

In exciting news for rural Australia financial Risk Management the NFF made the following [press release](#) 28th May 2020:



NFF leads dive deep into risk management tools for Australian farmers

📅 28 May 2020

The National Farmers' Federation has kicked off a significant project which will deliver insights and tools that will help farmers better manage risk.

The NFF is partnering with the NSW Government on a project aimed at improving the financial risk management options available to Australian farmers to assist them to manage drought, natural disasters and a range of other risks. The project is multi-commodity and national in focus.

NFF President Fiona Simson said risk was a challenge the industry was yet to fully master and this series of investigations would allow the industry to come together and determine what was going to help and how the industry could work collaboratively with government to make a difference.

A final report incorporating each sub-project report's findings and recommendations will be presented to the NSW Government on 30 October 2020.

'OBA Consulting unreservedly supports this initiative and commends the NSW DPI and NFF for carrying out this [exceptionally meritorious work](#)'

Brett O'Brien - Managing Director



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Prior reference to this deep dive was made in OBA update [here](#) of March 1st 2020 and [here](#) January 19th 2020:



MF20/374

Mr Brett O'Brien
admin@obaconsulting.com.au

Dear Mr O'Brien

Income protection insurance for farmers

Thank you for your emails of 20 and 29 January 2020, to the Hon Adam Marshall MP, Minister for Agriculture and Western New South Wales, regarding Income protection insurance for farmers. The Minister has asked me to respond on his behalf.

I am grateful for your offer to lend your expertise in this area. I understand that the issue of insurance solutions for farmers is a complex question that has a history of extensive debate. It is in this context that the NSW Government announced last year that it has committed \$2 million to facilitate a process of industry collaboration and partnership that we expect will result in improved options available to farmers to mitigate business risk. I am well aware of the complexities that have shaped the debate in this area over many years, which is why we are deliberately taking a blank canvas approach in developing this scheme, and in this context I appreciate your valuable input.

Through the Department of Primary Industries (DPI), the Government is liaising with other state governments and the Commonwealth to determine their appetite to commit time and resources to this project. DPI is also liaising with the National Farmers Federation, our partner on this project, to establish the relevant processes.

These discussions will help develop a detailed course of action, where we will seek to engage with relevant industry groups and experts willing to offer their input and valuable experience. To this end, I thank you for your early engagement on this matter and welcome your contributions going forward.

If you require additional information or wish to discuss the shape of the income protection scheme further, please contact Mr Darren Budworth, Director, Industry Insights and Analysis, in DPI, on 0409 604 244.

Thank you again for your interest in this matter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'K. Lorimer-Ward'.

KATE LORIMER-WARD
DEPUTY DIRECTOR GENERAL
DPI AGRICULTURE



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OBA Consulting has been invited to participate in this work:

**National
Farmers
Federation**



13 May 2020

To whom it may concern,

RE: Invitation to contribute to the National Farmers' Federation On-farm Financial Risk Management Project.

The National Farmers' Federation is partnering with the NSW Government on a project aimed at improving the financial risk management options available to Australian farmers to help them manage drought and other natural disasters. The project is multi-commodity and national in focus.

The project is divided into the following six sub-projects.

1. Commercial and government-subsidised insurance options
2. Forward contracts, futures, options and swap markets and associated product options
3. Mutuals and co-operatives
4. Awareness and education of financial risk management options
5. Off-farm income and assets
6. Other government risk management measures

The NFF and the NSW Government are determined that the outcomes of this project identify new financial risk management products and government measures that significantly improve on the current suite of options and that these products can be readily adopted by farmers. To this end, the project puts farmers at the centre of the work. Each sub-project team is convening a Farmer Reference Group that will provide input, act as a sounding board for ideas, and will ground-truth findings and recommendations. I would like to invite you to take part in a Farmer Reference Group.

We believe your experience will enable you to make a valuable contribution to this important project and we would deeply appreciate your involvement. Membership of the Farmer Reference Group would require you to attend three meetings (May, July and October). We expect the overall required time commitment by members of the group to be between 6hrs - 9hrs. In light of current circumstances regarding COVID-19, meetings will take place by videoconference. Your respective sub-project team may also contact you outside of these times to seek your views on specific questions.

We hope you will accept this invitation. Should you have any questions, please do not hesitate to contact Liam Watson (lwatson@nff.org.au) or John Sheehy (john.sheehy@pottinger.com).

Yours sincerely

FIONA SIMSON
President

OBA Consulting remains vigilant to see how the landscape evolves post Australia's mini 'awakening' into the exigency of this work.



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