

Geopolitical Risk Readiness Matrix

Farm Credit Board Directors Strategic Planning Tool

Use this matrix to evaluate your association's exposure and preparedness for global disruptions. Score each category based on its potential impact and your current readiness. Then identify the top three priorities for strategic planning.

1. Identify and Assess Risks

Risk Category	Potential Impact on Association	Indicators to Monitor	Impact	Current Readiness	Strategic Action Steps
Global Conflict & Security Instability	Disruptions in exports, energy costs, and market volatility.	Energy prices, shipping disruptions, defense spending.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Diversify portfolios; conduct stress tests; strengthen local supply chains.
Trade Policy & Tariffs	Market barriers and income volatility.	Tariff changes, trade negotiations.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Include trade scenarios in planning; monitor borrower exposure.
Inflation & Currency Fluctuations	Reduced margins and borrower stress.	CPI, interest rates, central bank trends.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Conduct inflation sensitivity analysis; review pricing models.
Supply Chain Disruptions	Interruptions in ag inputs and equipment.	Shipping indexes, bottlenecks, domestic production data.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Encourage contingency planning; identify domestic alternatives.

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Cybersecurity & Data Sovereignty	Exposure to foreign or criminal cyber actors.	Incident reports, vendor security audits.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Conduct annual cyber audits; update incident response plans.
Labor & Migration Shifts	Workforce shortages; rising wage pressures.	Employment trends, immigration policies.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Evaluate borrower exposure; support automation strategies.
Environmental & Energy Policy	Regulatory and energy cost volatility.	Climate policies, emissions targets.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Assess energy exposure; explore renewable lending.
Political Polarization & Governance Risk	Regulatory uncertainty and policy shifts.	Election outcomes, legislative agendas.	<input type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High		Maintain advocacy relationships; conduct annual policy reviews.

Step 2: Score and Prioritize

Rate each risk by Impact and Readiness, then identify top strategic priorities. Mark your top three risks below and assign accountability for action.

Priority #	Risk Category	Assigned Owner	Target Date
1			
2			
3			

Step 3: Action and Review

During annual strategic planning, use this matrix to guide discussion. Assign ownership, integrate into capital and contingency plans, and update annually.

Step 4: Annual Readiness Review

✓ Update this matrix every 12 months (or sooner during major geopolitical shifts). Use results to inform risk appetite statements, strategic scorecards, and board education sessions.