



Bhutan Institutional Capacity Development of the Royal Audit Authority Project (P155150)

SOUTH ASIA | Bhutan | Governance Global Practice |
 Recipient Executed Activities | Investment Project Financing | FY 2015 | Seq No: 3 | ARCHIVED on 21-Jun-2018 | ISR33044 |

Implementing Agencies: Royal Audit Authority, Ministry of Finance, Royal Government of Bhutan

Key Dates

Key Project Dates

Bank Approval Date:18-Jun-2015

Effectiveness Date:23-Jul-2015

Original Closing Date:30-Jun-2018

Revised Closing Date:30-Jun-2018

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the Project is to enhance the effectiveness of the RAA by improving its operational capacity to produce and disseminate quality audit reports as per ISSAIs.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Satisfactory

Implementation Status and Key Decisions

1 . The results framework for the project was discussed and following is the current status:

1 . **Project Development Objective Indicator:** The second year target of PDO indicator of 10% ISSAI based reports issued was achieved. For the third or the final year, RAA has included this indicator in the annual target and results agreed with Government Performance Management Division (GPMD) for FY17/18.

2 . **Intermediate Results Indicators:** Against the third-year target of 16 SMEs and 20 ETs, RAA has trained 16 SMEs and 54 ETs. Similarly,



RAA has developed 12 ISSAI based training materials as against the target of 10.

2 RAA has signed a pro-bono contract with INTOSAI Development Initiative (IDI) for support on ISSAI Implementation Initiative (3i Programme) Phase II Pilot SAI Bhutan. The contract has three components: **Component I:** Facilitate design and development of ISSAI based course materials for Performance Audit, Compliance Audit and Financial Audit along with six mentors from SAI Bhutan. **Component II:** Facilitate training of 60 Subject Matter Experts and Training of Trainers co-facilitated by six mentors from SAI Bhutan. **Component III:** Facilitate and support implementation of ISSAIs in the Royal Audit Authority. While the components I and II have already been implemented, the Component III is expected to be completed by July 2018.

3 Component wise progress:

1 . **Component A: Training of Subject Matter Experts (SME) and Expert Trainers (ET):** Twelve (12) auditors have been trained as SMEs in Performance Audit, Compliance Audit and Financial Audit and 54 (fifty four) auditors have been trained as ETs with help of IDI at International Centre for Information Systems and Audit (iCISA), Noida, India. Another four (4) auditors were trained as SMEs in HR & Communication Strategies at Bangkok in January 2017. The training of SMEs and ETs stands completed.

2 . **Component B: Development of Professional Development Courses based on ISSAIs, training of auditors, pilot audits and audit costs:** RAA has developed twelve (12) ISSAI based training materials against the second year target of four (4). These twelve training materials are (a) Planning, Execution and Reporting of Financial Audit, Compliance Audit and Performance Audit and (b) review of Financial, Compliance and Performance audit manuals aligning with ISSAIs. As against 15 pilot audits originally planned, RAA carried out 6 pilot audits since these many audits were believed to be sufficient to meet the overall objective of the Project. The 6 pilot audits were: 1. Financial Audit of National Land Commissions, 2. Financial Audit of Wangduephodrang Dzongkhag, 3. Compliance Audit of Thimphu Thromde 4. Compliance Audit of Department of Medical Service, 5. Performance Audit of provision of drinking Water under Thimphu Thromde and 6. Performance Audit of delivery of health services at JDWNRH.

Risks

Overall Risk Rating

Risk Category	Rating at Approval	Previous Rating	Current Rating
Overall	--	● Low	● Low

Results

Project Development Objective Indicators

► Improved audit approaches and methodologies impacting on the quality of audits and reporting (measured by percentage of ISSAIs complied audit reports issued) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	10.00	40.00
Date	01-Jul-2015	24-Nov-2015	15-Dec-2017	30-Jun-2018

Overall Comments



Intermediate Results Indicators

▶SMEs trained (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.00	12.00	16.00	16.00
Date	01-Jul-2015	20-Dec-2016	15-Dec-2017	30-Jun-2018

