

# Risk for Infrastructure Projects

Risk category	Risk	Specific risk	Risk management/Mitigation	Assistance by insurers	Risk transfer	Insurance Product
Economical	Financial risk	Downgrading			x	
	Financial risk	Insolvency			x	
	Financial risk	Currency				
	Financial risk	Credit default			x	
	Financial risk	Commodity prices				
	Financial risk	Insufficient capital	Project management, bankable feasibility study			
	Lack of physical resources		Feasibility study	Sharing expertise		
	Lack of physical resources		Contingency margins	Sharing expertise		
	Lack of physical resources		Stock piles	Sharing expertise		
	Lack of physical resources		Alternative supplies	Sharing expertise		
	Supply and customer risk		Alternative supplies			
Supply and customer risk		Supply chain management			x	
Supply and customer risk		Just in time delivery				
Environmental	Natural hazards			Data, expertise	x	NatCat insurance
	Climate Change			Data, expertise		
	Environmental pollution (by accident or design)		Proper design, Environmental impact studies	Sharing expertise	x	
	Environmental pollution (by accident or design)		Enforcement of law / standards			
Legal / Governance	Governance failure	Corruption				
	Governance failure	Moral hazard			x	
	Regulatory uncertainty		Enforcement, transparency and accountability	Sharing expertise		
	Legal liability risks		Knowledge and understanding	Sharing expertise	x	
	Legal liability risks		Compliance	Sharing expertise		
Nature	Physical risk	Natcat	DRP (Disaster Recovery Plan)	Design, data	x	
Political	Wrong decision making		Best practices	Sharing expertise		
	Political instability	Confiscation				
	Political instability	Change in legislation				
	Political instability	Change in leadership				
	Political influence		Transparency, institutionalise policies and processes			

# Risk for Infrastructure Projects (continued)

Risk category	Risk	Specific risk	Risk management/Mitigation	Assistance by insurers	Risk transfer	Insurance Product	
Social	Cultural influence		Engagement, buy in	Sharing expertise, ESG methodology			
	Social conflict		Engagement, participation in design				
	Lack of human capital	Number	OHS management, accumulation risk management			Personal accident	
	Lack of human capital	Skills	Capacity building				
	Physical risk	Pandemic			Sharing expertise	x	
	Vandalism and terrorism		Local buy in, awareness campaigns			x	
	Vandalism and terrorism		Security				
Technical	Operational and maintenance risk		BCP, Maintenance plan	Sharing expertise	x	Property, liability cover	
	Operational and maintenance risk		Monitoring, implementation, feedback	Sharing expertise	x	Various insurance products	
	Poor design		Local / indigenous knowledge		x	Property, Liability products	
	Poor design		Loss knowledge	Sharing expertise			
	Wrong decision making	Wrong technology chosen		Best practice, sharing expertise			
	Physical risk	Property risks	Proper design	Design, expertise	x		
	Failure of services	Support	Redundancy, alternatives				
	Failure of services	Infrastructure	Redundancy, alternatives				
Overall			BCP (Business Continuity Plan)	Sharing expertise	x	Cyber liability	

## Tools/Methodologies:

PESTLE Analysis (political, economic, social, technological, legal, environmental)

Project Risk Rating (PRR) by Munich Re

SuRe Standard by Global Infrastructure Basel