



ASIAN PRODUCTIVITY ORGANIZATION

PROJECT NOTIFICATION

24 July 2014

- 1. Project Code** 14-AG-01-GE-WSP-B
- 2. Title** Workshop on Financial Risk Analysis and Risk Management in Agribusiness
- 3. Timing and Duration** 24–28 November 2014 (five days)
- 4. Venue** Nadi, Fiji
- 5. Implementing Organizations**

Ministry of Labour, Industrial Relations and Employment
4th Floor, Civic House, P.O. Box 2216
Government Buildings, Suva, Fiji
Phone: 679-3303 500
Fax: 679-3304 701
e-Mail: snamosimalua@labour.gov.fj

National Training & Productivity Centre
Fiji National University
Hotel & Catering School Buildings
2/8 Queen Elizabeth Drive, Nasese, Suva, Fiji
Phone: 679-3311-004/3313-074/9990-724
Fax: 679-3311-756
e-Mail: dntpc@fnu.ac.fj
- 6. Number of Overseas Participants** Up to 18 qualified participants from Bangladesh, Cambodia, Fiji, India, Indonesia, IR Iran, Lao PDR, Malaysia, Mongolia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam.

However, other member countries with special interest in this project may nominate candidates upon consultation with the APO Secretariat.
- 7. Number of Local Participants** Up to six qualified participants
- 8. Closing Date for Nominations** 26 September 2014

9. Objectives

- a. To review the recent developments and assess the emerging trends and issues in the financial management of agribusiness;
- b. To identify appropriate tools, techniques, and best practices in financial risk analysis and management; and
- c. To enhance participants' knowledge and understanding of financial risk analysis and risk management in agribusiness

10. Background

Agribusiness plays a vital role in stimulating the economy in rural areas. It provides employment and indispensable links for small farmers to inputs and markets. However, the operation of agribusiness enterprises is very vulnerable to risk, including the unpredictability of weather, pest infestations, economic and political situations, and commodity market prices, which often lead to delinquencies and defaults in repayment. These risks, when not properly assessed and managed, could have adverse impacts on the sustainability of business operations and thus the employment and incomes of small farmers and entrepreneurs.

This workshop will provide a venue for sharing information, knowledge, and best practices in financial risk analysis and risk management in agribusiness, and the related issues and challenges faced by agribusinesses in the region. The workshop is designed to build the competencies of agribusiness project investment planners, project managers, financial analysts, and credit and loan evaluators working in financing institutions that serves the credit and financial requirements of agribusiness companies, entrepreneurs, and small farmers.

11. Scope and Methodology

The workshop will consist of lead paper presentations, including case studies by resource persons, country presentations by participants, group discussions, and visits to selected sites showcasing successful applications of risk management schemes. The tentative topics to be covered are:

- a. Financial service delivery for agribusiness in Asia: Trends and challenges;
- b. Type of financial risk in agribusiness: Essential features and key factors;
- c. Concepts, principles, and approaches to financial risk management in agribusiness;
- d. Role of insurance and credit guarantee schemes in mitigating risks for agribusiness;
- e. Market-based price risk management instruments for mitigating risks of agribusiness;
- f. Successful model of a financial risk management scheme of a financial institution in the region; and
- g. Capacity development needs of agribusiness and rural financial institutions in risk management.

12. Qualifications of Candidates

The participants are expected to possess the following qualifications:

Present Position CEOs, managers, and officers of agribusinesses; managers and

senior officers of financing institutions providing financial services to agribusiness and small farmers; senior officers of government agencies responsible for implementation, formulation, and review of agribusiness programs; or academics and researchers on agribusiness.

Experience	At least three years of experience in the position described above.
Education	University degree or equivalent qualification from a recognized university/institution.
Language	All proceedings of the project are conducted in English, and participants are frequently required to make oral and written presentations. They must therefore be proficient in spoken and written English. Those who are not proficient in English will not be accepted.
Health	Physically and mentally fit to attend an intensive project requiring participants to complete a number of individual and group activities and strenuous fieldwork. It is therefore recommended that member countries do not nominate candidates likely to suffer from physical and mental stress.
Age	Candidates who fit the above profile are typically between 35 and 50 years of age.
APO Certificate	Participants are required to attend the entire program to receive the APO certificate of attendance.

13. Financial Arrangements

To be borne by participants or participating countries

- a. Participants' insurance premiums: All participants should be fully insured against accident and illness (including hospitalization and death) for a principal sum equivalent to US\$10,000.00 for the entire duration of the project and travel, and must submit to the APO Secretariat a copy of the comprehensive travel insurance certificate before participation. Such insurance should be valid in the host country. This insurance requirement is in addition to existing government insurance coverage in some member countries. If any participant is unable to insure himself/herself as stipulated above, he/she should secure this insurance in the host country at the commencement of the project and pay the premium himself/herself, if necessary, from the per diem allowance provided. Neither the APO nor the implementing organizations will be responsible for any eventuality arising from accident or illness.
- b. All expenses related to visa fees and airport taxes.
- c. Any expenses incurred by participants for stopovers on the way to and from the project venue as well as for extra stay at the project venue before and/or after the official project period because of early arrival or late departure, for example, due to

either limited available flights or any other reason.

To be borne by the host country

- a. Per diem allowances and hotel accommodation for up to 18 overseas participants for up to six days at the rate to be specified later.
- b. All local implementation costs.

To be borne by the APO

- a. All assignment costs of overseas resource persons.
- b. Round-trip economy-class international airfare by the most direct route between the international airport nearest to the participants' place of work and Nadi, Fiji. As far as practicable, all participants should purchase discount tickets. Please note that the arrangements for the purchase of air tickets should follow the "Guide on Purchases of Air Tickets for APO Participants", which will be sent to the selected participants. It is also available on the APO website and from APO Liaison Officers in member countries.