▶ETs trained (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	54.00	54.00	20.00
Date	01-Jul-2015	20-Dec-2016	15-Dec-2017	30-Jun-2018


▶Develop ISSAI based training material (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	12.00	12.00	10.00
Date	01-Jul-2015	20-Dec-2016	15-Dec-2017	30-Jun-2018

Overall Comments

Data on Financial Performance

Disbursements (by loan)

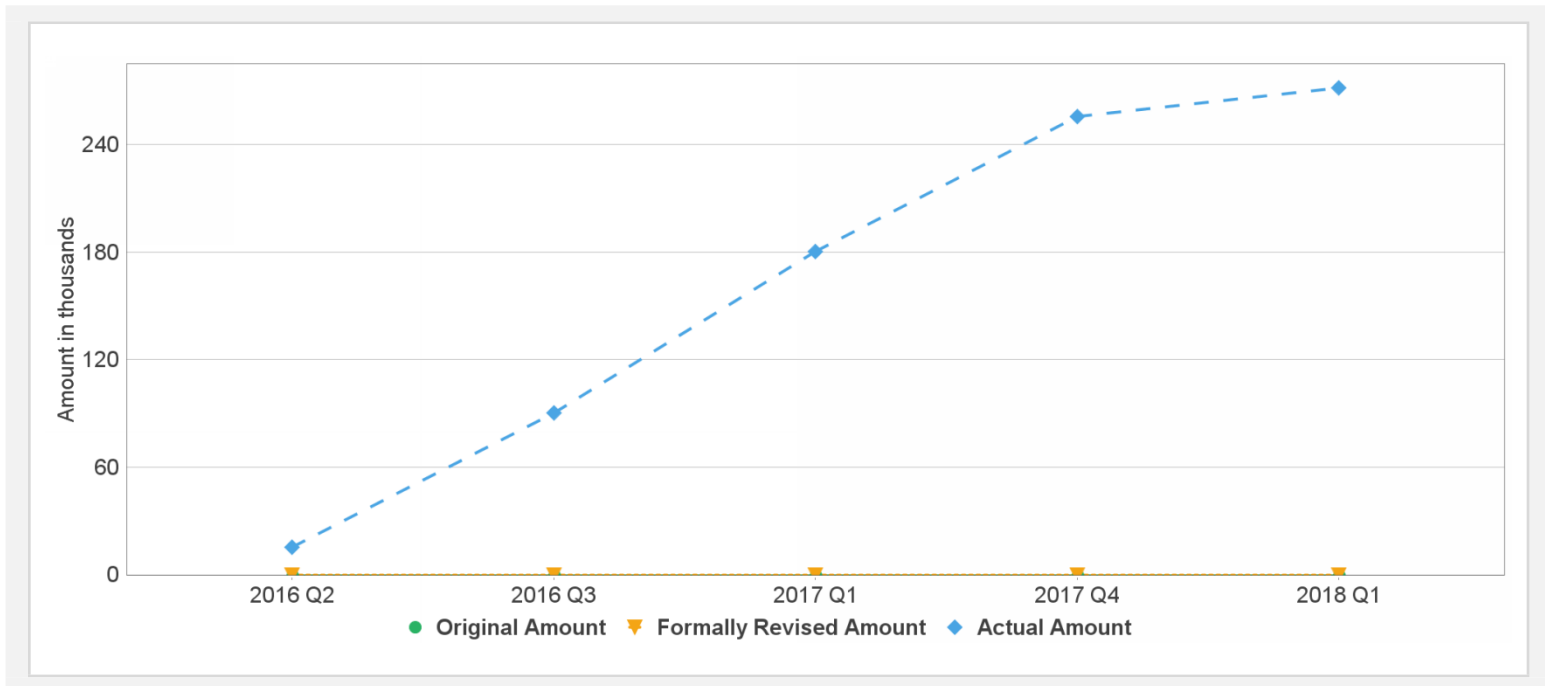
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P155150	TF-A0417	Effective	USD	0.28	0.28	0.00	0.27	0.00	 99%



Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P155150	TF-A0417	Effective	18-Jun-2015	23-Jul-2015	23-Jul-2015	30-Jun-2018	30-Jun-2018

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.