

**INTEGRATED SAFEGUARDS DATA SHEET  
IDENTIFICATION / CONCEPT STAGE**

**Report No.: ISDSC17389**

**Date ISDS Prepared/Updated:** 07-Mar-2016

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Swaziland	<b>Project ID:</b>	P159628
<b>Project Name:</b>	Swaziland IFMIS Technical Assistance Project		
<b>Team Leader(s):</b>	Gert Johannes Alwyn Van Der Linde		
<b>Estimated Date of Approval:</b>	10-Aug-2016		
<b>Managing Unit:</b>	GGO13	<b>Lending Instrument:</b>	IPF
<b>Sector(s):</b>	Central government administration (100%)		
<b>Theme(s):</b>	Public expenditure, financial management and procurement (100%)		
<b>Financing (in USD Million)</b>			
Total Project Cost:	8.64238886	Total Bank Financing:	0
Financing Gap:	0		
<b>Financing Source</b>			<b>Amount</b>
Borrower			5.00178886
European Commission Development Fund - TF			3.6406
<b>Environment Category:</b>	C - Not Required		

**B. Project Development Objective(s)**

15. The development objective is to improve financial control, and the quality and timeliness of public financial management information.

**C. Project Description**

17. The project will support the procurement, configuration and implementation of an off-the-shelf financial management system for all budget votes funded through the Government's Consolidated Fund. In broad terms, it has been agreed that the two sources of funding will be used as follows:

- a. Government has confirmed in September 2015 that it will provide the necessary funding for the purchase of hardware and software in the 2016/17 MTEF. This is estimated to be USD5.00 million.
- b. The EC funding of USD3.64m (EUR3.34m) would be channeled through a "Recipient Executed Trust Fund" at the World Bank, and fund the technical assistance required for – (i) the design and implementation of the new PFM business processes, controls and information and technical architectures; (ii) direct costs associated with the delivery of the technical assistance; and

(iii) project management.

18. Component 1: Design and implementation of the new PFM business processes, controls and information and technical architectures (USD2.11m)

This activity will provide technical assistance for –

- a. Business process mapping, review and reengineering; design of the financial control, accounting and reporting requirements; and determination of system interfaces.
- b. Technical architecture review and design, including site locations, networks, server environment, end-user equipment, data storage and back-up facilities
- c. Determination of the user base and capacity gap assessment
- d. Assessment of change management requirements
- e. Procurement and contracting the IFMIS solution components
- f. Quality assurance of the set-up, configuration and commissioning of the IFMIS solution
- g. Delivery of the business process, accounting, reporting and IFMIS training plans
- h. Implementation of the change management plan
- i. Set-up of the IFMIS administration functions, including security and business continuity arrangements and procedures
- j. Data clean-up and conversion from the TAS to the new IFMIS

19. Directs costs associated with set-up of the Trust Fund and the delivery of the technical assistance (USD1.01m)

This activity includes the direct costs associated with the provision of technical assistance, training and change management, as well as the compulsory trust fund set up costs and management fee.

20. Project management (USD0.52m)

Project management and administration costs will be covered under this component, including audit fees.

21. Implementation approach

In the first instance, the IFMIS will be made available to the Treasury accounting unit at the Office of the Accountant-general, with the immediate objective to establish effective control over expenditure commitments and the completeness and accuracy of the accounting records of line ministries and the Consolidated Fund. At this stage, it would appear that controls over expenditure commitments are ineffective, and that bank reconciliations are not up to date. This creates an untenable situation for budget execution and, given uncertainties in SACU revenues, introduces substantial fiscal risk for the Government. Expenditure data of line ministries will continue to be created in TAS, and interfaced into the new IFMIS at the center. As a second phase, line ministries will then be connected to the IFMIS in a phased manner, determined by budget control priorities, and connectivity and capacity development activities.

**D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

Mbabane - no salient features relevant to for safeguard analysis.

## E. Borrower's Institutional Capacity for Safeguard Policies

## F. Environmental and Social Safeguards Specialists on the Team

Paula F. Lytle (GSU07)

## II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

## III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

## IV. APPROVALS

Team Leader(s):	Name: Gert Johannes Alwyn Van Der Linde	
<b>Approved By:</b>		
Safeguards Advisor:	Name: Nathalie S. Munzberg (SA)	Date: 24-May-2016
Practice Manager/Manager:	Name: Guenter Heidenhof (PMGR)	Date: 24-May-2016

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.