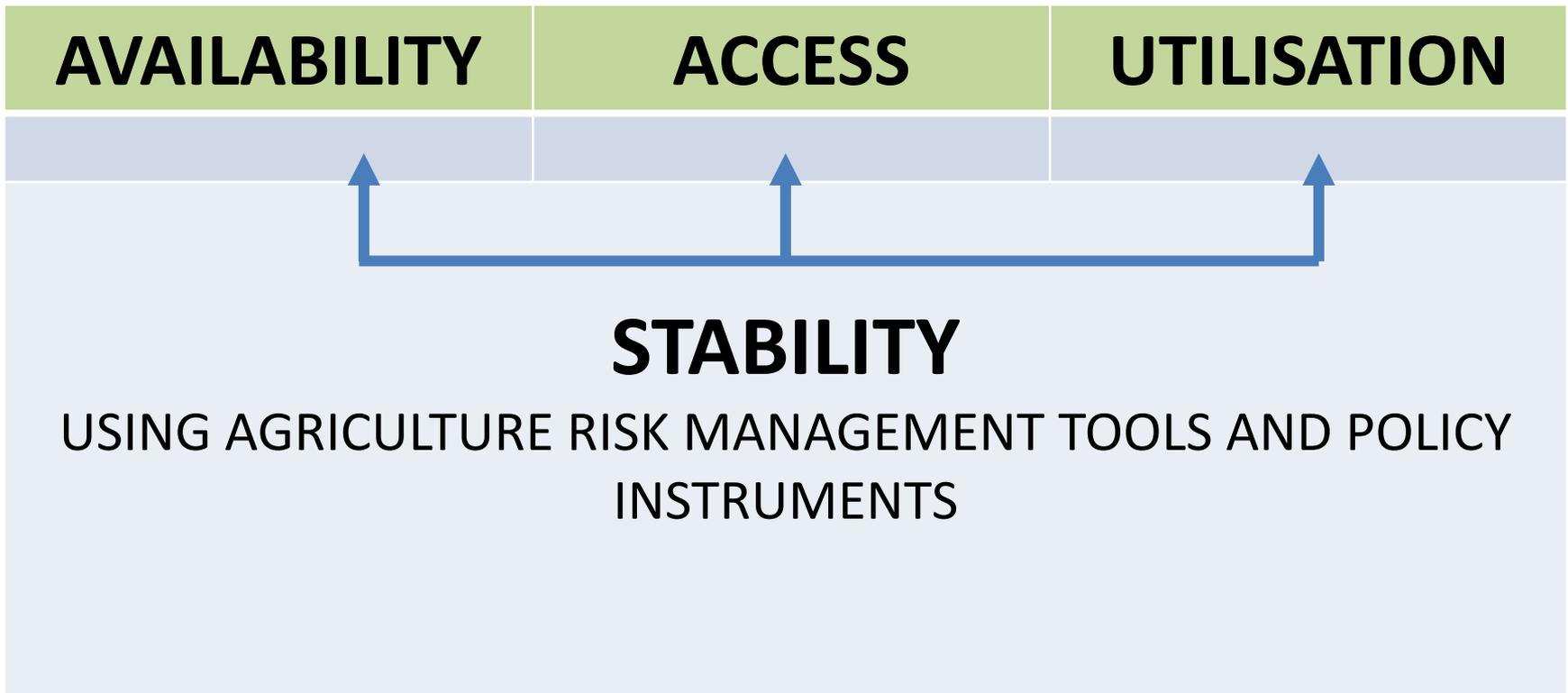


# INNOVATIVE APPROACHES TO BUILDING RESILIENCE TO FOOD INSECURITY IN AFRICA THROUGH AGRICULTURAL RISK MANAGEMENT

SAHEL AND WEST AFRICA CLUB FORUM  
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# Building RESILIENCE through the CROSS-CUTTING FOURTH DIMENSION OF FOOD SECURITY



# AGRICULTURE AND FOOD INSECURITY RISK MANAGEMENT (AFIRM)

- Need to MANAGE RISKS related to :
  - PRODUCTION
  - MARKETS
  - INSTITUTIONS AND POLICIES
  - CONSUMPTION

- In order to :

– **PROTECT, ADAPT, PROMOTE AND TRANSFORM ASSETS OF SMALLHOLDER RURAL PRODUCERS**

– While :

– **MITIGATING AND TRANSFERRING RISKS**



# AGIR AND AFIRM

Impact = AGIR Pillar 1/CAADP RF1

Sustainable Food Security, Nutrition, Wealth and shared Prosperity Through Resilience

Core business of AFIRM = AGIR Pillar 3/CAADP RF2

“ Sustainable improvement of agricultural and food productivity, incomes of the most vulnerable people and their food access”

How to achieve this? = AGIR Pillar 4/CAADP RF3

Improved agriculture and food security Governance (and institutions supporting effective **soft- including SP/Productive Safety Nets and hard infrastructure**)



