



International Technical Webinar
Why develop capacities on risk management in
agriculture?

An Overview
of the Four E-learning Courses on Agricultural Risk
Management (ARM)

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Dr Kisan Gunjal
International Consultant, Global Food Security
(Former Economist at FAO-UN, Rome; Ex Professor, McGill University,
Montreal, Canada)



Target Audience

1. Policy Group - Dealing with Policy Formulation:

- Policy makers, planners, and government officials.
- Academic learners interested in risk management in agriculture (at basic levels)
- Development practitioners dealing with ARM

2. Farm Group - Primary Producers and helpers:

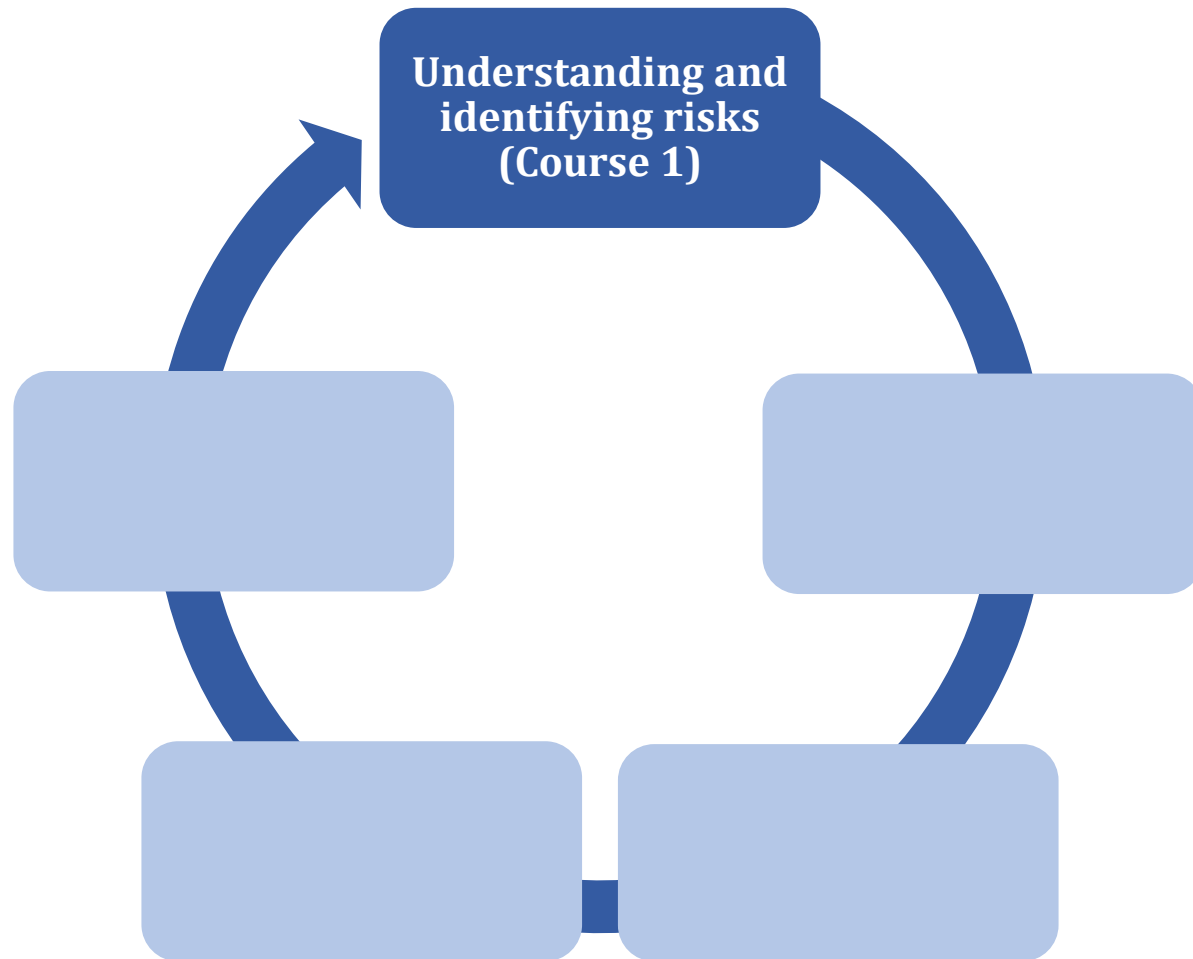
- Farmers,
- farm management advisors,
- farmer organizations and communities;

3. Service Group - Intermediaries in Value chain :

- Service and input providers,
- Intermediaries dealing with ARM services.
- Other operators in the agri-food value chains.