14. Actions by Member Countries

- a. Each participating country is requested to nominate two or more candidates in the order of preference. Please ensure that candidates nominated meet the qualifications specified under section 12 above.
- b. No form of self-nomination will be accepted. All nominations must be endorsed and submitted by an APO Director, Alternative Director, Liaison Officer, or their designated officer.
- c. Please note that nomination of a candidate does not necessarily guarantee that he/she will be selected. Selection is at the discretion of the APO Secretariat. A basic criterion for selection is the homogeneity of the participants in terms of qualifications and work experience. Nonselection therefore does not mean that the candidates concerned are not competent enough. Sometimes candidates are not selected because they are overqualified for a project.
- d. Each nomination should be accompanied by the necessary documents. A nomination lacking any of these documents may not be considered: two copies of the candidate's biodata on the APO biodata form together with a passport-sized photograph. The biodata form can be downloaded from the APO website (www.apo-tokyo.org). We encourage submitting the biodata form to the APO Secretariat in electronic form as an attachment to a cover e-mail message from the APO Director, Alternate Director, or Liaison Officer. The nomination documents should be sent to the Agriculture Department, APO Secretariat (e-mail: agr@apo-tokyo.org, fax: 81-3-5840-5324).
- e. The APO Medical and Insurance Declaration/Certification Form. Every candidate must complete and submit a copy of the APO Medical and Insurance Declaration/Certification Form with his/her biodata at the time of nomination. Please

note that self-declaration is sufficient for candidates without any of health conditions or illnesses listed on the reverse side of the medical form. However, for all others, medical certification by a licensed physician on the reverse side of the medical form is required.

- f. Necessary documents are to be submitted electronically. In that case, there is no need to send a hard copy by postal mail. However, if the documents are submitted by fax, member countries are requested to mail the originals of the documents to the APO Secretariat as well. If a digital photograph of a nominee is not attached to the electronic biodata form, a hard-copy photograph should be sent to the APO Secretariat by postal mail. Please give the candidate's name and the project code on the reverse side of the photograph.
- g. Member countries are requested to adhere to the nomination deadline given on page 1. The APO Secretariat may not consider late nominations as they have in the past resulted in considerable difficulties to the implementing organization in its preparatory work for the project.
- h. For member countries where nominations are required to be approved by higher government authorities and require a longer time, the APO Liaison Officers/NPOs are urged to send the names of nominees on or before the deadline, indicating that government approval will follow.
- i. If a selected participant becomes unable to attend, he/she should inform the APO Liaison Officer/NPO in his/her country immediately and give the reason for withdrawal. The NPO concerned is requested to transmit that information to the APO Secretariat and the host country promptly.
- j. NPOs are requested to inform the selected participants that they are not to bring family members or to engage in any private business activities during the entire duration of the project.
- k. Each selected participant should be informed to arrive at the venue one day before the start of the official project. Also, he/she is expected to return home upon completion of the official project because he/she is visiting the host country for the specific purpose of attending this APO workshop.
- l. NPOs should inform participants that they must attend all five days of the project to qualify for the certificate of attendance.

15. Actions by the APO Secretariat

- a. Under normal circumstances, candidates who are selected will be informed of their acceptance at least four weeks prior to the start of the project.
- b. If some candidates fail to qualify or be unable to participate after selection, or if some member countries fail to nominate any candidate, their slots may be filled by alternates from the same or another member country on a merit basis.

16. Project Preparation

The participants are required to prepare a paper prior to departure for the project venue. In preparing the paper, they are expected to follow the attached "Guidelines for the Preparation of Country Papers."

17. Postproject Actions

All participants are required to prepare action plans and share the plans with their NPOs. The APO will also request participants to submit progress reports six months after completion of the workshop.

18. Evaluation of Participants

If the conduct/attendance/performance of a participant is not satisfactory, these will be reported to the APO director concerned.

19. Guide for Participants

Other conditions for participation are given in the *APO Guide for Participants*, which is available from APO Liaison Officers/NPOs in member countries and on the APO website (www.apo-tokyo.org).



Mari Amano
Secretary-General

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Guidelines for Preparation of Country Papers

Each selected participant is required to submit a paper keeping in mind the scope and objectives of the workshop and topical outline provided below. The paper may be written in the personal capacity of the participant but must be substantiated and should reflect an accurate account of the current status of “Financial Risk Analysis and Risk Management in Agribusiness.” It must be supported by statistical data/information wherever appropriate.

The paper should be typewritten, single-spaced, on standard A4-size paper, and be between 3 and 5 pages in length, excluding tables/figures. A soft copy of the paper should reach the APO, Ministry of Labour, Industrial Relations and Employment, Fiji and National Training & Productivity Centre no later than 14 November 2014.

Participants are encouraged to provide in their papers as much relevant, useful information as possible but they must avoid including unnecessary general information on agriculture as well as the profile of their country.

Participants are also required to prepare a summary of their papers not exceeding 300 words. It should contain only the salient points of the paper. The summary will be used to prepare the highlights of the workshop.

The following topical outline is suggested as a guide. It is not meant to restrict the preparation of the paper but rather to encourage the inclusion of other equally relevant information to make it more substantial and meaningful.

Tentative Topical Outline **TOPICAL OUTLINE**

1. Please provide a brief overview of the current developments and trends in financial services to agribusiness in your country, highlighting the following: a) the major institutional players; and b) brief description of their types of services/programs for agribusiness.
2. Please describe the major financial issues and challenges, particularly the various risks, faced by agribusiness in your country (or you may focus on your company or institution).
3. Please discuss the successful risk management approaches practiced by agribusinesses or rural financial institutions in your country (or you may focus on your company or institution).