Impacts of Climate Change in Agricultural Sector and role of Agriculture insurance in disaster risk reduction and resilience in Africa

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Impact of Climate Change on Agriculture.

- Prolonged droughts
- Floods
- Increase in coverage low potential land
- Increased crop pests and diseases
- Change seasonal cycles
- Increased Malnutrition (Malaria and HIV)
- Change of livelihoods
Existing disaster management mechanisms, systems and policies in Africa.

- The African Union assembly of Heads of State and Government in Sirte, Libya July 2009 and the Third Special session of the African Ministerial conference on the Environment in Nairobi, Kenya set out the agenda for a regional climate change strategy, calling on full implementation of the United Nations Framework Convention on Climate Change that calls for the stabilization of greenhouses gases to ensure the protection of food production and sustainable economic development.
Existing disaster management mechanisms, systems and policies in Africa

- The 8th session of the African Union (AU) in 2006 endorsed the Action Plan for Africa on climate change based on the integration of climate change considerations into development strategies.

- Joint Annual Meeting of AU and ECA March/April 2008 ministers called for AUC, ECA and AfDB to provide further support to the consultative process for African participation in climate change negotiations, with a particular focus on building capacity to access funding from mechanisms such as the Clean Development Mechanism (CDM).
Existing disaster management mechanisms, systems and policies in Africa.

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Existing disaster management mechanisms, systems and policies in Africa

- Formation of Africa Risk Capacity in 2012 to provide cost-effective contingency funding to African governments to execute pre-approved contingency plans in the event of severe natural disasters. Jointly developed by the African Union Commission and UN World Food.
Existing disaster management mechanisms, systems and policies in Africa

- African countries have also embraced local insurance like index based livestock insurance, Crop Insurance (Kenya) and disaster contingency funds (Kenya).
Existing disaster management mechanisms, systems and policies in Africa

Establishment of strong coordination structures (Multisectoral and Multi agency) like “ending of drought emergencies in Kenya (EDE).
Challenges with Current Systems

- Funding constraint for mitigation and adaptation programmes.
- Combined effects of global downturn and global food crisis.
- Low capacity of African research and development organization.
- Lack of access of long term data for developing insurance index.
- Only effective when combined with other agricultural risk management measures.
- Public private partnership required to increase penetration and be cost effective.
Role of Agriculture Insurance in building resilience and DRR in Africa

- Improvement of risk mitigation and transfer
- Decreases farmers and herders risk (increase average productivity)
- Increased access to credit
Role of Agriculture Insurance in building resilience and DRR in Africa-Small and Marginal farmers

- Decreases risk of small and marginal farmers
- Helps in transfer of risk.
- Increased access to credit
- Motivation tool
Thank you