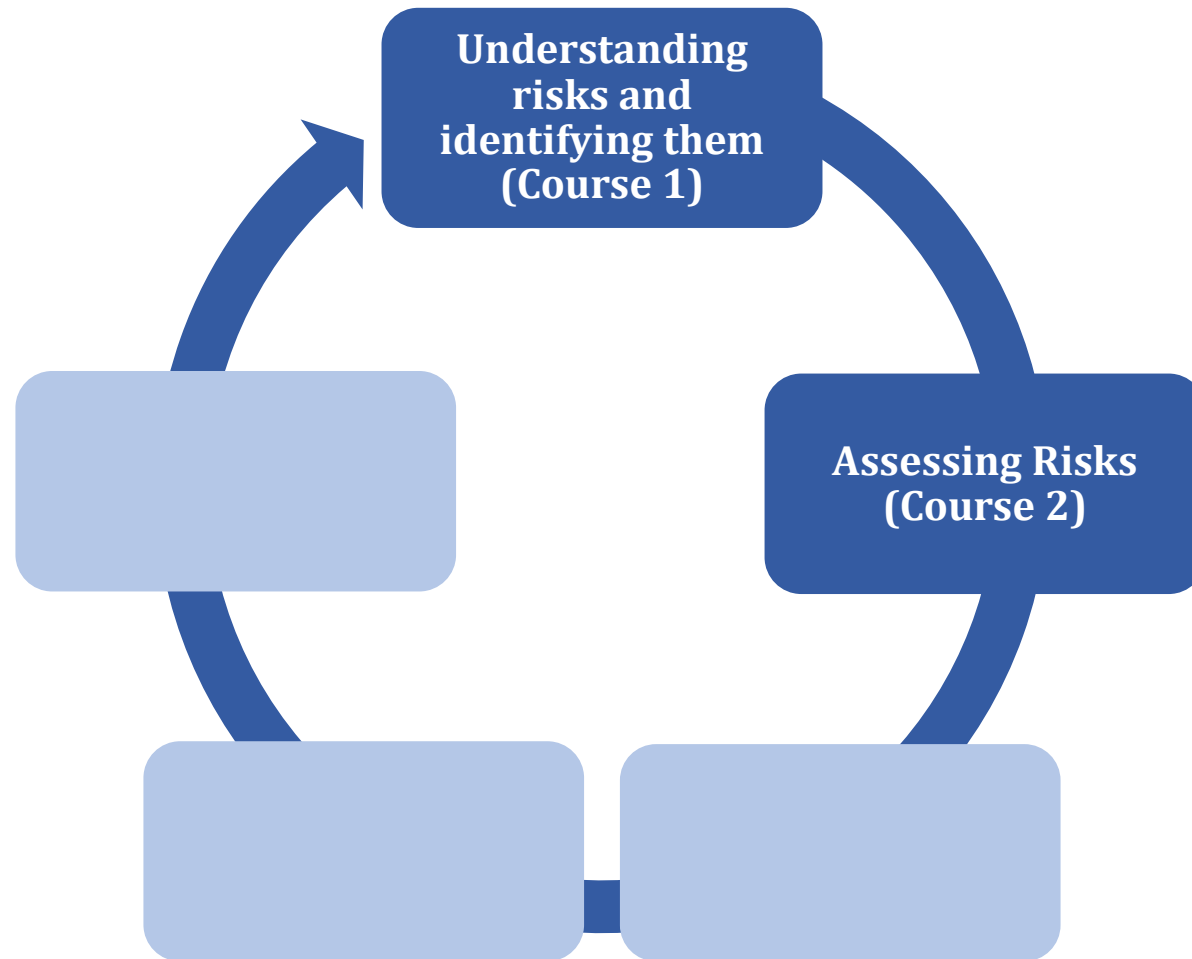


Framework: Risk Management Strategy Cycle



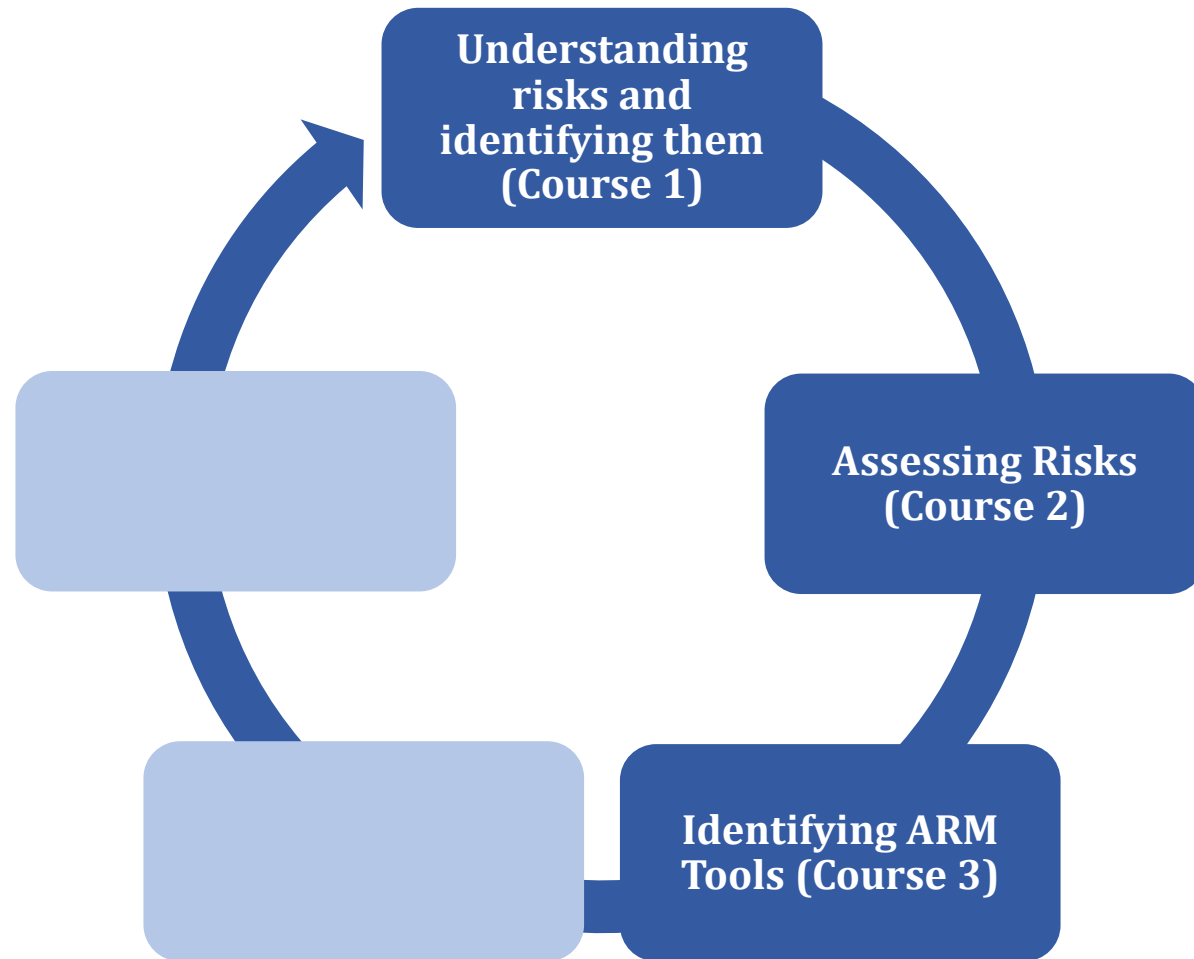
Source: Adapted from PARM (2018)

