

# Risk Categories and Ratings

Version 1.1

## Purpose

When completing an application for a GRDC tender, you need to include a completed risk assessment for the project. This document provides details and examples of applicable risk categories and ratings.

## Table 1. Risk Categories

Table 1. Risk Categories provides a list of risk categories and examples for you to consider. This is not an exhaustive list of all risks that may be applicable to each project and each organisation. Risk categories are not expected to apply in full to all projects.

Describe risks in detail, including the source of the risk and the likely impact of the risk on the project. A one-word description is not sufficient. Here is an example of an adequate risk description:

*Severe weather may delay the start of planting for the 2021 season, leading to delays in analysing results.*

RISK CATEGORY	DESCRIPTION
<b>Technical</b>	Technical risks relate to the solution or methodology being proposed. Examples of risks in this category include: <ul style="list-style-type: none"> <li>• Methodology not certain or untested, and or not proven.</li> <li>• Genetic material not available or difficult to source.</li> <li>• Collaboration required but difficult to gain agreement.</li> <li>• Not having or difficulty in securing Freedom to Operate.</li> <li>• Delays caused by trial providers or laboratory facilities.</li> <li>• Lack of data to support solution.</li> <li>• Difficulty in securing or contracting relevant expertise.</li> </ul>
<b>Financial</b>	Financial risks relate to the possibility of losing money or not achieving financial targets when delivering a project. Examples of risks in this category include: <ul style="list-style-type: none"> <li>• Incorrect assumptions about the cost of items and staff.</li> <li>• Limited financial resources to deliver project.</li> <li>• Issues with financial viability of partners.</li> <li>• Unexpected cost increases.</li> <li>• Lack of financial resources to fund any shortfalls in budget.</li> </ul>

RISK CATEGORY	DESCRIPTION
<b>Operational</b>	<p>Operational risks relate to impediments to the timely and complete delivery of a project. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• Limited access to trial locations or limited choice of trial locations.</li> <li>• Inadequate or poor project management causes project timeframes or outcomes to be missed.</li> <li>• Environmental constraints such as drought, natural disasters or severe weather.</li> <li>• Access to equipment and infrastructure.</li> </ul>
<b>Capability and capacity</b>	<p>Capability and capacity risks relate to the research organisation's ability to manage and access human and other resources to develop useful research that can be adopted by grain growers as well as grain growers understanding and adopting research outcomes. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• Lack of access to personnel or partners with relevant expertise and experience.</li> <li>• Inability to effectively manage relationships and collaborative arrangements.</li> <li>• Limited or constrained ability to articulate and disseminate research outcomes or write compelling case studies that demonstrate the impact of the research.</li> <li>• Poor or limited understanding of capacity and capability of grains growers' ability or appetite to adopt proposed research outcomes.</li> <li>• Inability to develop or contribute to higher levels of skills, awareness and capacity to adopt outcomes of research projects.</li> </ul>
<b>Environmental</b>	<p>Environmental risks relate to unwanted effects or degradation on elements of the environment including soil, water, vegetation, or native fauna. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• Breaches of environment regulations, protocols, or standards.</li> <li>• Project inputs/outputs that impact on native fauna or flora.</li> <li>• Project outcomes that have a detrimental rather than beneficial effect on the environment.</li> <li>• Degradation of soils, waterways or landscape.</li> </ul>
<b>Information and data</b>	<p>Data and information risks relate to a loss of data that impedes the delivery of a project. Further consequences of data/information risk may include regulatory reporting, reparation of damages for data breaches or financial and reputational damage. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• Inadvertent release of information.</li> <li>• Inadequate processes for handling and protection of information (both own and third party).</li> <li>• Access to data (third party) and/or data does not exist.</li> <li>• Corruption or inaccuracy of data.</li> <li>• Lack of compliance with any regulations for the collection, handling and storage of data e.g., Australian Privacy Principles.</li> <li>• Data release leads to industry failure.</li> <li>• Data containing confidential information is distributed without permission.</li> <li>• Failure to meet GRDC's obligations under Australian Government data policy to publicly disclose its assets.</li> </ul>

RISK CATEGORY	DESCRIPTION
	<ul style="list-style-type: none"> <li>• Poor data management leading to:               <ul style="list-style-type: none"> <li>○ duplication of research and wasted grower money, or</li> <li>○ lost data leading to missed research/commercialisation opportunities.</li> </ul> </li> </ul>
<b>Biosecurity</b>	<p>Biosecurity risks relate to the impact of pests, diseases, weeds or contaminants on the economy, environment, or community. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• A pest or disease escapes from the confines of a trial site.</li> <li>• A pest or disease escapes via transporting machinery/equipment, plant material/and or soils or crossing biosecurity zones.</li> </ul>
<b>Path to Impact</b>	<p>Path to impact risks relate to impediments that prevent the outcomes of research being delivered to or adopted by grain growers. Examples of risks in this category include:</p> <ul style="list-style-type: none"> <li>• Failure to clearly identify target audience.</li> <li>• Failure to clear regulatory barriers required into order to make product available to grain growers.</li> <li>• Failure to secure sufficient commercial partners, including circumstances where commercial partners have no interest in market.</li> <li>• Solution cost, complexity, or duplication causes grain growers to have no appetite for solution.</li> </ul>

## Table 2. Risk Ratings

Use Table 2. Risk Ratings to identify a rating for each risk you have identified for your project. For each risk, identify the likelihood and consequence to determine the overall rating.

Indicate 'Not Applicable' where a risk category is not relevant to a proposed research, development or extension project.

		Consequences				
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Severe
Likelihood	5 Almost Certain	5	10	15	20	25
	4 Likely	4	8	12	16	20
	3 Possible	3	6	9	12	15
	2 Unlikely	2	4	6	8	10
	1 Rare	1	2	3	4	5
Risk Rating	20-25	Extreme				
	10-19	High				
	5-9	Moderate				
	1-4	Low				