

## RISK ASSESSMENT AND RISK MANAGEMENT PLAN

| <b>Risks</b>  | <b>Assessment without Mitigation</b> | <b>Management Plan or Measures</b>  | <b>Assessment with Mitigation</b> |
|---|--------------------------------------|---|-----------------------------------|
| Community participation and ownership   | Medium                               | Community participation and ownership is required, particularly for the communal sanitation systems proposed. Both cities have experience with implementing communal sanitation systems and the necessary socialization process. This will be supported by associated technical assistance (TA) .   | Low                               |
| Continued policy support for decentralization, agency capacity, and institutional development | Medium                               | The project assumes a stable political environment, continued economic growth, and continued support for decentralization and regional autonomy policies in place. The Asian Development Bank and its development partners will continue close dialogue with the government on decentralization, policy reform for the sanitation sector, and related capacity development (i.e., for local governments and communities). Capacity-development TA will support related institutional strengthening and capacity building. | Low                               |
| Environmental impact  | Medium                               | The project will generate considerable benefits in terms of reduced environmental pollution and improved public health. Potential temporary impacts (e.g., noise and dust) during construction can be expected. This is addressed through an environmental management plan and close monitoring during implementation.  | Low                               |
| Involuntary resettlement  | Low                                  | None of the proposed components is expected to involve land acquisition or involuntary resettlement, but a resettlement framework has been prepared to address these issues, should they arise.   | Low                               |
| <b>Overall</b>  | <b>Medium</b>                        |   | <b>Low</b>                        |

Source: Asian Development Bank.