Framework: Risk Management Strategy Cycle



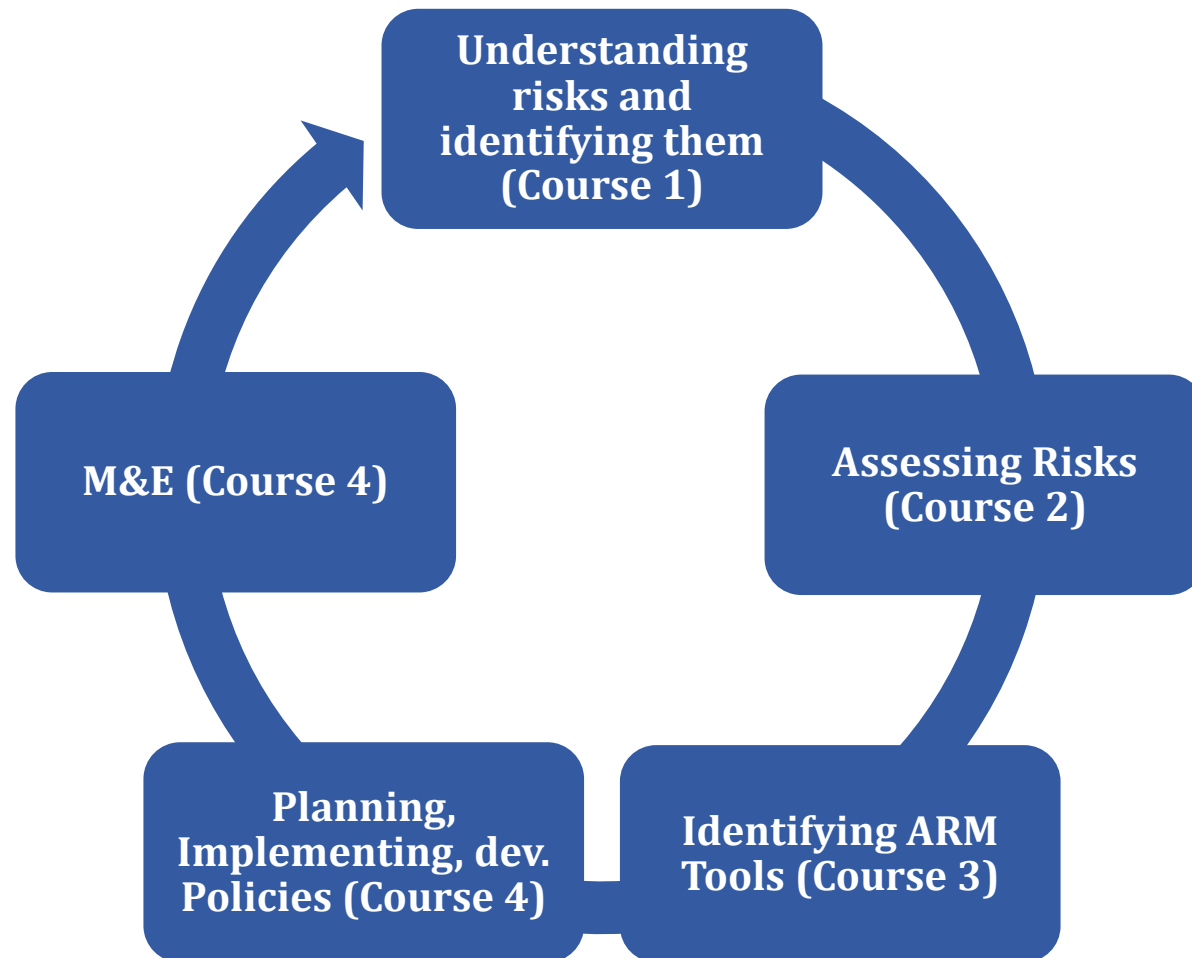
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Framework: Risk Management Strategy Cycle



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Framework: Risk Management Strategy Cycle



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COURSE

Understanding the Risk Environment in Agriculture



COURSE 1

Understanding the Risk Environment in Agriculture

Learning Objectives

- ➔ Get an overview of different **types of risks** affecting activities in agri-food system, their **characteristics**, and main **causes**
- ➔ Appreciate potential **implications** of these risks to farmers and other stakeholders in the agri-food system
- ➔ Learn about the **holistic approach** (interactions of risks, strategies and policies) to risk management in agriculture
- ➔ Learn how managing risks can contribute to **improved livelihood** and **food security**

Types of Risks

- Risk is a **threat of a loss caused by an uncertain** event.
- Types of risks – based on type of activity and required solution strategy
 1. Production risks – Weather factors, pests & diseases, Environmental Risks
 2. Market risks
 3. Financial risks
 4. Enabling Environment Risks –Infrastructure, Institutions, Regulations, Political changes
 5. Social and Human element risks



Why develop capacities on agricultural risk management?

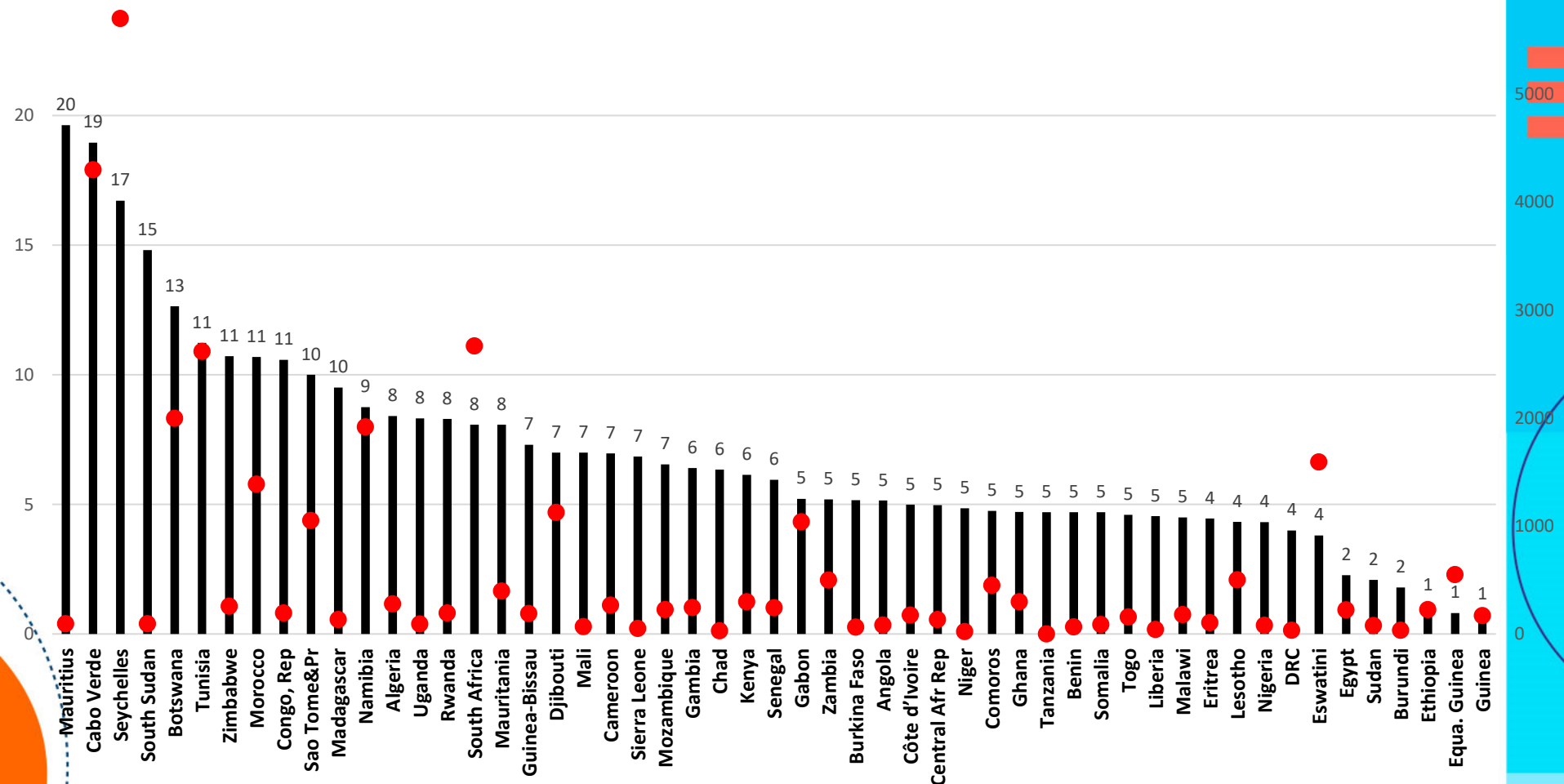
- **Example – The Impact of Current COVID-19 Pandemic in Africa**
- ✓ **Deepest recession since the Second World War” for the global economy and the “deepest contraction on record” in SSA (World Bank)**
- ✓ **More than 4.5 million cumulative cases and 122 thousand deaths (as of 1 May 2021) in Africa (54 countries)**
- ✓ **Expected to push 26 to 40 million people into extreme poverty in SSA**



