CIHEAM
International Centre for Advanced Mediterranean Agronomic Studies
Mediterranean Agronomic Institute of Zaragoza

GOBIERNO DE ESPAÑA | MINISTERIO DE AGRICULTURA, ALIMENTACIÓN Y MEDIO AMBIENTE | ENTIDAD ESTATAL DE SEGUROS AGRARIOS (ENESA)

ceigram
Research Centre for the Management of Agricultural and Environmental Risks

Advanced Course

RISK MANAGEMENT IN MEDITERRANEAN AGRICULTURE: AGRICULTURAL INSURANCE

Zaragoza (Spain), 21-25 November 2016

1. Objective of the course

Increasing risks affect the income and the welfare of farmers in the Mediterranean countries. Climatic variations, sanitary and market risks and higher frequency of extreme events have a profound effect on farms' viability. A wide range of strategies is now available to manage these risks. These strategies, mainly based on government intervention, allow the risks faced by farmers to be mitigated and transferred. In this context insurance programmes may provide opportunities to effectively manage agricultural risks.

The objective of this course is to provide decision makers with advanced tools for agricultural risk management, with a special focus on the design, implementation and evaluation of insurance schemes adequate for the Mediterranean region conditions.

Upon completion of the course the participants will:

- Be able to analyse the main risks affecting agriculture in their respective countries.
- Have a greater understanding of risk management strategies and tools and their applications.
- Have a good knowledge of the different options to set up agricultural insurance schemes.
- Know the possibilities of new technologies in the development of agricultural insurances.
- Be in a position to establish institutional and personal relations that may improve cooperation in the region by sharing the experience on agricultural insurance.

2. Organization

The course is jointly organized by the **International Centre for Advanced Mediterranean Agronomic Studies (CIHEAM)**, through the **Mediterranean Agronomic Institute of Zaragoza (IAMZ)**, the **State Agency for Agricultural Insurance (ENESA)** of the Spanish **Ministry of Agriculture, Food and Environment (MAGRAMA)**, and the **Research Centre for the Management of Agricultural and Environmental Risks (CEIGRAM)** of the **Technical University of Madrid (UPM)**. The course will take place at the Mediterranean Agronomic Institute of Zaragoza and will be given by well qualified lecturers from research centres, universities, government departments, associations and private institutions in different countries.

The course will be held over a period of 1 week, from 21 to 25 November 2016, in morning and afternoon sessions.

3. Admission

The course is designed for 25 professionals with a university degree, with responsibilities in defining the agricultural policies in their respective countries or professionals from insurance companies or other organisations involved in agricultural insurance and risk management.

Given the diverse nationalities of the lecturers, knowledge of English, French or Spanish will be valued in the selection of candidates, since they will be the working languages of the course. The Organization will provide simultaneous interpretation of the lectures in these three languages.

4. Registration

Application forms may be obtained from:

Instituto Agronómico Mediterráneo de Zaragoza
Avenida de Montañana 1005, 50059 Zaragoza (Spain)
Tel.: +34 976 716000 - Fax: +34 976 716001
e-mail: iamz@iamz.ciheam.org
Web: www.iamz.ciheam.org

Candidates should send the completed application form to the above address, accompanied by a detailed *curriculum vitae*, stating degree, diplomas, experience, professional activities, language knowledge and reasons for applying to the course. Copies of certificates should be enclosed with the application.

The deadline for the submission of applications is **14 September 2016.**

Applications from those candidates who cannot present their complete records when applying, or those requiring authorization to attend the course, may be accepted provisionally.

Registration fees for the course amount to 500 euro. This sum covers tuition fees only.

5. Scholarships

Candidates from CIHEAM member countries (Albania, Algeria, Egypt, France, Greece, Italy, Lebanon, Malta, Morocco, Portugal, Spain, Tunisia and Turkey) may apply for scholarships covering registration fees, and for scholarships covering the cost of travel and full board accommodation in the Hall of Residence on the Aula Dei Campus.

Candidates from other countries who require financial support should apply directly to other national or international institutions.

Please display on a notice board if possible

Instituto Agronómico Mediterráneo de Zaragoza
Avenida de Montañana 1005, 50059 Zaragoza, Spain
Tel.: +34 976 716000, Fax: +34 976 716001
E-mail: iamz@iamz.ciheam.org
CIHEAM

See updated information at

www.iamz.ciheam.org

INFORMATION CONTINUES OVERLEAF

6. Insurance

It is compulsory for participants to have medical insurance valid for Spain. Proof of insurance cover must be given at the beginning of the course. Those who so wish may participate in a collective insurance policy taken out by the Organization, upon payment of the stipulated sum.

