

NTA RISK MANAGEMENT PLAN
 RISK REGISTER/LOG AND RESPONSE SUMMARY (TOP PRIORITY RISKS), PER PROJECT
 CROP YEAR 2013-2014

PROJECT NAME: AGRIPINOY TOBACCO FARMERS FOOD PROCESSING PLANT

PROJECT RISK MANAGER: MINERVA P. MIZAL

Risk Priority	Prob. Of Occur. (1-5)	Impact Level (1-5)	Risk Score	Risk Number	Risk Category	Risk Name	Impact Description	Response Action/Option
1	5	5	25	2.1	Processing/ Manufacturing	Equipment/machinery and cold storage facilities breakdown	Stalled production schedule; low production output; Plant not satisfying consumer demands = low sales/income vis-à-vis high operating costs	Mitigate: Regular equipment/machinery check and maintenance; Provision of inventory for spare parts; provision of stand-by power source for cold storage
1	5	5	25	3.4	Marketing/Sales	Inadequate sales force	Low market penetration; low sales = low income; high inventory = higher costs	Mitigate: Training of sales personnel; Hiring of marketing consultant Imposition of sales quota/incentive scheme
3	4	5	20	1.1	Raw Materials Production/ Sourcing	Climate/environment risks that may affect animal growth & mortality	Will result to low raw materials delivery which may affect production target; non-payment of production assistance = reduction in projected sales & income	Mitigate: Frequent updates from & coordination with concerned government agencies on climate/weather changes; Proper timing/scheduling of dispersals to FCs least affected by weather disruptions Improved bio-security measures/ production management of FCs

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3	4	5	20	1.2	Raw Materials Production/ Sourcing	Limited number of suppliers with reliable quality & quantity of raw materials (i.e. piglets/DOCs/feeds) at volume price/s	Unattained production targets = full capacity of the plant not maximized, = higher overhead cost = less income	Mitigate: Advanced/early projections for raw materials requirements; Continuing supplier-profiling for both existing and prospective suppliers (preferably locally-/ provincial-based) to reduce transport costs/mortality of piglets and day-old-chicks
5	4	4	16	4.2	Competition	Very high competition (red ocean) on meat products (i.e. so many established brands); price competition is also high	Lower market share = reduced sales	Mitigate: Continuing competitor-profiling; Continuing studies on consumer preferences; Continuing "unique" product innovation & quality enhancements to differentiate/capture market; Aim of 'AAA' accreditation and HACCP certification to be able to tap export market and to be at par with established brands/have an edge over 'AA'/non-HACCP certified competitors; Come up with attractive/effective advertising schemes.

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6	3	5	15	5.4	Legal/Laws/ rules & reg.	Strict implementation of food safety standards (HACCP certification requirements for AA/ AAA accreditation)	Non-conformance to structural/ operational standards may result to downgrading of accreditation status (from AA to A) = limit geographic sales coverage; or worst, close-out audit by NMIS	Mitigate: Upgrade of facilities and equipment to keep non-conformances to the barest minimum and increase ratings; Continuous training and strict compliance to GMP/SSOP/HACCP standards
7	4	3	12	1.3	Raw Materials Production/ Sourcing	Non-attainment of target weight due to FC's production management/practices	Lower percent recovery for meat production	Mitigate: Improve criteria for selection of FCs and strict conformance to criteria; Closer supervision & monitoring by EWs; Continuous E and I on production technology/bio-security measures in close coordination/partnership with raw material supplier/s.