COURSE REGISTRATION FORM

Teacher	Todor Marković
University	University of Novi Sad, Faculty of Agriculture
Course	Weather Derivatives and Risk Management in Agriculture
Target	Agricultural Middle Schools and Agricultural Extension Service
Type	blended
Duration	1 day - 8 hours

Description	The theoretical part of the course allows the participants to improve their existing knowledge in the field of risk management in agriculture through consideration of the basic instruments for risk management, that is, the basic models of insurance in agriculture. Participants will become familiar with the theoretical basis of weather derivatives, as new financial instruments in risk management. The basic parameters that determine the weather derivatives, their financial markets, and the advantages and disadvantages of this type of insurance in relation to traditional one, will be considered. Special emphasis will be placed on numerical aspects of risk management, where quantitative methods for risk assessment (methods of stochastic dominance and analysis of the expected value and variance), will be applied so that teachers / advisors will be able to familiarize themselves with the new method of risk transfer based on the examples of usage weather derivatives in our agriculture.

Contents	Risk management in agriculture (risk types and instruments for risk management, the concept, types and elements of insurance, problems in the market, assurance programs in agriculture), weather derivatives (the concept and the theoretical basis, types of products, model of a weather contracts, the use of weather derivatives in agriculture).

Objectives	Familiarizing course participants with the new possibilities of risk management and various forms of insurance in agriculture, with particular emphasis the weather derivatives. Developing an interest in studying new models of insurance in agriculture, as well as considering the possibility of their application in Serbia.

Activities	Interactive lecture on the characteristics of risk management in agriculture and the insurance models, with particular emphasis on new financial instruments – weather derivatives and the practical part involving numerical examples of risk management (establishing insurance premiums with different models, calculating fair premium and payoff of options etc.). After the lecture, the participants will receive learning material in electronic form ("the program package"). Knowledge

	testing will be conducted in the form of an on-line test. The practical part of the course will involve role-playing exercise, where the course participants will be divided into groups (each group will have a representative of the state, the insurer and the insured) and will present their views on basic issues related to the problems of risk management in Serbia (damage assessment, the amount of premiums, adverse selection and so on.). The aim of this exercise is for the participants to realize that there are different interests in risk management, and to learn about the ways in which farmers, as the insured, can influence the state and the insurers in terms of better solving the basic relations in the field of agriculture insurance. Concluding observations of the results that were obtained during the course.

Materials	Prepared handouts for teachers / advisors (ppt, pdf, excel), laptop with preinstalled software package, video screen, a presenter, smart board, markers in different colors.