

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC20395

Date ISDS Prepared/Updated: 01-Nov-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Africa	Project ID:	P162380
Project Name:			
Team Leader(s):	Kolie Ousmane Maurice Megnan, Celestin Adjalou Niamien		
Estimated Date of Approval:	15-Jan-2017		
Managing Unit:		Lending Instrument:	IPF
Financing (in USD Million)			
Total Project Cost:	0.5	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Supreme Audit Institutions Capacity Development Fund			0.5
Environment Category:	C - Not Required		

B. Project Development Objective(s)

The Project Development Objective (PDO) is to improve the oversight of the revenues from the extractive industry in targeted countries. This will lead to a more inclusive and sustainable economic growth stemming from extractive industry activities

C. Project Description

The project will consist of three components: (i) supporting the Supreme Audit Institutions of selected countries to conduct audit of the revenues flow in the extractive industry; (ii) dissemination of the audit manual on flow of revenue to other SAIs; and (iv) project management, monitoring and evaluation.

Component 1: CREFIAF's capacity to coach/mentor its members was built in the field of the financial audit thanks to the support from the WB closed project which developed and tested in 5 countries audit guidelines and methodology in line with the International Standards for Supreme Audit Institutions (ISSAI). During the implementation of this project, about 20 staff from CREFIAF and the pilot SAIs were trained and accredited as CREFIAF experts. Also an eLearning platform was developed and all audit guidelines were adapted in eLearning training modules. The proposed project will leverage on the financial audit guidelines to (i) elaborate a manual on audit of the flow of revenue in line with EITI + requirement 4 on revenues collection and (ii) test this manual

in DRC, Gabon, Niger and Guinea. Two audits related to the flow of revenues in the extractive industry will be conducted in each of these countries on two different years using CREFIAF experts and the auditors from the selected SAIs. The audit will consist in (i) ensuring that the contracts signed with the private sector in the extractive industry field comply with the legal framework and the regulations, (ii) reconciling the revenues (host Government's production entitlement, national state-owned enterprise company production entitlement, profit taxes, royalties, dividends, bonuses, license fees, rental fees, entry fees, any other significant payments and material benefit to Government) declared by the private sector complied with the provisions of the contracts, (iii) reconciling the revenues declared by the private sector and recorded by the revenues generating administrations and the public treasury. In addition, to addressing the issue of the production of an audit report on the flow of revenues of the extractive industry in line with the international auditing standards and EITI+ requirement 4.9, the project will pay a special to the lead time between the completion of the audit and the publication of the report as to ensure a timely publication of the report. During the course of these audits, the Supreme Audit Institutions will rely also on technical expertise available at the Ministry of Natural Resource and synergies will be sought with CIDA's experts. Lessons learned from the audit will be incorporated to revise if needed the audit manual on flow of revenues.

Component 2: The project will support CREFIAF to use its existing training facility (Regional Training Institute and eLearning platform) to have a multiplier effect and disseminate at a lower cost, the final version of the above mentioned audit manual as to strengthen the capacity of the other member countries. This will be done by (i) adapting the audit manual in eLearning training modules, (ii) printing the manual for dispatching in the 23 SAIs, (iii) and providing local trainings sessions in 10 additional countries.

Component 3: Coordination of the above activities will remain with the Secretariat of the CREFIAF. This includes management of funds, ensuring that required outputs are delivered in an agreed timeframe and the financial audit of the project proceeds are conducted on time

To support a sound implementation of the project supervision resources have been allocated in the form of a BETF amounting US\$ 40,000

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

E. Borrower's Institutional Capacity for Safeguard Policies

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	
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: Kolie Ousmane Maurice Megnan, Celestin Adjalou Niamien	
Approved By:		
Safeguards Advisor:	Name: Maman-Sani Issa (SA)	Date: 08-Dec-2016
Practice Manager/ Manager:	Name: Chiara Bronchi (PMGR)	Date: 08-Dec-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.