

5. RISK ANALYSIS

Risk is defined as the effect of uncertainty on objectives (whether positive or negative). Risk management can, therefore, be considered the identification, assessment and prioritization of risks, followed by the coordinated and economical application of resources to minimize, monitor and control the probability and/or impact of events. Table 4 provides a 'what if' risk analysis.

Table 4 - 'What if' risk analysis

Key risks	Impact	Probability	Assumption
Political uncertainties, the lack of full implementation of the CPA	<ul style="list-style-type: none"> A lack of full implementation of the CPA would lead to an increased rift in the north-south divide. A political fallout between the partners to the CPA would lead to an outbreak of geopolitical hostilities. 	Over halfway through the post-CPA interim period, about 50 percent of the CPA has been implemented. With elections already conducted in April 2010 and the referendum scheduled for beginning of 2011, increased political tension and posturing does not augur well for the political stability of the region.	Political issues threatening the full implementation of the CPA are resolved by the two parties to the CPA and the post-elections period and referendum lead to overwhelming acceptance of the results.
Worsening of climatic conditions	<ul style="list-style-type: none"> Drought A drought in pastoral areas would increase the risk of livestock morbidity and mortality and resource-based conflicts. Uneven distribution of rains would mainly affect farmers through yield reduction. A drought would result in poor fishing and thus food insecurity among fishers. Floods. Floods or excessive rains would increase the risk of diseases for humans and livestock. The proliferation of endo- and ecto-parasites would weaken animal production. Floods or excessive rains would destroy crops and result in food shortages. Floods or excessive rains would destroy roads and bridges, hindering the movement of people and goods and disrupting access to markets. 	The Inter-Governmental Authority on Development Climate Prediction and Applications Centre has not yet released information on the climate outlook for the first quarter of 2010. However, the succession of droughts and floods that have affected Southern Sudan in the past decade mean that there is a high probability that these will occur during the two years covered by the PoA.	Climatic conditions are favourable for farming and livestock-rearing activities.
Animal disease	<ul style="list-style-type: none"> Outbreaks of transmissible animal diseases would increase the risk of livestock mortality and morbidity, thereby worsening food security. 	There is a high probability of having an outbreak of transmissible animal disease in the region. FAO activities aim to minimize this risk.	Outbreaks will be contained and loss of livelihood assets among the population will be minimal.

Plant disease	<ul style="list-style-type: none"> Further diffusion of plant diseases such as cassava mosaic virus or banana bacterial wilt, or pests such as army worm and locusts would reduce crop yields and overall production, contributing to an increase in vulnerability. 	Plant diseases are spreading in the region. There is a risk of locust outbreaks in the Horn of Africa. FAO activities aim to minimize this risk.	Outbreaks will be contained and damages to standing crops will be reduced.
Ethnic conflicts	<ul style="list-style-type: none"> Increased inter- and intra-ethnic conflicts would: <ul style="list-style-type: none"> cause further displacement; further reduce pastoralist/livestock mobility; contribute to market disruption; and reduce access to vulnerable populations by humanitarian workers. 	As indicated in Section 1.4, inter-ethnic violence is most likely to spread, fuelled by a combination of factors including the breakdown of traditional authority, shifting of power to youth gangs, the proliferation of weapons and possible interference from external actors.	Peacebuilding initiatives are implemented and result in reduced ethnic violence. The population's access to land and water resources is not affected by insecurity.

5.1 RISK MONITORING

Regular risk monitoring provides management with assurance that established controls are functioning properly. While every FAO staff member is concerned with and has a role to play in risk monitoring, it will be the overall responsibility of the FAO Senior Emergency and Rehabilitation Coordinator for Southern Sudan to determine:

- if any risks have changed;
- risk controls being used; and
- the effectiveness of the risk-control actions and techniques.

5.2 STEPS PROPOSED WITHIN THE PROGRAMME TO ADDRESS THESE RISKS

Risk reduction: is used to describe the application of appropriate techniques to reduce the likelihood of an occurrence, its consequences, or both.

A number of activities within the PoA focus on DRR and are meant, in particular, to contribute to mitigating the impact of crop and animal diseases. These include: (i) multiplication of seeds and vegetative material, particularly disease-tolerant cassava; (ii) support to CAHWs and maintenance of the cold chain system and vaccines; (iii) a rainfall monitoring network; and (iv) an early warning system.

