MANAGING FINANCIAL RISK IN AFRICAN VALUE CHAINS: A SUPPLY CHAIN RISK MANAGEMENT APPROACH FOR FINANCIAL INSTITUTIONS

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Abstract - Financial institutions operating in Africa face heightened exposure to systemic risks arising from supply chain disruptions, demand volatility, and cross-border trade dependencies. This study explores supply chain risk management as a strategic framework for financial risk mitigation in value chain financing. Focusing on Masaudu Inusah Enterprise, the research evaluates how forecasting tools and early-warning indicators can be integrated into loan monitoring systems. Scenario analysis reveals that proactive risk identification significantly improves portfolio stability during market shocks. The paper argues that supply chain risk management should be institutionalized within financial decision-making processes to enhance resilience and sustainability in African financial systems.

Keywords: Systemic Risk, Supply Chain, Demand Volatility, Risk Management, Financial System, Proactive Risk Identification.