

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

Risk Description	Risk Assessment	Mitigation Measures or Risk Management Plan
Exogenous, international financial shock, and macroeconomic instability	High	<p>The government is undertaking measures to strengthen its monetary policy framework, expand the tax base, and strengthen public expenditure management, with the assistance of development partners including ADB.</p> <p>ADB and other development partners in Viet Nam, including the World Bank and the International Monetary Fund, hold regular consultative meetings with the government on macroeconomic policy and finance sector stability and/or development.</p>
Political resistance and vested interest against the reforms	Medium	<p>The government has shown strong commitment to the reform agenda. Its commitment is also manifested in the scope of legal and regulatory reforms implemented across the finance sector.</p> <p>The program reduces this risk by focusing policy actions on a small number of important reforms that will cause a high impact, with firm and wide support from the government and concerned stakeholders.</p>
Poor governance and corruption	Medium	<p>The government is increasingly adopting a tougher stance on corruption and has recently undertaken legal reforms, including the enactment of the Anti-Corruption Law and the establishment of a steering committee against corruption, headed by the Prime Minister.</p> <p>Results of investigations against corruption overseen by the government inspectorate have been disclosed, and a legal framework established to protect and reward people who speak up about and identify corruption.</p>
Overall	Medium	

Source: Asian Development Bank.