

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Rating	Mitigation Measures	Responsibility
1. Weak institutional and staff capacities to implement the project in compliance with ADB requirements for project administration, financial management, and procurement	M	Training provided to project staff on project administration, financial management, and procurement Consultants have been recruited to support government project staff in project management, financial management, and procurement	PMU
2. Weak interagency cooperation	M	PMU to serve as coordination focal point between government agencies for plant health, animal health, and food safety	PMU
3. Weak staff capacity, in terms of both quantity and quality, to conduct technical project activities, including at the provincial level	M	Consultants to provide technical support and technical expertise on all project components	PMU
4. Climate change adversely impacts crop production and export capabilities	M	Training provided to improve production efficiency such that crop yields are adequate during clement weather conditions	ADB
5. Major new health hazards emerge, resulting in reallocation of resources for SPS activities	L	Training provided to improve response time to new health hazards and containment of impact	ADB
6. Delays in project start-up process caused by lengthy recruitment and procurement procedures	L	Project will have existing consultant contracts extended where possible	PMU
7. Lack of sustainability of project achievements after completion owing to insufficient government budget allocation to operational cost and systems maintenance	S	The government has made assurances that it will allocate annual budgetary resources to cover recurrent costs related to the operation and maintenance of the surveillance, inspection, and monitoring systems for plant health, animal health, and food safety	Government
8. Lack of staff to ensure the sustainability of project outcomes	M	Through government budget planning recommendations, the government will determine and allocate sufficient budget for the recruitment of relevant staff	Government
9. Insufficient focus on regional coordination and harmonization	M	Regional TA will address relevant transnational SPS issues	ADB
10. Project funds flow complexity because of high volume of	L	PMUs, procurement and financial management specialists to monitor	PMU

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small project expenditures at CIUs, including out-of-pocket expenses such as travel costs and per diem for fieldwork		<p>out-of-pocket expenses throughout project implementation.</p> <p>Training required for procedures of out-of-pocket expense claims.</p> <p>To minimize cash handling at CIUs, one dedicated project account will be established at each CIU to receive small advances on a transaction basis, supported by documentation and/or invoices for claims of small project expenses. Each CIU account will not exceed \$5,000 at one time.</p> <p>Coordinated and managed by the executing agencies, and functioning reported in monitoring and evaluation by the PMUs</p>	
11.Fiduciary risk	M	Public disclosure of audited project financial reports and procurement information is conducted through government websites, which are accessible and maintained during project implementation.	ADB

ADB = Asian Development Bank, CIU = component implementation unit, L = low, M = moderate, PMU = project management unit, S = substantial, SPS = sanitary and phytosanitary, TA = technical assistance.

Source: Asian Development Bank