

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Rating	Mitigation Measures	Responsibility
Delay in procurement of ICT infrastructure for TAIS and PIMIS	S	MTA and MOF will undertake all preparatory activities needed for procurement, including finalization of TOR and bidding documents in close consultation with the ADB procurement team.	MTA, MOF
Lack of expertise in and knowledge of ADB procurement policy and procedures	S	PIU will be established to carry out day-to-day project activities, including financial management and procurement. It will comprise qualified and experienced procurement consultants. ADB will provide continuous trainings and advice on ADB procurement policy and guidelines during project implementation.	MOF, MTA, ADB
Inadequate counterpart staffing from MTA and MOF for procurement activities	S	Executing and implementing agencies will establish dedicated project management teams with background and experience needed for coordination and management of the project.	MTA, MOF
Inadequate level of MTA and MOF financial and accounting staff and unfamiliarity with ADB procedures and requirements	S	PIU consultants will be engaged to assist in the financial monitoring and reporting requirements during the implementation period. ADB will provide training on ADB disbursement guidelines and procedures to staff of MOF and MTA.	MTA, MOF
Changes in political priorities and administrative changes	S	There will be continued engagement with the government, including ADB's East Asia Department, and close coordination with development partners to support political commitment to the project.	MOF
Lack of adequate stakeholder coordination in PIMIS component	M	A project monitoring support specialist is provisioned in the PIU for coordinating with stakeholders as well as monitoring the project activities.	MOF
Lack of adequate inventory and asset management systems and procedures to properly monitor the allocation, utility, maintainability, and longevity of the ICT systems	M	Implementing agencies will develop and implement required inventory and asset management systems, policies, and procedures to ensure effective tracking and monitoring of assets purchased under the project, including their allocation, maintenance schedule, and performance, to ensure durability of the infrastructure procured and its utilization.	MTA, MOF

Risk Description	Rating	Mitigation Measures	Responsibility
Lack of government budget support for O&M of the ICT systems	M	MTA ICT system counterpart funding has been already secured. The PIU will prepare O&M cost projections after the project completion and request proper budget allocation from the government.	MTA, MOF
Overall Project Risk	S		

ADB = Asian Development Bank, BID = Budget Investment Department, H = high, ICT = information and communication technology, L = low, M = moderate, MOF = Ministry of Finance, MTA = Mongolian Tax Authority, O&M = operation and maintenance, PIMIS = public investment management information system, PIU = project implementation unit, S = substantial, TAIS = tax administration and information system, TOR = terms of reference.

Source: Asian Development Bank.