

INVESTMENT RISK REGISTER

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|--|---|---|
| Project Title: Enter the title of the project | Project Coordinators: name of team leaders | Reporting Date: |
| Project Partners: | Project Duration: (Select 1) <input type="checkbox"/> 2011-2014 <input type="checkbox"/> 2011-2015 <input type="checkbox"/> 2011-2016 Other (please indicate) | Reporting Period: (Select 1) <input type="checkbox"/> Semi-annual (Apr-Sept) <input type="checkbox"/> Annual (Apr-March) |

| Risk Definition | | Risk level | | | | From Proposal Part 8 (Y/N) | Indicate Risk Result Level | Risk Response | Risk Owner |
|--------------------------|--|----------------|-----------------------|-----------------------|------|----------------------------|--|--|----------------------------|
| | | Initial Rating | Status Review 1 Date: | Status Review 2 Date: | Etc. | | | | |
| Operational Risks | | | | | | | | | |
| Op 1 | <i>Example: Misunderstandings between Partner Organization Executive and Project Coordinating team may delay implementation.</i> | Low (2) | | | | Yes | <i>Intermediate Outcomes 2 & 3</i> | <i>Letter of agreement with terms of responsibility signed and reviewed regularly.</i> | Project Coordinator |
| Op 2 | Add rows as needed | | | | | | | | |
| Financial Risks | | | | | | | | | |
| Fin 1 | <i>Example: An agency collaborating on a component of the project may discontinue funding.</i> | Low (1) | | | | Yes | <i>Immediate Outcome 4</i> | <i>Stated outcome can be scaled-back and reactivated when alternative funding found without placing whole project in jeopardy.</i> | Project Coordinator |
| Fin 2 | Add rows as needed | | | | | | | | |

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| Development Risks | | | | | | | | | |
|-------------------|---|---------------------|--|--|--|-----------|------------------------------------|--|--------------------------------------|
| Dev 1 | <i>Example: Severe weather event may occur (flood, drought).</i> | High (3) | | | | No | <i>Intermediate Outcomes (All)</i> | <i>Project promotes a range of responses (e.g. alternative crops, agricultural activities) to increase resiliency to changing climate conditions.</i> | Project Coordinator |
| Dev 2 | Add rows as needed | | | | | | | | |
| Reputation Risks | | | | | | | | | |
| Rep 1 | <i>Example: Project is conducted in manner that diminishes the reputation of Partner Organization, AIC and/or CIDA.</i> | Very Low (1) | | | | No | <i>Ultimate Outcome</i> | <i>Letters of Agreement clearly outline responsibilities; regular monitoring of project management and implementation; regular communications and reporting.</i> | AIC and Partner Organizations |
| Rep 2 | | | | | | | | | |

Four-Point Risk Rating Scale:

| Criteria | Very Low (1) | Low (2) | High (3) | Very High (4) |
|---|--|---|---|--|
| Likelihood of occurrence | Very unlikely | Unlikely | Likely | Very likely |
| Potential impact on Partner's ability to meet project objectives. | Routine procedures are sufficient to deal with consequences. | Could threaten project outcomes and thus will require monitoring. | Would threaten project outcomes and will require review and action. | Would prevent achievement of project outcomes. |

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INTRODUCTION

CIDA is placing more emphasis on risk analysis and management to ensure that there is a serious consideration of risks in the design and implement of projects.

With our proposal, CIDA has requested inclusion of this Investment Risk Register. The Risk Register is first completed during the proposal planning stage. All potential risks that could realistically prevent the project from achieving its goals are brainstormed and identified. The risks are then grouped within four categories: Operational, Financial, Development and Reputation. An analysis of each risk (e.g. – likelihood to occur, level of impact), response strategies and who is accountable for managing the risk are developed and included on the Register.

Monitoring: Information on the status of the risks is included over the regular reporting schedule (semi and annual reports). As risks arise or disappear, the corresponding risk definitions and risk level are changed in the report. The use and effectiveness of the response strategies are tracked and the responses changed as needed.

DEFINITIONS

Risk refers to the effect of uncertainties on results.

Impact is the effect of a given risk on the achievement of project results

Likelihood is the perceived probability of occurrence of the risk event or circumstance

Risk Level is the point along the Project Logic Model (Output, Immediate Outcomes, Intermediate Outcomes, Ultimate Outcome) where the risk will have its effect

Risk Response is the plan to manage a risk (by avoiding, reducing, sharing, transferring or accepting it)

Risk Owner is the person who owns the process of coordinating, mitigating and gathering information about the specific risk (as opposed to the person who enacts the controls). It is the person or entity with the accountability and authority to resolve a risk incident.

Operational Risk is the potential impact on the project to operate effectively or efficiently

Financial Risk is the potential impact on the project from funding irregularities

Development Risk is the potential impact on the ability of the project to achieve expected development results

Reputation Risk is the potential impact arising from a reduction in any of the participating partners' reputations, or in partners' confidence in CIDA's ability to fulfill its obligations to the ITPP.

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INSTRUCTIONS

1. Under “Risk Definition” write down the key risks to the project within each category. (CIDA suggests there should be at least two risks each for the categories Operational, Financial and Development Risks, and at least one in the Reputation Risk category).
2. For each risk establish the current risk level. Identify the risk level according to the four-point rating scale. Please do not hesitate to rate risks as “Very High” if that is their real level.
3. Over a regular monitoring schedule (semi and annual reports), review and update the risk level.
4. Indicate if the risk is referred to in the full text (Part 8) of the project proposal.
5. Indicate the point along your Project Logic Model (Output, Immediate Outcomes, Intermediate Outcomes, Ultimate Outcomes – use a reference number where appropriate) where the risk will/might have its effect.
6. Give a brief summary of the current or additional risk response strategies that will be used to manage the risk or to prevent the risk from occurring.
7. Indicate the Risk Owner. If possible, there should be only one person per box. The owner will vary according to who is the person that actually has to manage a given risk event.