

SOMALIA DROUGHT INSURANCE PAYOUT BULLETIN

2024-25 Deyr Season

This bulletin provides an overview of the current drought conditions in Somalia, the implications for affected populations, and the activation of the Africa Risk Capacity (ARC) drought insurance payout.



As of January 2025, Somalia is expected to face below-average rainfall for the March to May season, according to IGAD Climate Prediction and Applications Centre (ICPAC), following poor 2024 Deyr rains, worsening food security and increasing water scarcity. Stakeholders are urged to support vulnerable populations affected by these challenges.

Drought: According to the latest [SODMA](#) report, the ongoing drought has affected 13 of the 18 regions in the country, has impacted 3.2 million people, displaced nearly 200,000 individuals, left 5.98 million in urgent need of humanitarian assistance, and resulted in the loss of 1.4 million livestock due to resource-based conflict.



A moderate drought emergency was declared on January 30, 2025, with resources mobilized to respond to the drought in the most affected areas, including Gedo, Hiiraan, Bay, Bakool, Mudug, Bari, Togdheer, Galguduud, Sool.

Rainfall Probabilistic Forecast for Mar-May 2025

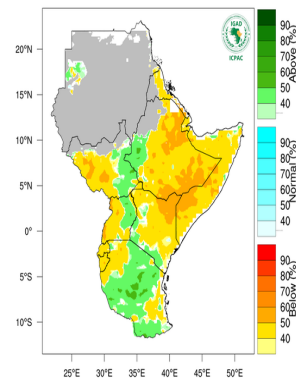


Figure 1: Rainfall

Key drivers of food insecurity in Somalia

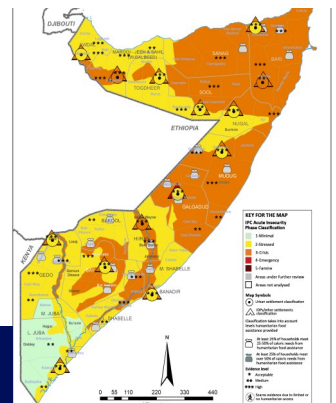
Conflict and Insecurity

Socioeconomic

Below Average Deyr and Gu Rains

Food Security Situation

1. The food security situation in Somalia is critical, with 4.6 million people (24% of the population) face acute food insecurity (IPC Phase 3 or above), including 3,767,000 in Crisis (Phase 3) and 784,000 in Emergency (Phase 4).
2. Below-average rainfall has severely impacted crop production and exacerbated pasture depletion, while ongoing conflict and localized flooding have led to population displacement and disrupted livelihoods.
3. Out of 21 areas analyzed, 36% of their population expected to face high levels of acute food insecurity (IPC Phase 3 or above), including 9% in Emergency (IPC Phase 4) and 28% in Crisis (IPC Phase 3).



ARC Payout Activation

Payout Trigger: The ARC insurance payout was specifically triggered for the Start Network (Replica Partner) and the government of Somalia after the crop premium trigger was activated.

The payout of 2,183,565 million was determined using ARC's parametric indices based on satellite data and agro-meteorological indicators for a timely response.

Financial Implications: The funds will address urgent needs for 44,853 affected People through emergency food assistance, water supply, and cash based transfers.

Priority will be given to life-saving interventions like food distribution and emergency cash assistance.



Response Coordination

1. **Stakeholder Engagement:** Key partners include the World Food Programme (WFP), African Risk Capacity (ARC), Start Network and Somali Disaster Management Agency (SODMA).
2. **Effective collaboration** among stakeholders is crucial for a coordinated response, maximizing each partner's strengths.
3. **Implementation Plan:** Assistance will include cash transfers, and n-kind food distribution, and targeting at-risk populations like IDPs through vulnerability assessments and community feedback.
4. **Monitoring and accountability mechanisms** will ensure transparency and equity, focusing on remote and underserved areas.

