

ID Concern [reg.]	Category / Element	Risk Short Title	Description	Desired Outcome	Current Situation	Proposed Strategy	Risk (three-part) Statement			Current Risk			Response	Mitigating Action / Response					Manageability	Residual Risk	Risk Owner	Target Review Date	Close Date	Last Review Date
							Cause	Risk Event [uncertainty]	Consequence	Probability	Impact	Score (PxI)		ID	Action	Action Owner	Due Date	Close Date						Notes
C00003	C7 Currency/Inflation	Impact of Naira Exchange Rate Volatility on Import Costs	Volatility in the Nigerian naira exchange rate poses a significant challenge to financial stability, especially in projects requiring imported materials and equipment. Fluctuations in the exchange rate can lead to unanticipated increases in costs, disrupting procurement and overall budgetary plans. The difficulty in securing favorable exchange rates compounds this issue, impacting long-term financial planning and the ability to meet project timelines.	Stabilize procurement costs by implementing effective currency risk management strategies to minimize the impact of exchange rate fluctuations on project budgets. <b>Could Go Wrong?</b> Prolonged currency instability may lead to project delays, reduced quality in materials procured, or complete budget overruns, jeopardizing project success.	The naira exchange rate has been increasingly volatile, with fluctuations influenced by global economic trends, oil price instability, and domestic fiscal policies. This has created uncertainty in the cost of importing essential materials, making financial planning more complex and less predictable for project stakeholders.	1. Identify and establish relationships with financial institutions offering currency hedging solutions. 2. Negotiate bulk exchange deals or forward contracts to reduce reliance on imported materials. 3. Explore local sourcing options to reduce currency-related cost variations. 4. Develop contingency funds within project budgets to absorb more complex and less predictable for project stakeholders.	Rapid shifts in the global economic landscape, combined with domestic challenges such as inflation, fiscal deficits, and reduced foreign exchange reserves, contribute to the volatility of the naira.	Unanticipated depreciation in the naira's value increases the cost of importing essential materials and equipment.	Increased costs strain financial resources, disrupt budget allocation, and potentially delay project implementation, leading to diminished stakeholder confidence and project outcomes.	3	3	9	Mitigate	#1	Engage financial institutions for hedging	Owodiong-Idemeko, Obong Ide O	13Mar25	Open	3	6	Owodiong-Idemeko, Obong Ide O	31Jul26	Open	12Jan25 Volatility in the Nigerian naira exchange rate could impact the cost of importing essential materials and equipment. Difficulty in securing favorable exchange rates may affect financial planning and budget allocation.
C00004	C1 Feasibility/Business Case	Potential Delays in Payments for Power Exports	The project involves exporting power to neighboring countries or regional bodies. While agreements are in place, there is a risk of delayed payments due to factors such as administrative inefficiencies, political instability, or economic challenges in the importing regions. These delays could disrupt the project's financial stability, particularly its cash flow and profitability, impacting both operational continuity and long-term sustainability.	Timely and reliable payments from importing countries or regional bodies, ensuring steady cash flow for the project. Establish mechanisms that minimize risks of payment delays and maintain profitability to secure the project's viability and expansion. <b>Could Go Wrong?</b> Persistent delays in payments could lead to financial shortfalls, affecting the project's ability to meet operational expenses, repay debts, or reinvest in expansion.	Export agreements have been signed, and initial payments are on schedule. However, there are no robust guarantees or escrow mechanisms in place to ensure payment timelines are strictly adhered to by importing entities, raising concerns about future consistency.	Negotiate stricter payment terms with penalties for delays and consider implementing an escrow payment system. Conduct a creditworthiness assessment of importing entities and maintain a contingency fund to cover cash flow gaps. Establish a dispute resolution mechanism to handle payment disagreements efficiently.	Economic instability, administrative inefficiencies, or political challenges in importing countries or regional bodies.	Payments for exported power are delayed or deferred beyond agreed timelines.	The project experiences cash flow disruptions, potentially leading to operational delays, reduced profitability, or an inability to fulfill financial obligations.	1	1	1	Mitigate	#1	Negotiate strict payment terms with penalties.	Inyang, Etido	13Mar25	Open	1	1	Owodiong-Idemeko, Obong Ide O	31Jan26	Open	12Jan25 Potential delays in payments from neighboring countries or regional bodies for power exports could impact the project's cash flow and profitability
