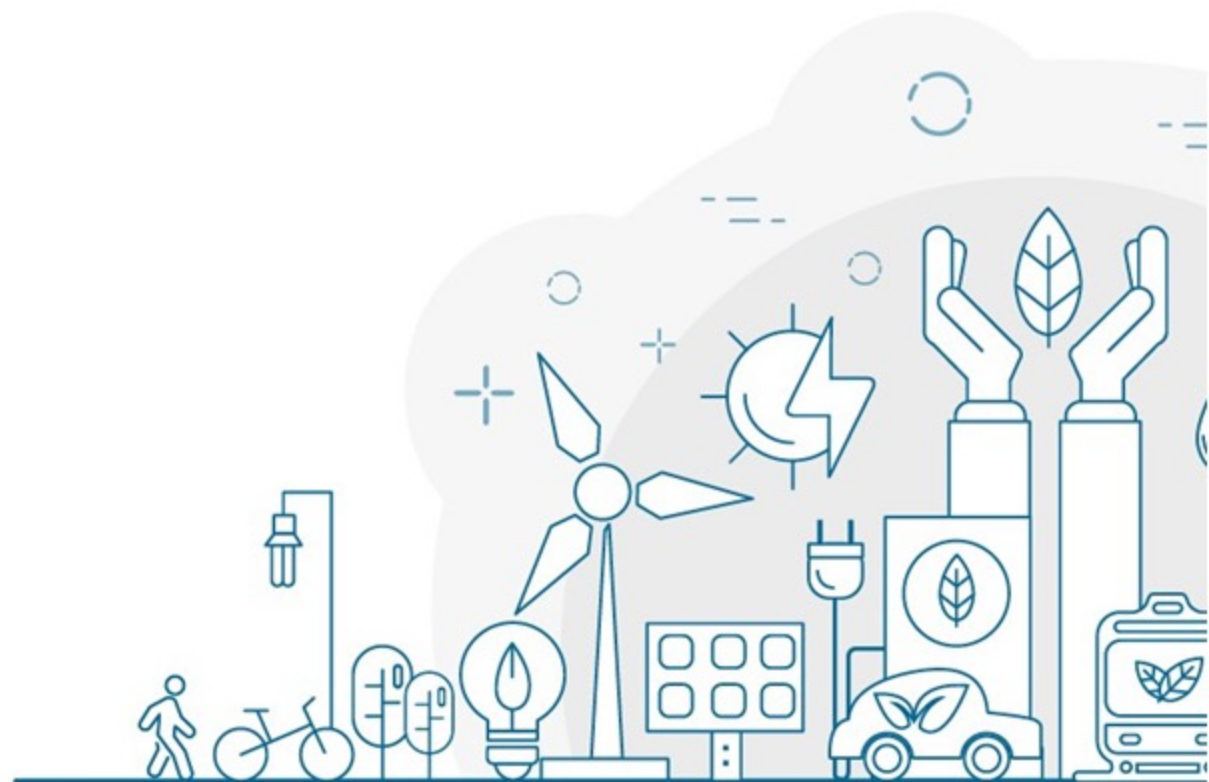


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SECTOR BREAKOUT: WATER AND URBAN



WUD RISKS AND MITIGATION MEASURES

- **INSTITUTIONAL CAPACITY RISK** (lack of qualified staff for the projects)
 - Establishment of project management unit before loan signing
- **PROCUREMENT AND CONTRACT MANAGEMENT RISKS**
 - Conduct of roadshows and pre-bid engagements
 - Preparation of contracts ahead of loan signing
- **ECONOMIC AND FINANCIAL RISKS** (resistance to imposition of tariffs / lack of willingness-to-pay for better services)
 - Development of tariff plans / roadmaps
 - Conduct of studies/surveys on willingness-to-pay
- **FINANCIAL MANAGEMENT** (lack of internal audit)
 - Engagement of consulting firms for internal audit
- **SAFEGUARDS** (land acquisition)
 - Engagement with communities and allowing community members to convince other community members on the benefit of the project
- **POLITICAL RISKS** (competing priorities of the govt; change in officials)
 - Continuous engagement with the government
 - Ensuring all agreements are documented

