

Partnership for resilient livelihoods in a changing climate





Background



Cover image:

Community rehabilitates degraded land to increase agricultural productivity and reduce drought and flood risk in WFP supported activities.

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For the 1.3 billion people living on less than a dollar 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 struggling to improve their lives and livelihoods will also increase. The question of how to build rural resilience against climate-related risk is critical for addressing global poverty.

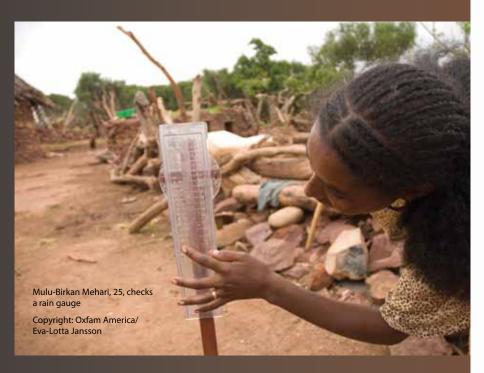
In response to this challenge, the United Nations World Food Programme and Oxfam America have launched the R4 Rural Resilience Initiative, known as R4, referring to the four risk management strategies that the initiative integrates.

R4 builds on the initial success of a holistic risk management framework developed by Oxfam America to enable poor farmers to strengthen their food and income security through a combination of improved resource management (risk reduction), microcredit (prudent risk taking), insurance (risk transfer), and savings (risk reserves).

Horn of Africa Risk Transfer for Adaptation (HARITA)

The first example of this pioneering approach is the Horn of Africa Risk Transfer for Adaptation (HARITA) project, a joint initiative led by Oxfam America, the Relief Society of Tigray (REST), Swiss Re, the International Research Institute for Climate and Society at Columbia University (IRI) and a dozen other public and private partners, including Ethiopian farmers, local aid organizations, insurance companies, and climate experts.

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 labor. In its first three years of operations in Ethiopia, HARITA has shown promising results for replication, increasing the number of households taking out insurance from 200 in the initial year to over 13.000 in 2011.



The Partnership

R4 represents a new kind of partnership bringing public and private sector actors together in a strategic large scale initiative to innovate and develop better tools to help the most vulnerable people build resilient livelihoods.

R4 promises to leverage the respective strengths of its partners: Oxfam's capacity to build innovative partnerships; the WFP's global reach and extensive capacity to support government-led safety nets for the most vulnerable people.

As the original collaborator on risk transfer in Ethiopia, Swiss Re is supporting R4 as a founding sponsor and will provide technical leadership in the field of insurance and reinsurance.

This partnership will enable thousands more poor farmers and other food insecure households to manage weather vulnerability through an affordable, comprehensive risk management program that builds long-term resilience.



A farmer carrying his teff from the field Copyright: Oxfam America/Eva Lotta Jansson

www.wfp.org/disaster-risk-reduction www.oxfamamerica.org/issues/insurance

Looking Forward



Medhin Reda, 45, a farmer and her daughter Tekleweini Girmay, 7, in their corn field in Adi Ha. A participant in the teff crop microinsurance pilot in her community, Reda pays for the premium with her labor.

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The R4 partnership will test and develop a new set of integrated tools that extend the risk management benefits of financial services such as insurance and credit to the most vulnerable populations.

R4 focuses on mechanisms that can be integrated into social protection systems, including productive safety nets, so that the results can be applied at a much larger scale by governments and international organizations, if successful. For example, insurance for work - a key part of the R4 approach and an innovative food assistance tool - can be used not only to expand access to insurance, but can be added to laborbased safety nets to protect beneficiaries and reduce costs for governments and donors from the disruptions caused by climate disasters.

By combining HARITA's successful model for participatory design and capacity building, with WFP's global capacity and Swiss Re's innovative risk transfer solutions, R4 will help accelerate the scale-up and testing of this innovative approach while expanding grassroots capacity to new communities across Ethiopia and other countries.

R4 also constitutes a first step toward developing a sustainable insurance market for poor people, an essential factor in ensuring farmers' livelihoods and food security over the long term.

Collaboration



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



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



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 United States Government.

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