COVID-19 Pandemic and its Impact in Africa

Estimated reduction in 2020 GDP growth in SSA 5.5% (roughly USD 368 mill PPP)

25



■ Reduction in 2020 GDP growth rate (forecast in Oct 2019 minus Apr 2021 est of IMF)

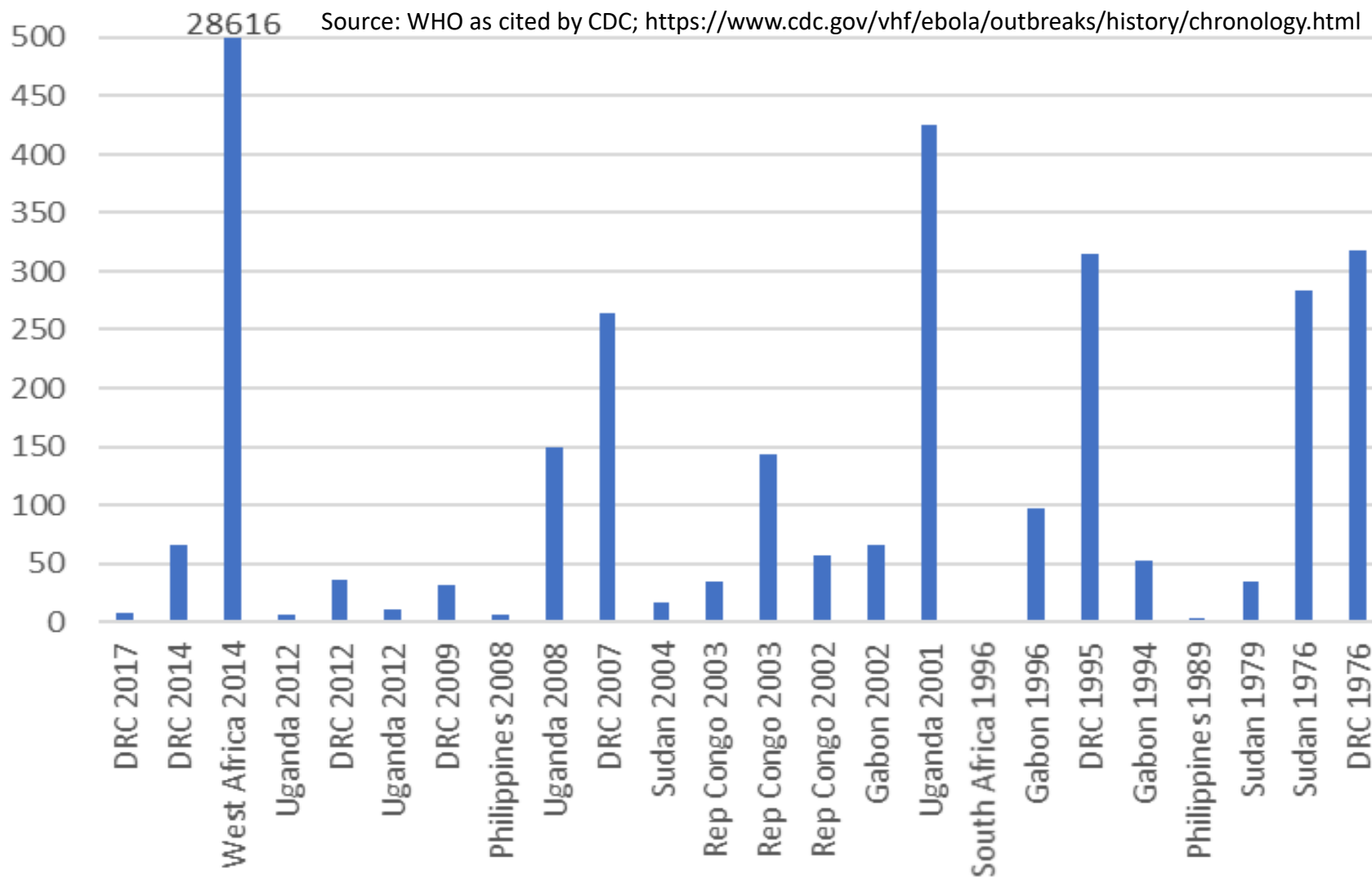
● Cases - cumulative total per 100000 population as of 1.5.21



