

FOOD SECURITY AND AGRICULTURAL INSURANCE

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The research results show that in today's economics, food security is one of the major challenges for society. However, insurance can have positive effects on agricultural and food security risk mitigation. The insurance implications for agricultural and food industry enterprises could reduce or diversify financial and other risks that will also have a positive effect in the context of increasing the enterprises competitiveness and the food security as a whole. The complexity of the food security and agricultural insurance interconnections problem justifies the performance of researches as follows [1-10]: *Bogdan Mârzaa, Carmen Angelescu, Cristina Tindecu, Omri Ben-Shahar, Elizabeth Haws Connally, Tetty Havinga, Isaboke H. N., Zhang Q., Nyarindo W.N., J.R. Skees* and others. Among them, the field of insurances is to be noted by its struggles to adapt to the new world challenges [2].

According to the “*Agricultural Insurance Conference*” research results agricultural insurance has a big impact for food security (stabilizing farm income, smoothing consumption in times of harvest failure). In addition, government can make a positive environment for improving agricultural insurance and food security as follows below [1]:

- 1) governments see agriculture as a strategic, economic and continued support to develop the sector, including agricultural insurance;
- 2) agricultural insurance can be positioned within a broader risk management strategy, as well as a tool for supporting rural development, which contributes food security;
- 3) collecting data on agricultural production are critical elements of government support to foster the development of agricultural insurance [1].

Interesting and relevant today are the scientific results by *Mârzaa et al. (2015)*, according to which the relationship between agricultural insurance and food security must also be considered from the standpoint and taking into account the particularities and consequences of climate change [2].

The factors that have impact on the agricultural production and implicitly on the development of insurances in this sector are the climate changes are follow below: firstly, CO₂ concentrations; secondly, sea level; and, finally, extreme weather events (drought; high relative humidity, frost and hail; inter-annual variability of precipitation; precipitation intensity; temperature) [2].

Altogether, the funding by *Omri Ben-Shahar (2015)* and *Cogan and Aloysius (2016)* argue that the use of insurance for food security is an important instrument of state regulation of food security, with the government taking full advantage of the combination

of insurance and food security [3; 4]. The findings reveal that today agricultural industry and food safety faces a lot of issues. In these conditions agricultural insurance can use a lot of instruments and methods with the aim to reduce or diversify financial and other risks. It will have a positive impact on food safety and also it will stimulate the food enterprises' competitiveness increasing and agricultural industry as a whole.

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