

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC17186

Date ISDS Prepared/Updated: 07-Jun-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Indonesia	Project ID:	P159448
Project Name:	Strengthening Internal Audit		
Team Leader(s):	Novira Kusdarti Asra		
Estimated Date of Approval:	30-Sep-2016		
Managing Unit:	GGODR	Lending Instrument:	IPF
Sector(s):	General public administration sector (100%)		
Theme(s):	Public expenditure, financial management and procurement (100%)		
Financing (in USD Million)			
Total Project Cost:	1	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Borrower			0
Indonesia - Support Public Financial Management			1
Environment Category:	C - Not Required		

B. Project Development Objective(s)

The primary objective of our engagement is to contribute to government's efforts to improve the capacity of the internal audit institutions to meet the level 3 of IA-CM requirements.

Internal Audit Capability Model (IA-CM) is a framework that identifies the fundamentals needed for effective internal auditing in government and the broader public sector. It illustrates the levels and stages through which an internal audit activity can evolve as it defines, implements, measures, controls and improves its processes and practices. The IA-CM provides a road map for continuous improvement in processes and practices to establish effective internal auditing in an organization.

There are 5 capability levels in IA-CM, where level 1 is the lowest with no sustainability and high dependency on individual efforts and level 5 is the inspirational level. Level 3 is where internal audit management and professional practices are uniformly applied and the practice generally conforms to the internal audit standards and an established Quality Assurance Improvement Program (QAIP).

Level 3 of IA-CM requires advisory services and performance audit to be practiced uniformly and

the use of risk based audit plan within the internal audit institutions. To ensure such internal audit professional practice, qualified IA-CM assessors and certified QAIP reviewers should be available to support such transformation.

C. Project Description

The fund will be used to finance: (i) piloting the use of IT to do internal audit of data coming from IFMIS system in IG MoF; (ii) development of performance audit guidelines and distance learning website to speed up the training of all government internal audit staffs in the country; (iii) the certification program for: (a) IA-CM assessors certification; and (b) Quality Assurance Improvement Program from Institute of Internal Auditor global; (iv) capacity building to implement risk universe, risk based planning and information technology in government internal audit daily work; (v) establishment of E learning for internal audit standards, code of ethics, peer review standards and performance audit; (vi) internal control workshop; (vii) implementation support on COSO and IA-CM at local governments level; (viii) Independent validation of BPKP IA-CM self-assessment; and (ix) development of AAPI membership database.

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

The location is mostly in the capital city of Jakarta.

E. Borrower's Institutional Capacity for Safeguard Policies

NA

F. Environmental and Social Safeguards Specialists on the Team

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	No	The proposed operation has no civil works or other activities having an environmental impact.
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: Novira Kusdarti Asra	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 09-Jun-2016
Practice Manager/ Manager:	Name: Roberto Tarallo (PMGR)	Date: 09-Jun-2016

¹ 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.