

Analysis of Integrated Audit Approach in Auditing Sustainable Energy Development Programs in State-Owned Enterprises

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ABSTRACT

This research examines the use of the Integrated Audit Approach in auditing National Program 6, Sustainable Energy Development, on State-Owned Enterprises (SOEs) by AKN VII of the Audit Board of the Republic of Indonesia. Sustainable energy development, focused on renewable energy and energy efficiency, is a key priority in the 2020–2024 Medium-Term National Development Plan. Given SOEs' significant role in implementing this program, auditing their performance and governance is essential to achieving national strategic goals. The Integrated Audit Approach addresses limitations of traditional audits, such as restricted coverage and less strategic recommendations, by combining financial, compliance, and performance audits. This comprehensive method yields more in-depth and sustainable recommendations. The research uses a qualitative, descriptive-exploratory approach, gathering data through interviews with Audit Board auditors and reviews of internal reports and documents. Findings indicate that the integrated audit approach enhances SOEs' audit quality by delivering more strategic and relevant recommendations, particularly in sustainable energy governance. This study aims to advance audit theory and practice within the Audit Board, contributing to improved governance and performance of SOEs.

Keywords: *Integrated Audit Approach, SOES Performance, Sustainable Energy Development, Audit Board of the Republic of Indonesia*

ABSTRAK

Penelitian ini mengkaji penggunaan Pendekatan Audit Terpadu dalam audit Program Nasional 6, Pembangunan Energi Berkelanjutan, pada Badan Usaha Milik Negara (BUMN) oleh AKN VII Badan Pemeriksa Keuangan Republik Indonesia. Pembangunan energi berkelanjutan, yang difokuskan pada energi terbarukan dan efisiensi energi, merupakan prioritas utama dalam Rencana Pembangunan Jangka Menengah Nasional 2020–2024. Mengingat peran penting BUMN dalam melaksanakan program ini, audit kinerja dan tata kelola mereka sangat penting untuk mencapai tujuan strategis nasional. Pendekatan Audit Terpadu mengatasi keterbatasan audit tradisional, seperti cakupan terbatas dan rekomendasi yang kurang strategis, dengan menggabungkan audit keuangan, kepatuhan, dan kinerja. Metode komprehensif ini menghasilkan rekomendasi yang lebih mendalam dan berkelanjutan. Penelitian ini menggunakan

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pendekatan kualitatif, deskriptif-eksploratori, dengan mengumpulkan data melalui wawancara dengan auditor Badan Pemeriksa Keuangan dan telaah laporan dan dokumen internal. Temuan menunjukkan bahwa pendekatan audit terpadu meningkatkan kualitas audit BUMN dengan memberikan rekomendasi yang lebih strategis dan relevan, khususnya dalam tata kelola energi berkelanjutan. Penelitian ini bertujuan untuk memajukan teori dan praktik audit di Badan Audit, sehingga berkontribusi terhadap peningkatan tata kelola dan kinerja BUMN.

Kata kunci: *Integrated Audit Approach, Kinerja atas SOES, Pembangunan Energi Berkelanjutan, Badan Pemeriksa Keuangan*

INTRODUCTION

Improving the quality and benefits of audit results is the hope of every Supreme Audit Institution (SAIs), including the Republic of Indonesia Audit Board (*Badan Pemeriksa Keuangan/BPK*). The quality and benefits of audits have become the focus of the BPK organization in accordance with the Vision, Mission, and Objectives in the BPK Strategic Plan (BPK Renstra 2020 - 2024). This has become a concern of audit standards institutions, both by the International Organization of Supreme Audit Institutions (INTOSAI), including through INTOSAI Principle-12 - Value and Benefits of Supreme Audit Institution, namely demonstrating ongoing relevance to citizens, Parliament and other stakeholders. The quality and benefits of audits are highly dependent on the methodology used and the competence of the auditor in implementing the audit program and providing strategic recommendations (Savira et al., 2021). A quality and beneficial audit is highly dependent on the audit methodology used and the ability of the auditor to implement the audit program and produce strategic audit recommendations that have an impact on improving state financial governance (Finance, 2007). The quality and benefits of BPK audits are also largely determined by the role of BPK through audits and recommendations with an oversight, insight and foresight perspective (Alkatiri, 2023; Karunia & Andrianto, 2023).

State Finance Audit (*Auditorat Utama Keuangan Negara/AKN*) VII BPK has the task of auditing the management and responsibility of state finances in the field of Separated State Assets, namely the Ministry of State-Owned Enterprises (SOEs) and SOEs in achieving national development goals in general and a more contextual understanding of the business environment ecosystem in SOEs, specifically related to aspects of governance and business strategy (BPK, 2023). In the Follow-up Report on Audit Result Recommendations (*Tindak Lanjut Rekomendasi Hasil Pemeriksaan/TLRHP*) of BPK RI for the 2005-2022 period, of the 23,660 recommendations issued by AKN VII, recommendations that were declared complete reached 77%. However, the thing to note is that the remaining 21% consists of recommendations that have not been completed (10%) and have not been followed up (11%). In addition, 528 recommendations could not be followed up at all, the majority of which came from the 2010-2014 period as many as 234 recommendations and 2015-2019 as many as 188 recommendations. Furthermore, the critical problem of the follow-up to the recommendations is that there are 224 recommendations from the 2005-2014 period that are not yet appropriate and have not been followed up and 99 recommendations that are declared unactionable.

