soil conservation – limits impact of drought

R4 Rural Resilience Model

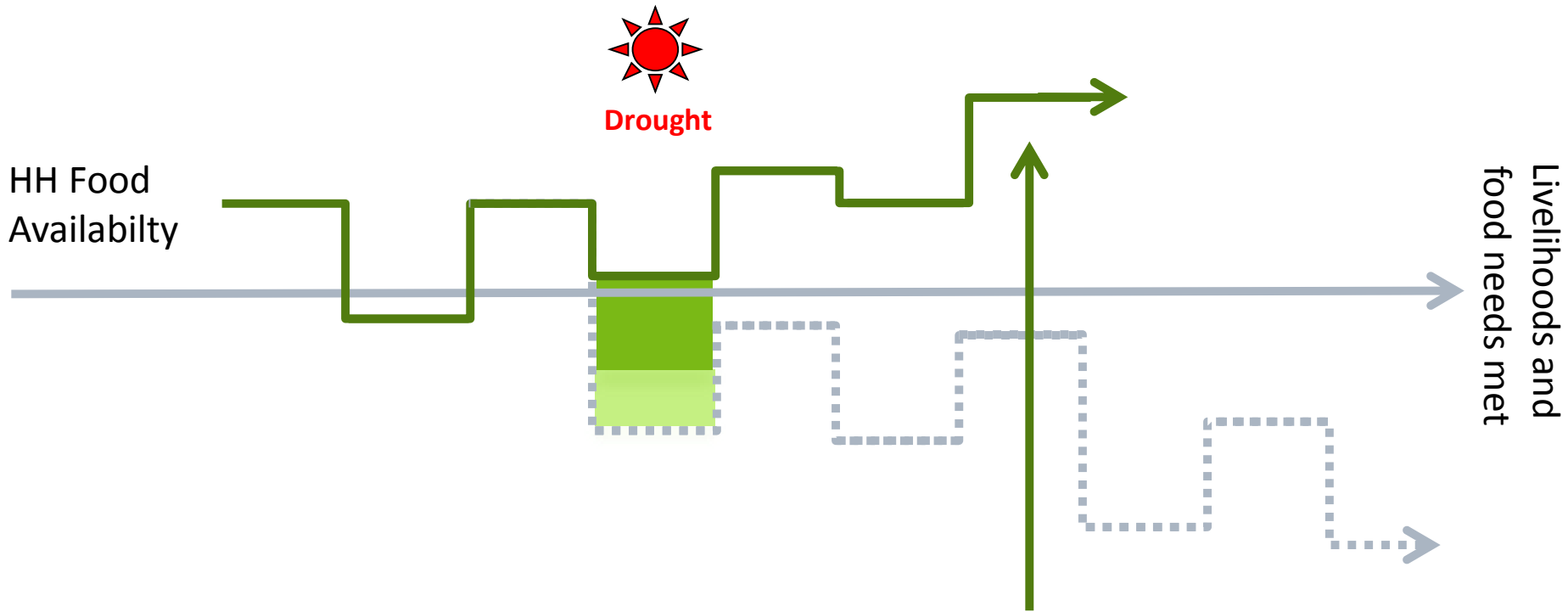
LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