In regard to the security risk, FAO contributes to the cost of the United Nations Department of Safety and Security (UNDSS). In Southern Sudan, UNDSS effectively supports the UN agencies, programmes, funds and organizations and their implementing partners in security management. Through its network, UNDSS covers a considerable number of remote areas, spread throughout the ten states of Southern Sudan, and continues providing fixed-wing, dedicated security aircraft,

security officers, and training for staff. FAO Juba operates from an office that is compliant with the Minimum Operational Security Standards (MOSS) and additional investments will be made to ensure that field staff operate in MOSS-compliant office compounds.

Risk sharing: is used to describe the shifting of the burden of risk to another party.

The PoA foresees the establishment of partnership with NGOs, which would contribute to sharing risks, particularly in relation to security.

Risk avoidance: is used to describe an informed decision not to become involved in activities that lead to the possibility of the risk being realized.

In the case that security deteriorates significantly, FAO envisages suspending any activities that would put FAO or implementing partners' staff at risk. UNDSS has the authority to decide to suspend an operation.

5.3 CONTINGENCY PLANNING

In the Sudan, contingency planning will be of vital importance in the coming months. Contingency planning is the process, in anticipation of potential crises, of developing strategies, arrangements and procedures to address the humanitarian needs of those adversely affected by crises. The referendum currently scheduled for January 2011 will be a milestone to monitor. In the build up to the referendum the potential for large-scale violence and conflict remains high as divisions along political and ethnic lines in Southern Sudan will likely be exacerbated in the coming months. Continuing insecurity will destabilize the situation and could have regional implications.

Using the current changing humanitarian context as the basis for analysis, a broad range of partners including the Government of Southern Sudan, donors, UN agencies, NGOs and international organizations developed planning scenarios for 2010. With elections already conducted in April 2010 and the referendum scheduled for the beginning of 2011, both key milestones in the implementation of the CPA, it was agreed that the most likely planning scenario suggests the political and security situation will deteriorate, affecting both the capacity of the state to carry out core functions and the capacity of humanitarian organizations to access and assist people in need. The situation will most likely be characterized by a combination of political tension, spreading insecurity, high levels of displacements and an expanding food gap and high food prices. Continued chronic poverty and food insecurity compounded by poor capacity of the Government of Southern Sudan will require a bigger role for FAO in supporting agricultural production to ensure sufficient food is available for the population.

Overstretched and under-resourced, humanitarian organizations are refocusing their efforts on the most important priorities. Despite working under enormous capacity and funding constraints, the humanitarian community has been able to address

many of the most critical needs in 2009 emerging from the deteriorating security and humanitarian context; which was recognized by Sir John Holmes the Undersecretary General for Humanitarian Affairs during his last visit to Southern Sudan in May 2010. In his visit, he acknowledged that insecurity remains a great threat to agriculture and that reports from FAO indicate that Southern Sudan has not produced enough food since the signing of the CPA in 2005, especially in areas affected by ethnic violence and threatened by the LRA.

In accordance with the prevailing situation and most likely scenario, partners in Southern Sudan have agreed to focus on four over-arching priorities including “be prepared for emergencies by ensuring that core pipelines are in place – food, nutrition and vaccination, seeds and tools and non-food items – and that sufficient nutrition capacity is on stand-by”.

While FAO-Southern Sudan has been providing support to build the Government’s capacity in policy analysis and programming, it doesn’t have sufficient human and financial resources to fully meet the daunting challenges facing the Government of Southern Sudan and the state governments in food security institution building and policy making. The level of support being provided to the states is far from adequate. Thus, continuation and scaling up of the support being provided by FAO to both the Government of Southern Sudan and the states is vital for building sustained capacity for food-security policy analysis, decision-making and programme implementation.

Overall, for FAO to be prepared, this will involve continuous liaising with other partners, developing scenarios in order to anticipate the crisis and determining the objectives of FAO in these situations, as well as defining what will be needed to reach those objectives.

At their simplest level, contingency plans answer some basic questions about a potential situation.

These include:

- *What could happen?*
- *What would be needed to alleviate the situation?*
- *How would action be taken?*
- *What materials, supplies and staff would be needed?*
- *What preparation is necessary?*
- *How much will it cost?: seeing ourselves as interdependent parts of the whole, connecting to others through communication, programming and coordination, and relating to our world as observer-created.*