

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

PROJECT NAME: TOBACCO DUST PRODUCTION PROJECT

PROJECT RISK MANAGER: HERMOGENES A. GALVEZ

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	4	5	20	1.2	Raw Materials	Inadequate storage facilities for raw mat.	Plant cannot accommodate available raw materials for hauling, per NTA MC 001 s. 2013 = will result to proliferation of low-cost tobacco dust/sweeping in the market	Mitigate: Lease/rent/construct warehouse for storage Store raw materials using make-shift stockpiles
1	4	5	20	5.1	Legal/rules	Stringent BIR requirement on withdrawal/disposal of sweepings from the TCs	Decreased source of raw materials = production targets not met, = low sales	Accept: Enforcement of MC 001 s. 2013 Mitigate: Coordinate with BIR and tobacco companies to facilitate accomplishment and approval of requirements for the release of sweepings exclusively to NTA
3	3	5	15	3.1	Marketing/Sales	Uncompetitive price	Low Product Sales	Mitigate: Conduct dialogues with fishpond operators/dealers on pricing policies;
4	3	4	12	2.2	Processing/Production	Plant operation under capacity	High cost of production resulting to uncompetitive price = low sales	Mitigate: Formulate marketing policies and strategies that will improve sales: - Massive product advertisements/promotions - close coordination with the BFAR, LGUs and fishpond operator associations; - pricing promos, strategies

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5	2	5	10	4.1	Nature/climate/environment	Sudden changes in temperature/salinity/oxygen level of water	Fishpond cycle disruption will result to lower sales	Accept: Shift target market to other fishpond areas suitable for fishpond operation
6	3	3	9	3.2	Marketing/Sales	Inadequate professional sales force	Low market share = low sales	Mitigate: Train staff on marketing approaches/techniques Hire qualified sales personnel
6	3	3	9	1.1	Raw Materials	High cost of raw materials (incl. hauling)	High cost of inputs will result to high cost of production = uncompetitive price	Accept & Mitigate: Proper bagging and piling of raw materials for hauling, to maximize volume per hauling trip Optimize trips by coordinating hauling of raw materials and delivery of finished products
6	3	3	9	2.1	Processing/Production	Increasing cost of electricity	High cost of electricity will increase cost of production = uncompetitive price	Accept & Mitigate: Insitute power saving measures to optimize electric consumption
9	1	5	5	1.3	Raw Materials	Pile burn	Loss of raw materials will result to production targets not met = reduced sales	Mitigate: Proper piling of raw materials; Installation of thermometers to stockpiles; Regular monitoring of temperature of stockpiles
9	1	5	5	2.3	Processing/Production	Bog down of equipment/machine	Production targets not met = low/reduced sales	Mitigate: Institute regular preventive maintenance check-ups of machine/equipment by competent mechanic.
9	1	5	5	3.3	Marketing/Sales	Breakdown of delivery trucks	Low product sales = low income; consumer reqt not met = consumer shift	Mitigate: Institute regular preventive maintenance check-ups of trucks/delivery vans by competent staff/mechanic.