**Insurance for Work policy pay-out
helps meet needs during the drought**

R4 Rural Resilience Model

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative

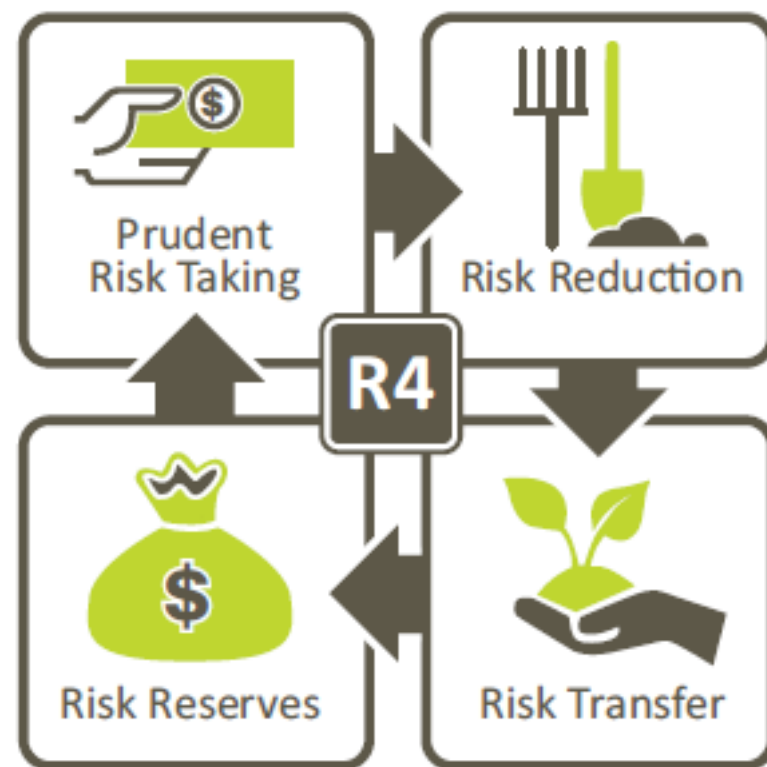


Access to credit allows increased productivity, diversification and ability to save, protected by insurance

R4 Objectives

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative

- Build the resilience of food-insecure smallholders through integrated risk management:
 - ❖ Protect livelihoods with Safety Nets
 - ❖ Reduce risks to livelihoods
 - ❖ Protect household gains through insurance and financial services
- Build government capacity to develop and implement integrated risk management programs
- Contribute to the development of a rural financial market



Social Safety Net



Risk Transfer

- ❖ Farmers pay for insurance by working to reduce the impact of droughts and other hazards, through Insurance-for-Assets.
- ❖ When an insured loss occurs, insurance payouts are provided to farmers.
- ❖ Compensation for weather-related losses prevents farmers from selling productive assets and helps them recovery faster.
- ❖ The predictability of income can reduce negative risk coping strategies and stimulate household investment.

R4 Components: Risk Reduction

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



- ❖ Risk reduction activities steadily decrease vulnerability to disaster risks over time.
- ❖ Community-Based Participatory Planning (CBPP) is used to identify risk reduction activities.
- ❖ Typical activities include soil and water conservation, agricultural practices, disaster risk management practices.

R4 Components: Savings & Credit

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



Prudent
Risk Taking

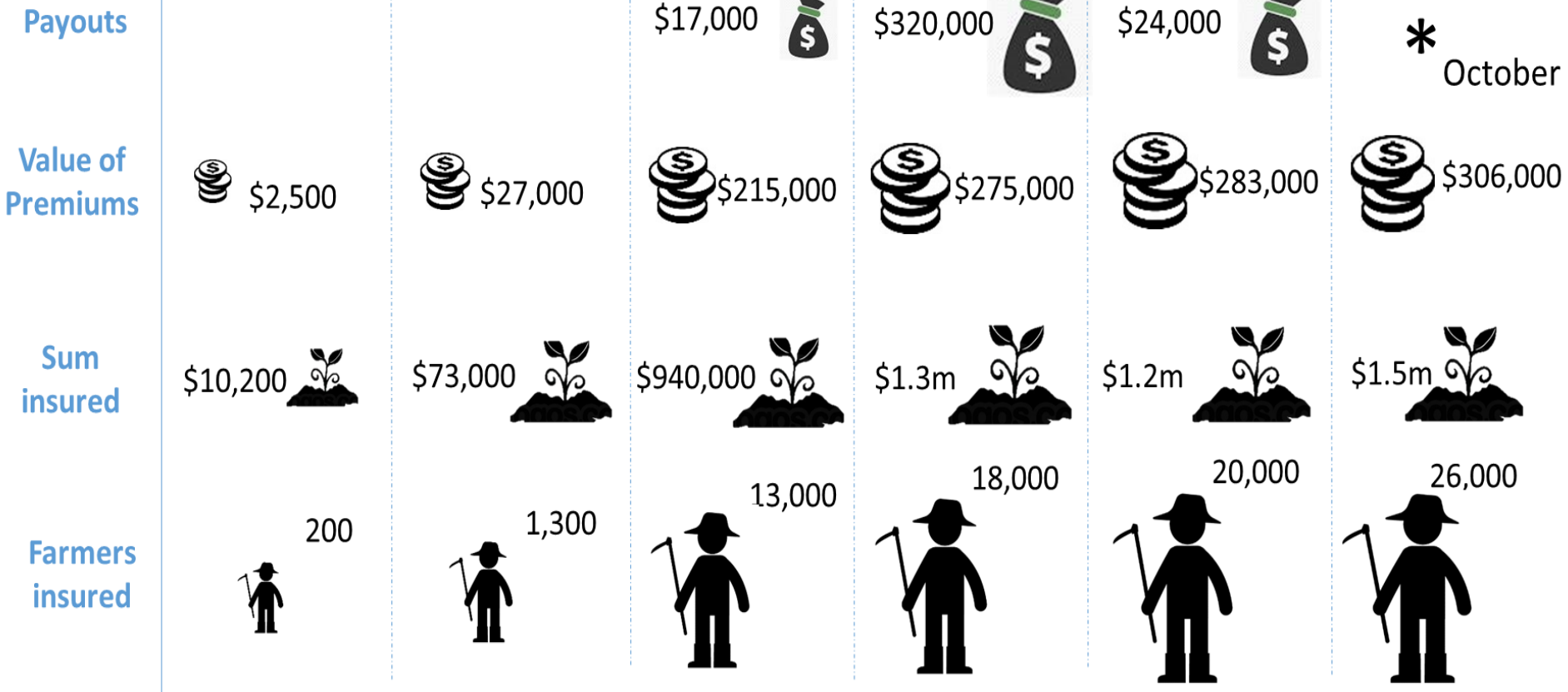
- ❖ Insurance facilitates access to credit at better rates serving as collateral.
- ❖ Households can invest in better seeds, inputs and new technologies.
- ❖ Participants establish small-scale savings which are used to build 'risk reserves'.
- ❖ Savings help build a stronger financial base for investing – but also act as a buffer against short term needs and idiosyncratic shocks.



