

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
Public Finance Management		
Limited staffing in the executing and implementing agencies delays in loan disbursement.	Medium	The PMU, which has successfully discharged the responsibility for financial management of the current project on behalf of the executing and implementing agencies, will continue for the additional financing.
Procurement		
Bid evaluation committees lack members with adequate understanding of ADB procurement guidelines.	Medium	Bid evaluation committees will be supported by the PMU in the preparation and evaluation of technical specifications and tender evaluations for all ADB-financed procurement under the project.
Corruption		
Corrupt practices affect project design, procurement, and implementation.	Low	Implement spot reviews of procurement and financial procedures.
Others		
Fluctuations of international market prices and foreign exchange rate adversely affect the sales and exports of PPEs.	High	The project will provide the PPEs with advisory services and training on marketing so that they can mitigate the impact from such fluctuations on their businesses.
Economic slump will suppress PPEs' borrowing capacity and interest in VCI opportunities.	Medium	The project will provide PPEs applying for small subloans with loan guarantees.
Severe weather hampers production of the cooperatives.	High	The project will provide the cooperatives with training on climate-proof measures to help them mitigate the impact of severe weathers.
Overall	Medium	

ADB = Asian Development Bank, PMU = project management unit, PPE = project participating enterprise, VCI = value chain investment.

Source: Asian Development Bank.