

PHILIPPINE RECLAMATION AUTHORITY
MATERIAL RISK FACTORS AND MEASURES TAKEN TO MANAGE SUCH RISKS

RISK CATEGORY	RISK	MEASURES
A. EXTERNAL		
a. POLITICAL	Threatened abolition of PRA Change of leadership results to project discontinuance	Seek legislative sponsorship on the strengthening of PRA mandate and extension of corporate existence Continuous project implementation
b. ECONOMIC	Unstable real estate prices	Strict contract implementation and prohibition on renegotiation on compensation
c. SOCIAL	Non-acceptance of PRA projects by various NGOs	Public information campaign
d. ENVIRONMENTAL	Natural calamities affecting PRA projects	Insurance coverage of projects and presence of provisions in the contract transferring the risk to project proponents

B. INTERNAL		
a. BUSINESS AND FINANCIAL	<p>Contract violations of project proponents</p> <p>Various laws requiring dividend remittance total of which adds up to more than 100%</p>	<p>Strict default clauses in the contract</p> <p>Advocate for the review and amendments of these laws</p>
b. INTERNAL PROCESS AND PEOPLE	<p>Failed biddings due to strict government bidding process</p> <p>Need for human resource competency on nature of project</p>	<p>Proper orientation of bidders on the documentary requirements</p> <p>Training of manpower</p>