Risk Reserves

R4 Progress

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative



Lessons from Ethiopia

LEARNING IN PROGRESS:
R4 Rural Resilience Initiative

Insured farmers:

- Save 123% more than the uninsured.
- In one cluster, increased their grain reserves 254% more than uninsured farmers.
- Invest more in productive assets, e.g. buy 25% more oxen and invest in seeds, and fertilizer.

Women in particular:

- Stopped sharecropping out their land.
- Increased their spending on hired labor and oxen.
- Increased the amount of improved seeds compost.



Partnership with SDC to pilot R4 in Malawi and Zambia over the next 3 years, with the possibility of renewing for other 5 years (until 2022)

Malawi – Phase I (2014-2017)

Year 1 (2014- 2015)	Testing	Analysis and project incubation/Insurance Testing Insurance (Dry-Run Test)
Year 2 (2015- 2016)	1000 HH	Risk Reduction / Insurance Savings/Credit
Year 3 (2016- 2017)	2500 HH	Risk Reduction/Insurance Savings/Credit

Phase II (2017-2022)

Year 4 (2017- 2018)	5000 HH	All components gradually introduced as appropriate
Year 5 (2018- 2019)	8500 HH	
Year 6 (2019- 2020)	12500 HH	
Year 7 (2020- 2021)	18500 HH	
Year 8 (2021- 2022)	25000 HH	

Zambia – Phase I (2014-2017)

Year 1 (2014- 2015)	Testing	Analysis and project incubation/Insurance Testing
Year 2 (2015- 2016)	500 HH	Based on the results of initial analysis, each component gradually incorporated
Year 3 (2016- 2017)	1500 HH	Based on the results of initial analysis, each component gradually incorporated

Phase II (2017-2022)

Year 4 (2017- 2018)	3000 HH	All components gradually introduced as appropriate
Year 5 (2018- 2019)	6500 HH	
Year 6 (2019- 2020)	10500 HH	
Year 7 (2020- 2021)	15500 HH	
Year 8 (2021- 2022)	22000 HH	

One solid R (DRR), strong potential for the other 3 Rs

- ASALs are periodically affected by droughts that sets back efforts at building resilience;
- Large FFA programme in ASALs driven by the Government (NDMA): 13 counties; 117,000 HH
- Functional markets and strong penetration of financial services in rural areas with innovative mechanisms (M-PESA);
- Innovations in cash delivery systems (cash lite; e-vouchers);
- Efforts by private sector to build a viable agriculture insurance market (ACRE/Kilimo Salama – about 80,000 clients);
- Strong partnership between RBAs (IFAD-FAO-WFP)

Insurance for Mainstreaming Pastoral, Agro pastoral Communities in Transitional development (IMPACT) - Kenya Initiative

- Kitui County;
- Start planned in October 2015
- Target: 20,000 HHs receiving Insurance for Assets (IFA) in 3 years ;
- Financial integration: Innovative cash transfer modalities (e-payments) that act as a platform to access different financial services (savings, credit, insurance);
- Embedded in the Government (NDMA) / WFP asset building programme in Semi-Arid lands (Cash for Assets);

A dirt road lined with green grass and large trees.

THANKS!