

Risk Assessment Document

Investment Proposal: [Proposal Name]

Date:

[Insert Date]

Prepared By:

[Name and Position]

Reviewed By:

[Name and Position]

1. Executive Summary

[Brief overview of the investment proposal, its objectives, and the necessity for risk assessment.]

2. Project Description

[Outline the project scope, business case, expected outcomes, and key stakeholders.]

3. Risk Identification

- [Risk Factor 1: e.g., Market Risk]
- [Risk Factor 2: e.g., Regulatory/Legal Risk]
- [Risk Factor 3: e.g., Financial Risk]
- [Risk Factor 4: e.g., Operational Risk]
- [Risk Factor 5: e.g., Reputational Risk]

4. Risk Analysis

| Risk Description | Likelihood (1-5) | Impact (1-5) | Overall Risk (L x I) | Mitigation Strategy |
|--|------------------|--------------|----------------------|--|
| [Example: Market risk due to price fluctuations] | 4 | 5 | 20 | [Hedging contracts, market analysis] |
| [Example: Regulatory changes affecting business] | 3 | 4 | 12 | [Continuous legal monitoring, compliance checks] |

5. Risk Evaluation and Prioritization

[Summarize the major risks based on their scores. Prioritize risks requiring immediate or significant action.]

6. Risk Response and Mitigation Plan

- Risk:** [Description]
Mitigation Plan: [Details]
- Risk:** [Description]
Mitigation Plan: [Details]

7. Monitoring and Review

[State the plan for ongoing monitoring of identified risks, periodic review timetable, and responsible parties.]

8. Conclusion

[Summarize the overall risk position and readiness to proceed with the investment proposal.]

Important Notes:

- This document is intended to provide a structured approach to risk identification, analysis, and mitigation for investment proposals.
- Regular reviews and updates are essential as project circumstances and external factors change.
- Use clear, evidence-based assessments and involve relevant stakeholders in risk discussions.
- Document does not guarantee prevention of loss but aims to reduce uncertainties.