

## Risk Model

### Risk Identification

- Define Risk Categories and Types
- Identify Threats & Opportunities

### Risk Evaluation

- Identify the "why"
- Assign likelihood and impact scales

### Risk Treatment

- Define Action Plans
  - Eliminate, Mitigate, Transfer, Accept
- Define Risk Owner

### Risk Management

- Follow up
- Report actions implementation

## Risk Model

### Risk Identification:

#### **Risk:**

Possible threats and/or opportunities that affect the desired outcome/result of the project.

Threat = What can go wrong in this project?

Opportunity = What is an opportunity in this project?

ALL risks are interdependent; one can be the cause of another one.

#### **Risk Categories: Risk Types:**

External	Business Plan	Financial	Tax /tariff
Internal	Culture	Legal	Political
Project Execution	People	HSE	Technical
Operations	Engineering	Procurement	Construction
	Commissioning	Quality	Schedule

### Risk Evaluation:

**WHY** can it go wrong?, or **WHY** is it an opportunity?

#### Likelihood:

1- Probably will not occur ---> 10- Likely to occur

#### Impact:

1- Low ---> 10- High (Disrupting)

### Risk Treatment:

**WHAT** can be done to alleviate/take advantage of the risk?

#### **Risk Owner**

Identify  
for accountability  
for follow up