

Assumptions and Risks

The feasibility of an intervention requires a favourable political, behavioural and operational context. It is thus critical to identify the contextual factors which must be met in order to deliver the expected change. Those external factors are synthesised as part of the intervention assumptions.

Assumptions are the necessary conditions to implement the intervention (from activities to impact) and which are outside the control of project management. Assumptions are identified through the systematisation of the knowledge collected during the context analysis and the risk analysis. In the design phase, public policy analysis and stakeholder analysis are particularly relevant in this regard:

- public policy analysis produces evidence for the definition of political assumptions, needed to ensure the feasibility of the intervention and the sustainability of its outcomes;
- stakeholder analysis produces evidence on behavioural assumptions, supporting the principle of ownership of the intervention.

The EC defines risks as 'Any event or issue that could occur and adversely impact the achievement of the Commission's political, strategical and operational objective. Lost opportunity are also considered risks'. Risk assessment is the 'Overall process of risk identification, analysis and evaluation. Risk management refers to the continuous, proactive and systematic process of identifying, assessing and managing risks in line with accepted risk levels, carried out at every level of the Commission to provide reasonable assurance with regard to achievement of objectives. ([Risk Management in the Commission - Implementation Guide 2018 - 2019](#))

Through risk management, operational managers identify potential problems which may affect the intervention at any level (from activity to impact) and all along the cycle. These risks are then classified on the basis of their significance in relation to the intervention, and the level of acceptance of risk the EC is willing to assume in a given context.

The intervention should take the do no harm principle well into account. The risk analysis should cover any unintended negative human rights consequences (such as disadvantaging certain vulnerable groups, perpetuating gender inequalities, interfering with indigenous rights and labour rights, and the risks of doing harm – such as contributing to forced displacement or land dispossession. This can be done, for example, through conflict sensitivity assessments

To identify and categorise risks, focus on concrete country and sector-level risks (such as open or covert conflict, conflict risks or exacerbation of same; human rights; the environment, climate change and natural and man-made disasters; the socioeconomic context; governance; capacities; fiduciary risks; and development risks).

The risks from climate change and environmental degradation are often overlooked in these assessments, but these can be significant for interventions which rely on the availability and quality of natural resources (e.g. water, soil) and which include infrastructure components exposed to natural hazards. Low climate-related risks determined on the basis of historical data can become significant when assessed in the light of climate change.

Eventually, mitigation measures will be integrated into the intervention design, as no intervention is fully risk exempt. A preliminary analysis will concentrate on critical risks. Also known as killing risks, critical risks are those political, legal, security or financial risks which can clearly hamper implementation of an intervention, or damage the image of the EC (reputational risks).

The risk management plan (and mitigation measures, if any) will be fully developed when drafting the Action Document, when the plan becomes part of the intervention implementation.

The context analysis and the risk analysis (as well as identification of factors which may reinforce intervention effectiveness) will inform definition of the assumptions supporting the intervention's logic.

Methodological fiche(s):

[Logical Framework Approach - LFA](#)

[Risk Management in the Commission, Implementation Guide \(2018-2019\)](#)