7. Teaching organization

The programme has an applied and interactive focus which will allow participants to share their experience and become acquainted with the application of different insurance programmes for risk management specific to their agriculture.

The course includes lectures, round table discussions and group work. The diverse professional profiles of the lecturers offer participants different perspectives that will enrich the programme of the course.

Participants will be asked to prepare before the beginning of the course a brief report on the situation of risk management and insurance schemes in their countries. These reports will be used for the group work where participants, tutored by lecturers, will work in the analysis of the risk landscape in their own countries.

8. Programme

1. **Risk in agriculture (4 hours)**
   - 1.1. Risks: concept and measurement
   - 1.2. Risks in the agricultural sector
   - 1.3. Risk management strategies and tools
     - 1.3.1. Risk prevention measures: on farm practices, diversification, savings, etc.
     - 1.3.2. Risk transfer
       - 1.3.2.1. Pooling tools: insurance and mutual funds
       - 1.3.2.2. Market related tools
   - 1.4. National policies: ex ante versus ex post strategies
2. **Agricultural insurance (5 hours)**
   - 2.1. Basic principles of the insurance and factors that limit the insurability of risk
     - 2.1.1. Insurability conditions
     - 2.1.2. Information asymmetry: moral hazard and adverse selection
     - 2.1.3. Who assumes the risk? (farmer, insurance company, reinsurance company, state)
   - 2.2. Monitoring and indemnity evaluation techniques
     - 2.2.1. Expertise assessment
     - 2.2.2. Indexes
   - 2.3. Types of agricultural insurance
     - 2.3.1. Crop insurances: single-peril, multi-peril, yield-based insurance
     - 2.3.2. Livestock insurances
     - 2.3.3. Income and revenue insurance
   - 2.4. Main characteristics of insurance policies: premiums, deductibles, coverage levels
3. **Factors explaining farmers' insurance demand (4 hours)**
   - 3.1. Insureds' characteristics and risk behaviour
   - 3.2. Insurance marketing: product, price, place, promotion
   - 3.3. The view of the farmer
4. **Steps and options for implementing national agricultural insurance systems (6 hours)**
   - 4.1. Political decisional framework, legislation and budget issues
   - 4.2. Institutional setting for national insurance systems
     - 4.2.1. The role of governments, farmers and the private sector (Public-private partnership, PPP)
     - 4.2.2. Operational setup: pools versus private partners
   - 4.3. Insurance operations (policies administration, risk pricing, loss management, data management)
   - 4.4. Round table: Participation of public administrations, insurers and the agricultural sector in the design of risk management policies
5. **Application of new technologies in the development of agricultural insurance (4 hours)**
   - 5.1. Geographic information systems for risk evaluation and portfolio management
   - 5.2. Remote sensing for damage and yield assessment
   - 5.3. Big data
   - 5.4. Development of models for animal health risk assessment
   - 5.5. Agroclimatic and crop models for yield response and risk assessment of drought, flood and other climate events
6. **Round table: Challenges for agricultural insurance in the Mediterranean region (2 hours)**
7. **Group work on the analysis of the situation in the participants' countries in respect of the topics dealt with during the course (4 hours)**

GUEST LECTURERS

I. BARDAJÍ, CEIGRAM-Univ. Politécnica de Madrid (Spain)
M. CRUZ, Agroseguro, Madrid (Spain)
J. CRUZÁN, Agroseguro, Zaragoza (Spain)
G. ENJOLRAS, IAE Grenoble (France)
L. FRANCO, Agroseguro, Madrid (Spain)
T. GARCÍA AZCÁRATE, CEIGRAM-Univ. Politécnica de Madrid (Spain)
J.M. GARCÍA DE FRANCISCO, ENESA, Madrid (Spain)
A. GARRIDO, CEIGRAM-Univ. Politécnica de Madrid (Spain)
J. HERBOLD, Munich Re (Germany)
M. MARCHAMALO, Univ. Politécnica de Madrid (Spain)
J.R. MASOT, Unió de Pagesos de Catalunya, Lleida (Spain)
J.M. PENELLA, UAGA-Aragón (Spain)
M.J. POBLET, DG Producción Agraria-GA, Zaragoza (Spain)
M. RUIZ RAMOS, CEIGRAM-Univ. Politécnica de Madrid (Spain)
J. SÁEZ, Mapfre, Madrid (Spain)
J.M. SÁNCHEZ VIZCAÍNO, Univ. Complutense de Madrid (Spain)
M. SANZ, Cooperatives Agroalimentàries de la Comunitat Valenciana (Spain)
A. TARQUIS, CEIGRAM-Univ. Politécnica de Madrid (Spain)
D. VARELA SANZ, Consorcio de Compensación de Seguros, Madrid (Spain)

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