32nd Ordinary Session of the Assembly of the African Union

High-Level Side Event Hosted by
African Risk Capacity, African Development Bank, UN Economic Commission for Africa

Date: 9 February 2019
Time: 11:00am – 12:30 pm
Venue: Multipurpose Hall – AUCC (tbc)
Theme: Migration and Displacement in Africa: Addressing the underlying causes through innovative risk financing mechanisms

Background

Historically, migration on the African continent has been caused by political instability, civil insecurity, and poverty. More and more, migration is accelerated by the negative impacts of climate change. Between 2008 and 2015, an average of 26 million people were displaced annually\(^1\) by climate or weather-related disasters. In 2016, an estimated 1.1 million people were displaced by sudden on-set natural hazards\(^2\). The increasing frequency of droughts, floods, and other extreme weather events means that migration is expected to grow further. These intersecting climate and migration trends in Africa increase the vulnerability of poor populations, namely the smallholder farmers that rely on subsistence, rainfed agriculture and form the backbone of the African economies.

The 32nd Ordinary Session of the Assembly of Heads of State and Government of the African Union (AU) will be held on 10 and 11 February 2019 under the theme “Refugees, Returnees and Internally Displaced Persons: Towards Durable Solutions to Forced Displacement in Africa.” This session presents the opportunity to explore and showcase African innovative mechanisms which address the underlying causes of migration, notably natural disasters and extreme weather events.

When disasters strike, risk financing mechanisms are important instruments to help farmers and pastoralists cope with crop yield and pasture losses. These mechanisms are vital to protect the resilience of the most vulnerable, thereby diminishing the need to migrate as a negative coping mechanism.

One of such innovative mechanism is the African Risk Capacity (ARC) Agency, a Specialized Agency of the AU, that was established in 2012 to help Member States better plan, prepare and respond to extreme weather events and other natural disasters, thereby protecting the food security and livelihoods of their most vulnerable populations. In its first four years of operations, the ARC insurance mechanism has triggered over US $36 million to countries in the Sahel and Southern Africa to provide timely assistance for over 2.1 million people and 900,000 livestock affected by extreme droughts.

In an effort to scale up the protection against extreme weather events in rural areas, the African Development Bank has taken the leadership in designing the Africa Disaster Risk Financing

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\(^1\) https://unfccc.int/news/climate-change-is-a-key-driver-of-migration-and-food-insecurity

(ADRiFi) programme that will expand access to ARC’s risk transfer facilities for African Union Member States.

A new partnership between ARC and ECA will see the two institutions work together to increase insurance coverage against climate risks for African States. The partnership aims to build capacity of Member States by embedding risk management investments into government planning through policy development and undertaking joint analytical work in areas of economic and climate risk research in order to promote risk transfer instruments.

The proposed high-level side event will highlight the interdependency between migration, food security and climate change. Based on experience from AU Member States, ARC will be explored as a mechanism to address the underlying risks and causes of climate-induced migration and displacement in Africa. The event will also showcase how partnerships between African institutions bring complementarity that can address challenges associated with the causes of migration.

This high-level side event is in line with Executive Council Decision (EX.CL/Dec. 997 (XXXII)), where the Council “Further Requested the Commission to engage with ARC to develop concrete mechanisms and instruments of collaboration to raise awareness and galvanize political support amongst Member States”.

Furthermore, the proposed side event will provide an ideal platform for discussion amongst African leaders on the ADRiFi programme, in line with the Executive Council decision - EX.CL/Dec.952 (XXX) - “Encourages and welcomes the African Development Bank (AfDB) initiative to develop financial mechanisms to fund disaster insurance premiums for ARC Member States.”

**Outcomes**

Expected outcomes of the event include:

a) Strengthened support to the African Risk Capacity:
   i. African Union Member States encouraged to join and ratify the ARC Treaty;
   ii. International partners’ significant contribution in supporting the implementation of Africa’s initiative in disaster risk management and financing recognized;

b) AfDB and ECA advocacy and leadership in resource mobilization efforts to scale up the Africa Disaster Risk Financing Programme (ADRiFi).

c) Greater involvement of African insurance and reinsurance companies as well as other financial institutions to expand the scope of tools and risk financing available to the continent.

d) Identification of a champion at the level of a Head of State or Government to raise the profile of the ARC institution.

**Speakers**

- H.E. President Alassane Dramane Ouattara, President of the Republic of Côte d’Ivoire
- H.E. President Paul Kagame, President of the Republic of Rwanda and Outgoing Chairperson of the African Union (tbc)
- H.E. Moussa Faki Mahamat, Chairperson of the African Union Commission (tbc)
• H.E. Dr. Akinwunmi Adesina, President of the African Development Bank Group
• H.E. Vera Songwe, Executive Secretary, United Nations Economic Commission for Africa
• H.E. Dr. Ngozi Okonjo-Iweala, Chairperson of the ARC Agency Governing Board

Contributions from Heads of State and Government in attendance:

• H.E. President Roch Marc Kabore, President of Burkina Faso
• H.E. Prime Minister Abiy Ahmed, Prime Minister of Ethiopia
• H.E. President Adama Barrow, President of the Republic of The Gambia
• H.E. President Nana Akuffo-Addo, President of the Republic of Ghana
• H.E. President Uhuru Kenyatta, President of the Republic of Kenya
• H.E. President Ibrahim Boubakar Keita, President of the Republic of Mali
• H.E. President Mohamed Ould Abdel Aziz, President of the Islamic Republic of Mauritania
• H.E. President Mahamadou Issoufou, President of the Republic of Niger
• H.E. President Faure Eyadema, President of the Togolese Republic
• H.E. Patrice Talon, President of the Republic of Benin
• H.E. Pierre Nkurunziza, President of the Republic of Burundi
• H.E. Faustin-Archange Touadera, President of the Central African Republic
• H.E. Azali Assoumani, President of the Union of Comoros
• H.E. Denis SassouNguesso, President of the Republic of Congo
• H.E. Ismail Omar Guelleh, President of the Republic of Djibouti
• H.E. Ali Bongo Odimba, President of the Republic of Gabon
• H.E. José Mario Vaz, President of the Republic of Guinea-Bissau
• H.E. Alpha Condé, President of the Republic of Guinea
• H.E. George Weah, President of the Republic of Liberia
• H.E. Andry Rajoelina, President of the Republic of Madagascar
• H.E. Peter Mutharika, President of the Republic of Malawi
• H.E. Filipe Jacinto Nyusi, President of the Republic of Mozambique
• H.E. Muhammadu Buhari, President of the Federal Republic of Nigeria
• H.E. Manual Pinto Da Costa, President of Sao Tome and Principe
• H.E. Macky Sall, President of the Republic of Senegal
• H.E. Julius Maada Bio, President of the Republic of Sierra Leone
• H.E. Idriss Deby, President of the Republic of Chad
• H.E. Edgar Lungu, President of the Republic of Zambia
• H.E. Emmerson Mnangagwa, President of the Republic of Zimbabwe

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