

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Rating	Mitigation Measures	Responsibility
Governance			
Weak coordination between the governments of the PRC and Viet Nam on border area development.	M	Institutionalize consultation mechanisms between the government of GZAR and the neighboring border provinces in Viet Nam, supported by the ongoing ADB regional technical assistance. Strengthen the bilateral policy and operational coordination under the GMS framework, including the relevant sector working groups, Economic Corridor Forum, and Governors' Forum.	ADB, EA, and PMO
Weak institutional and staff capacities of PIEs to implement subprojects, including procurement and financial management.	M	Recruit qualified staff and consultants to support the implementing agencies and PIEs, and ensure smooth and timely implementation of each subproject. Provide training to PIEs on ADB procedures, including procurement, financial management, and safeguards.	EA, IAs and PIEs
Unqualified procurement agents and low experience levels of the IAs and PIEs in procurement.	M	Procurement agents will be recruited by the provincial-level PMO, and the agents will directly report to the PMO. Procurement agent will coordinate well with IAs and PIEs.	EA, IAs, PIEs, and PMOs
Poverty, Social, and Gender			
Risk of compensation payment delays for cultivated land acquired.	M	Firm commitment from EA to allocate full amount of land compensation to each subproject prior to land acquisition. No physical activity to be started until compensation is paid fully to each AP.	EA, IAs, and PIEs
Contractors' reluctance to give preference to affected persons in recruiting unskilled and skilled workers at project sites.	M	Sharing the RP with contractors and providing them awareness on how and why the APs should get preference in site employment, and close monitoring by IA.	EA, IAs, and PIEs
Risk of overlooking men and women of poor and vulnerable project-affected households in selecting for skills training programs.	L	Prioritize selection of candidates from poor and vulnerable households for skills training and publicizing the list of candidates well in advance of the training programs.	EA, IAs, and PIEs
Overall	M		

ADB = Asian Development Bank, AP = affected persons, EA = executing agency, GMS = Greater Mekong Subregion, GZAR = Guangxi Zhuang Autonomous Region, IA = implementing agency, L = low, M = moderate, PIE = project implementing entity, PRC = People's Republic of China, PMO = project management office, RP = resettlement plan, TA = technical assistance.

Source: Asian Development Bank.