Known cases of Ebola Virus Disease

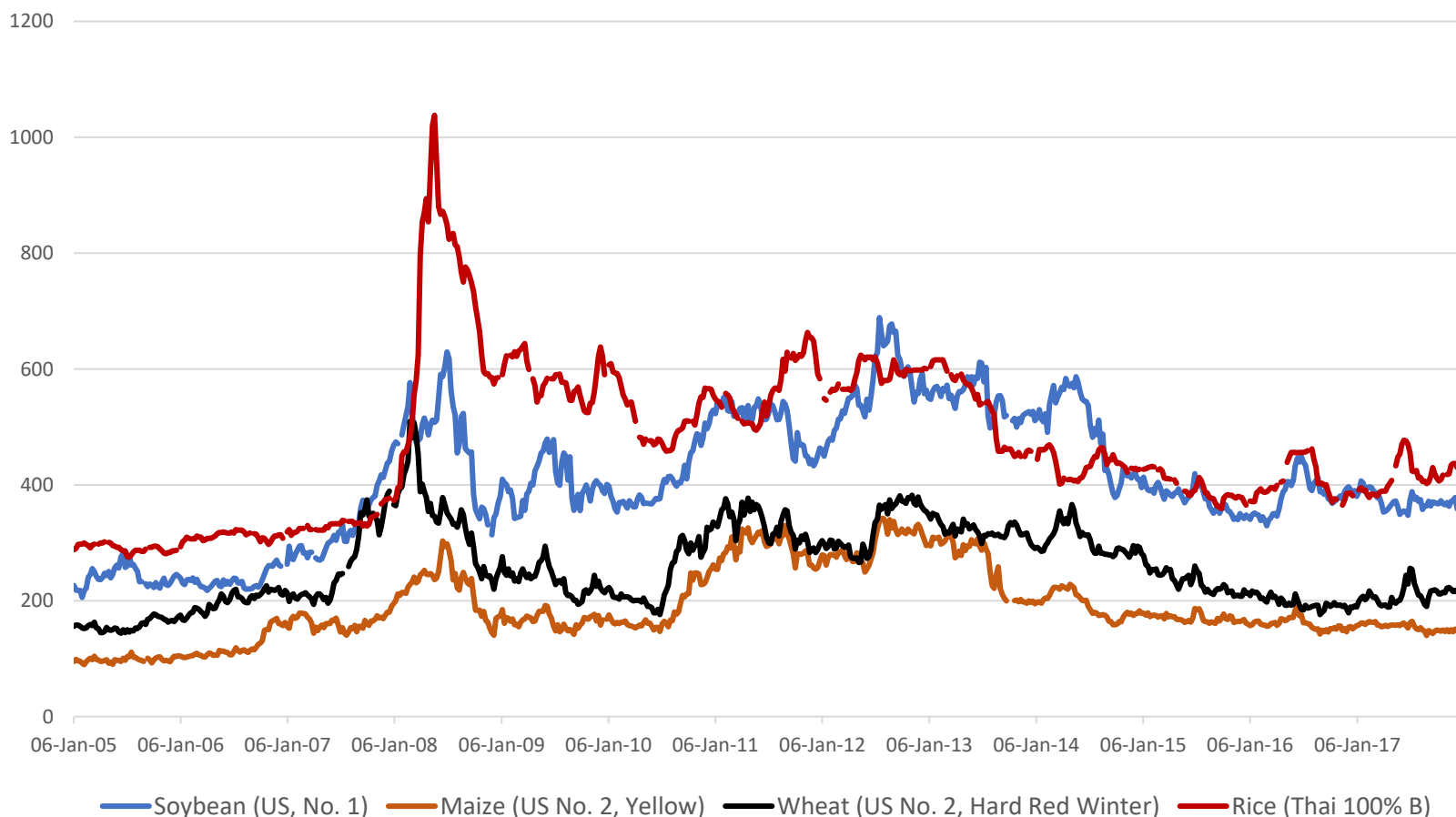
The overall impact of the 2014-15 Ebola crisis on Guinea, Liberia, and Sierra Leone has been estimated at \$2.8 billion (World Bank)

Every 6-7 years a major one since 1995?



Significant Price Risks – Benchmark international prices of key commodities

- Rise in Rice price from 2007 to 2008 was 232%
- Drop in maize price from 2012 to 2013 was 43%



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COURSE

Assessing Risk in Agriculture





Assessing Risk in Agriculture

Learning Objectives

- ➔ Get an overview of different **qualitative** and **quantitative methods** commonly used to rank and **prioritize** risks
- ➔ Learn about the process and outcome of a **risk assessment** at the local area and national levels
- ➔ Know about **risk mapping** and **risk assessment and management capacity profiles** in the country
- ➔ Appreciate what **key information** is required for carrying out a risk assessment process

Assessment and Prioritization using the Risk Impact Matrix – An example of a qualitative method

Characteristic			Severity (Potential Impact)				
	Category		Very High	High	Medium	Low	Very Low
		Score	5	4	3	2	1
Frequency (Likelihood of occurrence)	Very high	5	10	9	8	7	6
	High	4	9	8	7	6	5
	Medium	3	8	7	6	5	4
	Low	2	7	6	5	4	3
	Very low	1	6	5	4	3	2

