

Annex 5

Risk Assessment and Management

RISK ASSESSMENT AND MANAGEMENT

1. Risk factors and mitigations measures (max. 2 pages)		
<p><i>Please describe financial, technical, and operational, social, and environmental and other risks that might prevent the project/programme objectives from being achieved. Also, describe the proposed risk mitigation measures.</i></p> <p>For probability: High has significant probability, Medium has moderate probability, Low has negligible probability For impact: High has significant impact, Medium has moderate impact, Low has negligible impact</p>		
Selected Risk Factor 1		
Category	Probability	Impact
Technical and operational	Low	Medium
Description		
<p>Limited capacity, specifically the human and technical capacity, within EPA, MoT MLME, NDRC, and MoA may be insufficient to provide adequate services at local offices.</p>		
Mitigation Measure(s)		
<p>The project offers training opportunities to build technical capacity in all relevant government agencies to respond to potential technical challenges that may arise at different stages of the project implementation process.</p>		
Selected Risk Factor 2		
Category	Probability	Impact
Governance	Low	Medium
Description		
<p>Leadership change could affect the coordination between EPA and other relevant agencies such as MoT, MLME, NDRC, MoA and this can result in institutional failure, compartmentalised progress, and delayed implementation of the project or efficiency of service delivery.</p>		
Mitigation Measure(s)		
<p>A project organisation structure is designed to outline a clear path of communication and hierarchy of authority for all parties in the implementation process. This clear and concise outline will promote procedural sustainability and minimise the adverse impact of leadership change by over half. The Climate Change Secretariat will continue as a high-level platform that coordinates the activities of relevant institutions to avert this challenge.</p>		
Selected Risk Factor 3		
Category	Probability	Impact
Governance	Medium	Medium
Description		
<p>Institutional support and political commitments from the Government of Liberia, such as mandating national communication media to disseminate climate warning information, may lead to cause a drawback in the overall impact and outcome of the project.</p>		
Mitigation Measure(s)		
<p>Alternative private media outlets are available as support communication channels, and the inter-departmental commitment and collaborative design of the project sensitises key government officials of the imperatives of timely communication of impending climate hazards and secures cooperation and commitment.</p>		

Selected Risk Factor 4		
Category	Probability	Impact
Governance	Low	Medium
Description		
Gender disparity is prominent across many sectors in Liberia, and the culturally embedded gender roles that perpetuate male dominance may interfere with the potential benefit of the project to both men and women.		
Mitigation Measure(s)		
The project mainstreams gender in its approaches and implementation and defines quotas to promote gender inclusiveness at different phases from the technical operations to the information delivery.		
Selected Risk Factor 5		
Category	Probability	Impact
Credit	Low	Low
Description		
Limited financial resources may hinder the successful operation of the project beyond the defined implementation period.		
Mitigation Measure(s)		
There is a business case in the project, which will ensure its sustainability in the long run. The project intends to provide services to private corporations operating in climate-sensitive sectors such as aviation, and potentially attract neighbouring countries as consumers of its services		
2. AML/CFT* and Prohibited Practices compliance due diligence assessment (max. 1 page)		
Category	Probability**	Impact***
Select	Select	Select
Select	Select	Select
Select	Select	Select
*Anti-Money Laundering/Countering the Financing of Terrorism **H: High (has significant probability), M: Medium (has moderate probability), L: Low (has negligible probability) *** H: High (has significant impact), M: Medium (has moderate impact), L: Low (has negligible impact) ¹ Money Laundering/Terrorist Financing ² Sanction prohibitions of the United Nations, or other relevant sanctioning authorities (including the World Bank Debarred List) ³ In the context of Money Laundering/Terrorist Financing and Prohibited Practices ⁴ Abuse, Conflict of Interest, Corrupt, Retaliation against Whistleblowers or Witnesses, as well as Fraudulent, Coercive, Collusive, and Obstructive Practices		
This is not applicable to this project		
3. Other potential risks in the horizon		
Some people may doubt the trustworthiness of the climate information generated		