RISKS		MIX OF TOOLS AND POLICIES			
		PREVENTION - ADAPTATION – <b>STABILIZATION</b>		COMPENSATION – MITIGATION - <b>STABILIZATION</b>	
		PRIVATE	PUBLIC	PRIVATE	PUBLIC
N A T U R A L  H A Z A R D S	<b>Individual farm risks</b>	<ul style="list-style-type: none"> <li>▪ Diversification</li> <li>▪ Conservation agriculture / agro-ecology</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training / extension services</li> </ul>	<ul style="list-style-type: none"> <li>• Microinsurance</li> <li>• Credit / mutual institutions</li> <li>• Private supports</li> </ul>	<ul style="list-style-type: none"> <li>▪ Social Assistance</li> </ul>
	<b>Collective production Risks</b>	<ul style="list-style-type: none"> <li>▪ Individual Savings</li> <li>▪ Improved seeds, adapted seeds to CC</li> </ul>	<ul style="list-style-type: none"> <li>▪ Management of catastrophic risks and contingency plans, civil protection</li> <li>▪ Emergency Food Reserves</li> <li>▪ Early warning systems, weather forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance index (climate)</li> <li>• Reinsurance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Short term safety nets</li> <li>▪ Disaster Funds</li> <li>▪ Guarantee Funds and Credit Facilities</li> <li>▪ Public insurance</li> <li>▪ Regional cooperation</li> </ul>
P R I C E  V O L A T I L I T	<ul style="list-style-type: none"> <li>▪ <b>Volatility of agricultural prices</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Contract farming</li> <li>▪ Classification Systems (standards and grades)</li> <li>▪ Cell phone network coverage</li> <li>▪ Professional organization / inter-branch</li> </ul>	<ul style="list-style-type: none"> <li>▪ Research</li> <li>▪ Vocational training</li> <li>▪ Extension services</li> <li>▪ Support for the organization</li> <li>▪ Public infrastructures</li> <li>▪ Pro-trade policies (regional integration)</li> <li>▪ Business environment, regulation and functional justice</li> <li>▪ Market information system</li> <li>▪ Supports to investment</li> <li>▪ Subsidizing the development of financial services (MFIs)</li> <li>▪ Variable levies on imports</li> <li>▪ Storage / intervention</li> </ul>	<ul style="list-style-type: none"> <li>▪ Access to financial services (MFIs, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Subsidizing insurance premiums,</li> <li>▪ funding of weather stations</li> <li>▪ Regional Cooperation</li> </ul>

RISKS		TOOLS AND POLICIES			
P R I C E  R I S K S		PREVENTION - RESILIENCE –STABILIZATION		COMPENSATION – MITIGATION - STABILIZATION	
		PRIVATE	PUBLIC	PRIVATE	PUBLIC
	<b>Fall in prices to producers</b>	<ul style="list-style-type: none"> <li>Stocks and individual savings</li> <li>Processing</li> </ul>	<ul style="list-style-type: none"> <li>Fixed and variable tariffs/quotas for import</li> <li>Export subsidies</li> <li>Purchase through buffer stocks</li> </ul>	<ul style="list-style-type: none"> <li>Change of activity/diversification</li> <li>Rural migration</li> </ul>	<ul style="list-style-type: none"> <li>Input subsidies</li> </ul>
<b>Soaring prices to consumers (local and imports)</b>	<ul style="list-style-type: none"> <li>Stocks and individual savings</li> </ul>	<ul style="list-style-type: none"> <li>Reduction /elimination of import tariffs</li> <li>Taxes/export bans</li> <li>Sales through buffer stocks</li> <li>Administered prices</li> </ul>	<ul style="list-style-type: none"> <li>Migration to rural areas</li> </ul>	<ul style="list-style-type: none"> <li>Short term safety nets</li> <li>Sales at subsidized prices</li> <li>Global safety nets</li> <li>Budget support</li> </ul>	
<b>MACRO RISKS</b>	Macroeconomic and political instability	<ul style="list-style-type: none"> <li>Emigration</li> </ul>	<ul style="list-style-type: none"> <li>Mechanisms for conflict management</li> </ul>		



# SYSTEMIC APPROACH PRINCIPLES

- Holistic approach at 3 levels : local, national, regional, international
- Multisectoriality : agriculture/environment; trade and markets; institutions and policies; health; education; infrastructure
- Knowledge based : research and technology
- Local capacity development and mindset shift : **FROM MANAGING CRISES TO MANAGING RISKS**
- Broad partnership



# COMPLEMENTARY INTERVENTIONS FOR BUILDING RESILIENCE

- **Addressing the constraints** : **Infrastructure**, Education, Finance, Health, Advisory Services, Crop Protection and Veterinary Services, ICT...
- **Building complex partnerships**
  - Private sector, research institutions, service providers, social enterprises, foundations, NGOs, Government, farmers associations
- **Knowledge, technology and skills/Improved farm management**
- **Bridging the gap between short term and long term interventions**



# STRENGTHENING FARMERS CAPACITIES TO MAKE **INFORMED CHOICES** (MAJOR OUTCOME)

- WHEN, WHERE, HOW to invest in AG Production
  - Access to information Systems → WHEN, WHERE, HOW MUCH and AT WHICH PRICE to purchase inputs and sell their crops
  - **Making plans for the future**/ keeping children at school, investing in new technology, savings ...



# KEY MESSAGES FOR A SYSTEMIC APPROACH TO RESILIENCE

- MANAGE RISK THROUGH STABILIZATION OF THE 3 FS DIMENSIONS
  - *USING A SET OF TOOLS AND POLICIES*
- FOCUS ON BUILDING SOFT AND HARD INFRASTRUCTURE
- ADOPT A HOLISTIC AND SYSTEMIC APPROACH FOR ACHIEVING FOOD SECURITY THROUGH RESILIENCE BUILDING AND AGRICULTURE TRANSFORMATION



**THANK YOU FOR YOUR  
ATTENTION**