Priority 1

Priority 2

Priority 3

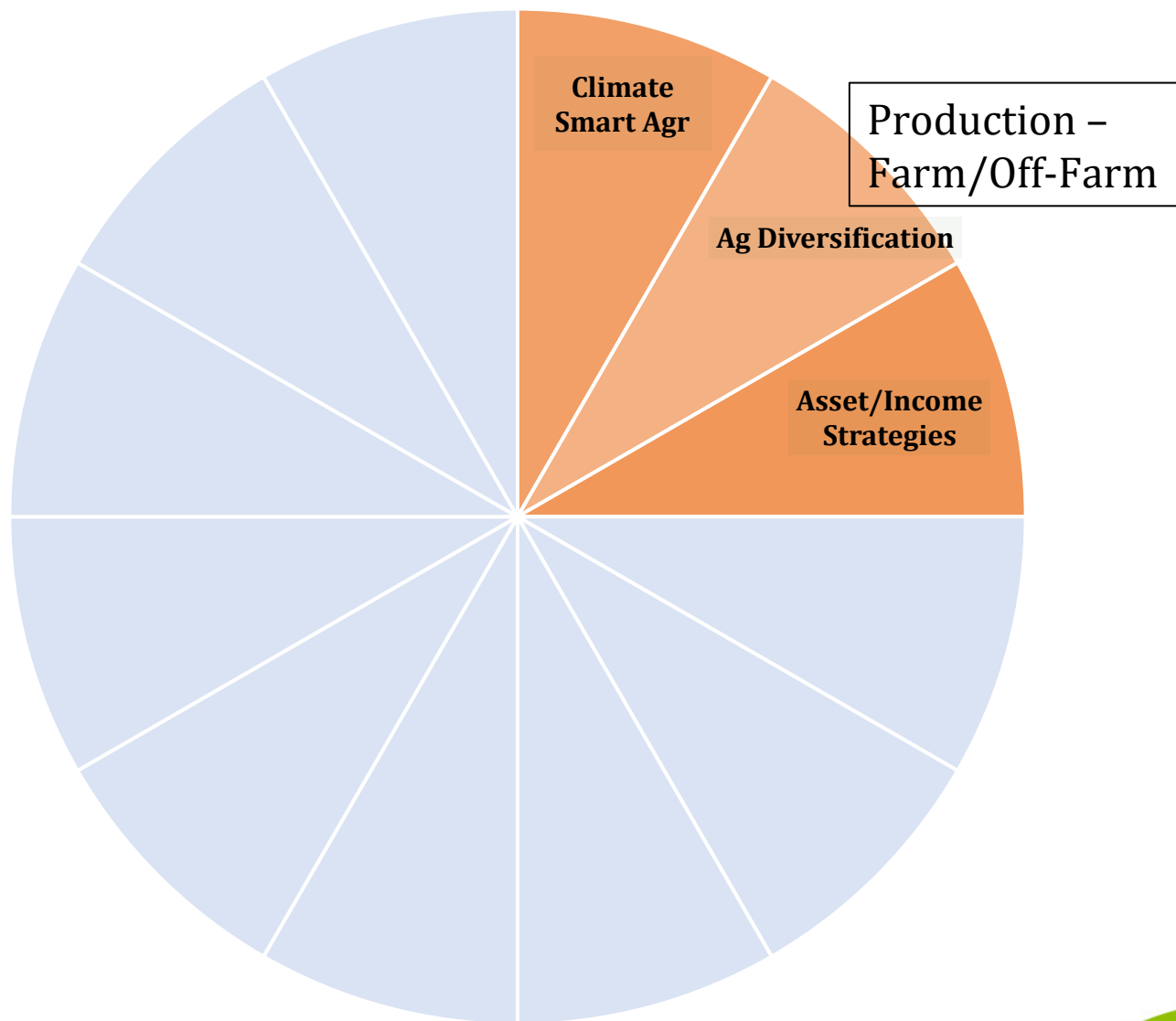
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COURSE