C00021	M7 Operations / Logistics	Establishing Effective Operations and Maintenance Frameworks for Modular Refineries and Mini-Grids	The establishment of modular refineries and mini-grids offers significant potential for decentralized energy production and distribution. However, these systems face challenges in operations and maintenance (O&M), such as inadequate frameworks for ensuring efficiency, reliability, and collaboration among key stakeholders. Poorly defined O&M structures may result in operational inefficiencies, prolonged downtime, and diminished performance, ultimately affecting energy availability and cost-effectiveness.	The implementation of robust O&M frameworks that ensure modular refineries and mini-grids operate at peak efficiency, maintain minimal downtime, and achieve high performance standards. Collaboration among stakeholders should facilitate seamless integration of power production and distribution, fostering a reliable energy supply for communities and industries. <b>Could Go Wrong?</b> 1. Persistent inefficiencies in system operations leading to excessive downtime. 2. Power distribution conflicts arising from poor stakeholder coordination.	Many modular refineries and mini-grids are in the early stages of development or operation. While they present promising energy solutions, current O&M practices are either inadequate or nonexistent, leading to inconsistent performance and strained relationships among operators, managers, and stakeholders. There is a lack of standardized protocols to guide O&M activities, further complicating system reliability.	1. Develop and implement comprehensive O&M frameworks tailored to modular refineries and mini-grids. 2. Facilitate training and capacity building for operators, managers, and other stakeholders. 3. Establish a coordination platform for all stakeholders to address power distribution issues collaboratively. 4. Implement performance monitoring tools to evaluate system efficiency and detect issues proactively. 5. Promote best practices and knowledge sharing within the industry.	Insufficiently developed or standardized O&M frameworks for modular refineries and mini-grids.	System inefficiencies, prolonged downtime, and performance shortfalls occur, hindering reliable energy supply.	Reduced energy availability, financial losses for operators, and diminished trust among stakeholders and end-users.	3	3	9	Mitigate	#1	Develop Operation and Maintenance frameworks for modular refineries.	Inyang, Etido	13Mar25	Open	5	6	Owodiong-Idemeko, Obong Ide O	14Jun26	Open	12Jan25 Challenges in establishing effective operations and maintenance (O&M) frameworks for modular refineries and mini-grids could result in system inefficiencies, increased downtime, or poor performance. Poor coordination between modular refinery operators, grid managers, and mini-grid operators could lead to power distribution inefficiencies or conflicts.

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C00025	R8 Political / Government	Risks to Cross-Border Power Exports	Cross-border power exports present significant opportunities for economic growth and regional integration. However, they also carry risks stemming from regional political instability or conflict in neighboring countries, which may disrupt power exports and result in financial losses or halted projects. Diplomatic tensions or disputes over energy pricing, tariffs, or regulatory standards further complicate these agreements, potentially leading to delays or export restrictions. Addressing these risks is essential to ensure the sustainability of cross-border energy initiatives.	Establish a robust framework for managing cross-border power exports that mitigates risks associated with political instability and diplomatic disputes, ensuring steady revenue flow and uninterrupted operations. <b>Could Go Wrong?</b> Failure to manage instability or disputes could result in project delays, significant revenue losses, or the termination of cross-border power agreements, negatively impacting economic growth and regional cooperation.	Existing power export agreements are subject to geopolitical risks and fluctuations in regional stability. While there are efforts to harmonize regulations, disputes over tariffs and energy pricing occasionally arise, and mechanisms for dispute resolution may not be sufficiently robust to prevent disruptions.	1. Develop a risk assessment and monitoring system for political instability in neighboring countries. 2. Strengthen diplomatic channels to proactively address potential disputes over tariffs, pricing, or regulatory standards. 3. Establish contingency plans, including alternative export routes and diversified customer bases. 4. Collaborate with regional organizations to promote regulatory harmonization and political stability.	Regional political instability or diplomatic disputes arise from geopolitical rivalries, unresolved conflicts, and divergent economic interests.	Political conflict or tariff disputes disrupt cross-border power exports.	Revenue losses, project delays, and reduced trust in cross-border energy agreements, impacting economic and regional development goals.	3	4	12	Mitigate	#1	Make risk assessment for political stability in neighbouring countries.	David, Winter	13Mar25	Open	3	8	Owodiong-Idemeko, Obong Ide O	28Mar26	Open	12Jan25 Regional political instability or conflict in neighboring countries may disrupt cross-border power exports and result in lost revenues or halted projects. Diplomatic tensions or disputes over energy pricing, tariffs, or regulatory standards with neighboring countries could lead to delays or export restrictions.