Agricultural Risk Management Tools

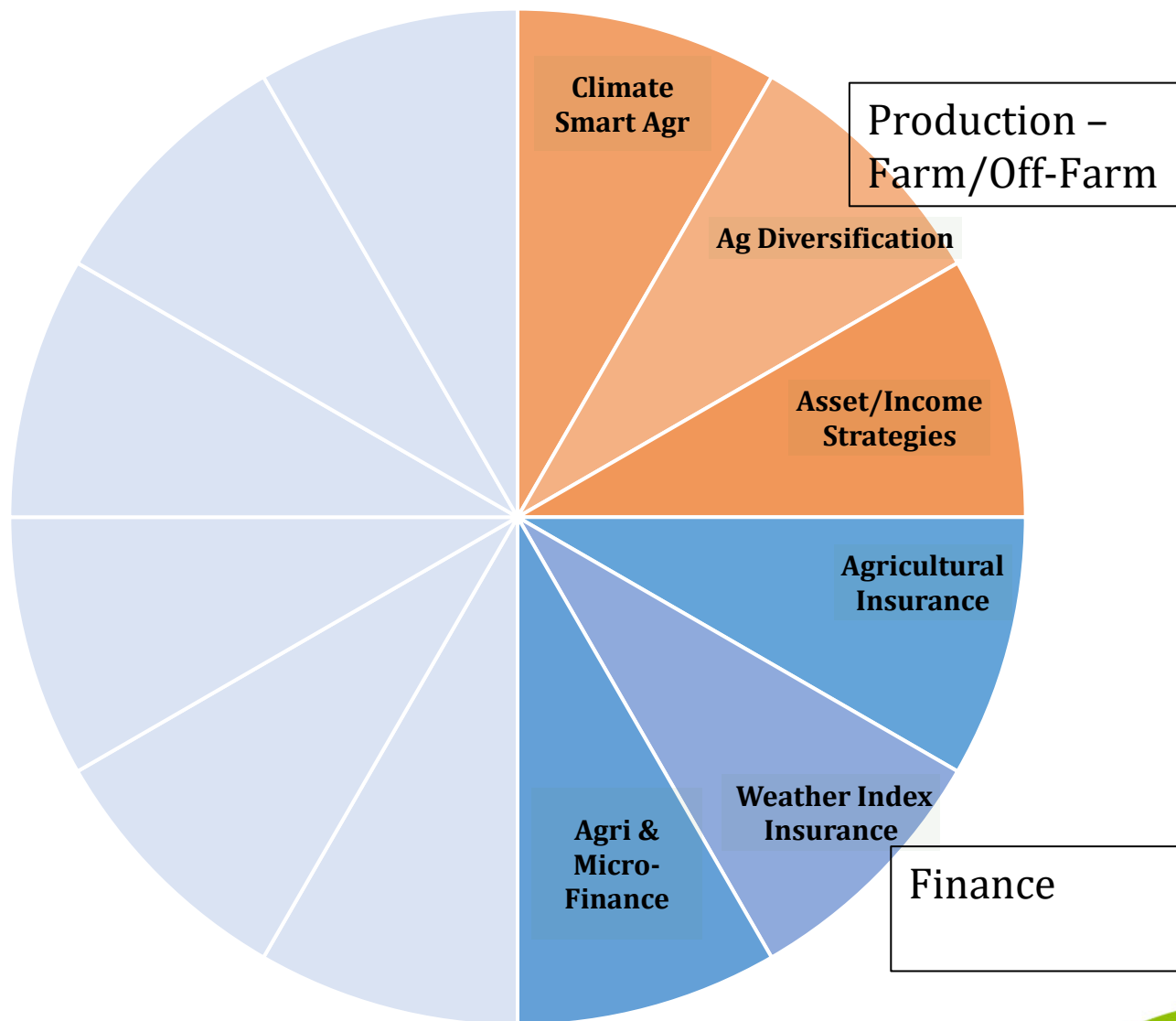


Selected ARM Tools



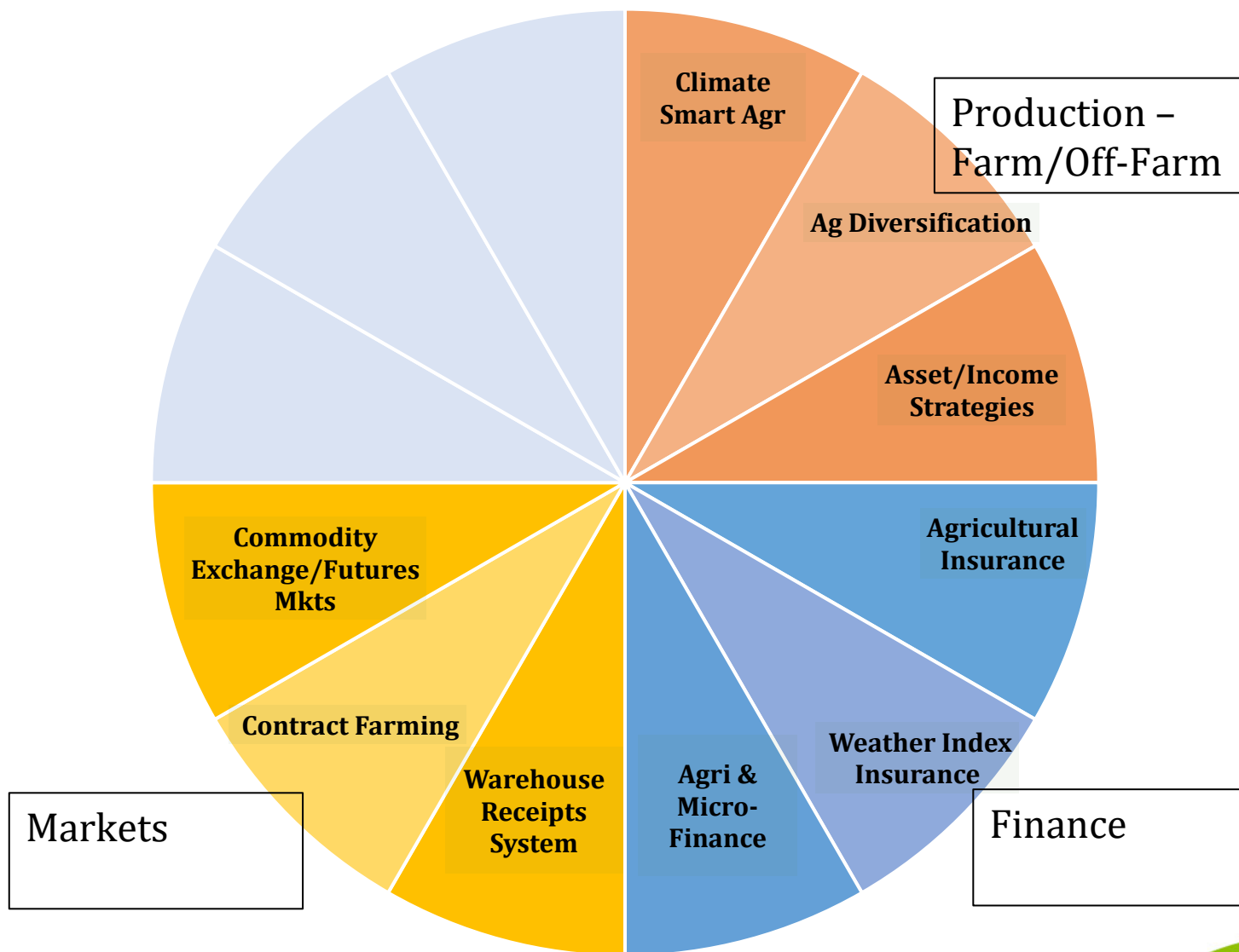


Selected ARM Tools



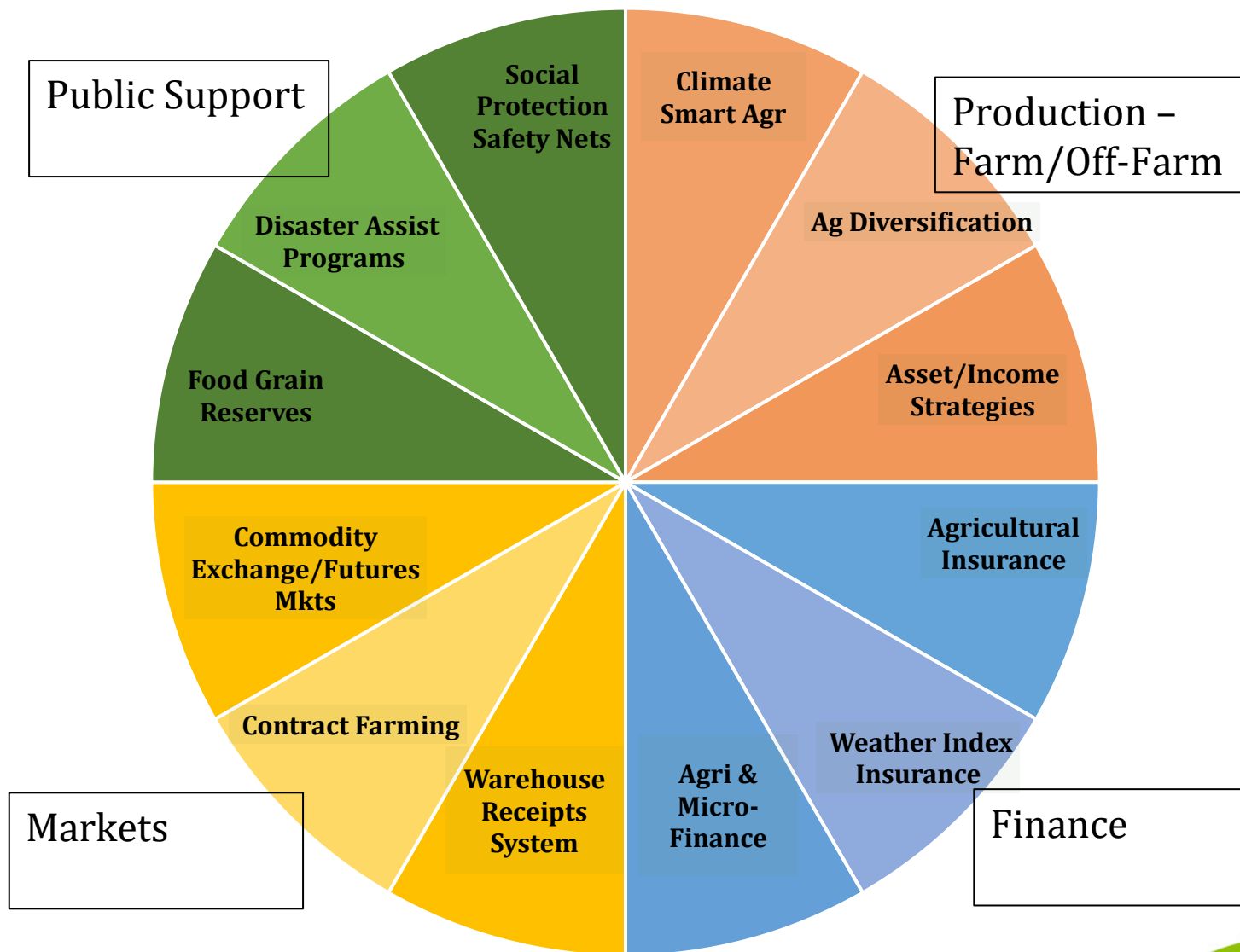


Selected ARM Tools





Selected ARM Tools





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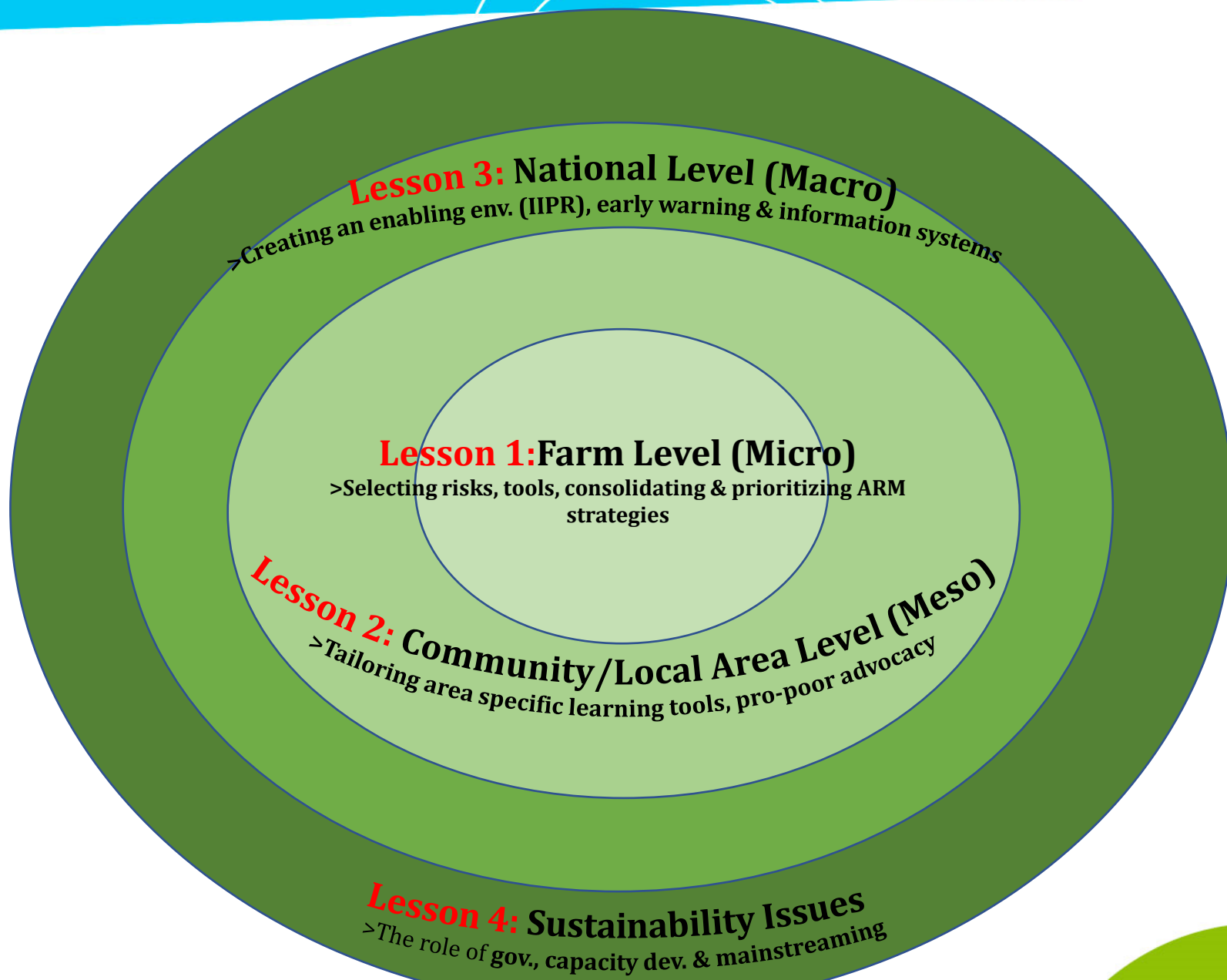
COURSE

Agricultural Risk Management Strategy, Policy and Mainstreaming



Capstone Course with 4 lessons:

Developing and implementing ARM strategy at -





Concluding Comments

- In conclusion, the bad news is that **agriculture is a risky** business. As demonstrated by the **COVID-19 pandemic**, new and more severe threats exist for all those connected to agri-food systems and their food security and livelihoods.
- The good news is that there are **ways to manage the risk** or at least mitigate its impact.
- The bad news is that many **developing countries lack the capacity** to deal with these risks. The good news is that there is **the human capacity to be developed and resources** to be utilized.
- Specifically about these courses, there are **limitations**. Even though various practical examples and case studies are provided, it is **not a hands-on technical training course** for ARM practitioners. Furthermore, given the complexities of risk elements, **lack of data/info and highly technical topics**, most learners are expected to get basically **an overview of the issues** and gain the **ability to participate** in the design, implementation, and discussion of ARM strategies at various levels.
- However, with the help of additional resources such as detailed **content documents** and other vital references for each course, keener learners can seek much more profound knowledge. Especially in an **academic and a guided learning settings**, these four courses can provide a **comprehensive curriculum on risk management** in agriculture.
- You can get a **certification badge** after completing each course.



Thank you for your kind attention

Comments, questions are welcome
(email: k.Gunjal@gmail.com)

**Please encourage anyone interested
to take these free online courses
At**

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