In the BPK RI Performance Report for 2019-2023, the audit was more dominantly carried out through Audits with Specific Purposes (*Pemeriksaan Dengan Tujuan Tertentu/PDPT*) which reached 89%, focused on technical problems and was partial. This PDPT emphasizes the effects of the problem, but does not touch the root cause so that the recommendations given tend to be repetitive and do not solve the problem strategically. The recommendations also have not provided policy solutions to the Directors and Commissioners of SOEs regarding the achievement of performance and implementation of the principles of Good Corporate Governance. Thematic Audit of National Program (*Program Nasional/PN*) 6 Sustainable Energy Development is the

mandate of the State Financial Auditorate VII (AKN VII) of the BPK to audit the performance of SOEs related to low-carbon development. Based on Law No. 19/2003, SOEs play a role as an agent of development in realizing community welfare (Laksmiwati et al., 2023). However, SOEs still rely on State Capital Participation (*Penyertaan Modal Negara/PMN*), which is prone to inefficient use (Dinarjito, 2019).

Elkington & Rowlands (1999), emphasized the importance of the triple bottom line—profit, people, planet—in modern business, which is relevant for SOEs. Although sustainability regulations have been implemented, their effectiveness is still questionable (Fatmasari, 2023). Milza et al. (2021), showed that sustainability practices in SOEs need improvement in implementation and reporting. In response to the weaknesses of this methodology, AKN VII developed the Integrated Audit Approach in auditing SOE performance, which is more comprehensive and holistic. This approach combines audits of financial statements, compliance, and performance, aiming to provide more strategic and impactful results. This method supports BPK's vision to improve audit quality and provide recommendations that focus not only on technical issues, but also on governance, policies, and SOE contributions to national development goals. With an integrated approach, it is hoped that BPK audits can encourage improvements in state financial governance and support the achievement of the 2020-2024 National Medium Term Development Plan (*Rencana Pembangunan Jangka Menengah Nasional/RPJMN*) and Sustainable Development Goals (SDGs). This study fills the gap related to the empirical evaluation of the implementation of the Integrated Audit Approach in Indonesian public sector audits, especially in sustainable energy programs. Previous studies have focused more on technical or administrative aspects, while this study emphasizes the importance of strategic recommendations that support the governance and long-term sustainability of SOEs. Thus, this study makes an important contribution to improving the effectiveness of performance audits in the energy sector.

Zakariya (2020), concluded that the BPK needs to increase its role during the pandemic by utilizing technology and strengthening communication to ensure that financial audits run smoothly, even in limited conditions due to the pandemic. According to Tumija & Febriansyah (2019), discussed the mechanism for implementing financial audits by the Republic of Indonesia Audit Board (BPK-RI) after the renewal of the State Financial Audit Standards (*Standar Pemeriksaan Keuangan Negara/SPKN*) in 2017. The conclusion of the study is that the 2017 SPKN has been implemented, but the full implementation process is still ongoing and is expected to have a positive impact on state financial governance in the future. Nugroho (2018), examined the 2016 Pertamina Production Exploration (*Eksplorasi Produksi/EP*) Cepu Contractor Cooperation Contract (*Kontraktor Kontrak Kerja Sama /KKKS*) supply chain compliance audit. The results were in the form of recommendations for improving the supply chain management system, ratified through the Audit Result Report to improve compliance and efficiency. Research of Purwanto (2008), developed an evaluation model based on DeLone and McLean to support BPK in examining the effectiveness of e-government, increasing transparency, accountability, quality of public services, and providing strategic recommendations to improve the governance of audited entities. This study aims to identify the extent to which the integrated audit method is able to answer the need to improve the quality and effectiveness of audits conducted by BPK which can provide more strategic and sustainable recommendations, and encourage improvements in governance and business strategies of audited entities.

LITERATURE REVIEW

Auditing is an effort made by management to ensure that the implementation of activities is in accordance with the objectives set (Nugroho, 2018). According to Beasley et al. (2005), the main purpose of the audit methodology is to provide adequate assurance that the reports or activities being audited have been prepared or implemented in accordance with applicable principles and provide recommendations for improvement to improve the effectiveness and efficiency of operations. Audit

methodology is a key element in ensuring accountability and transparency of financial management and performance of an entity, especially in the public sector. Intosai (2017), emphasizes that the audit methodology must include important elements such as good planning, implementation, and reporting, and must consider risk factors, materiality, and the quality of available data. An effective audit methodology must be based on a deep understanding of the structures and systems in the audited entity, as well as the risks inherent in the processes or activities being implemented.

In the context of BPK, the application of the right audit methodology is very important to assess the performance of SOEs that play a role in implementing National Program 6 (PN 6) Sustainable Energy Development. This program is part of the government's efforts to encourage the energy transition towards the use of new and renewable energy, in accordance with Indonesia's commitment to climate change mitigation and sustainable development (Nur, 2022). Based on the identification of problems, especially weaknesses in the existing audit methodology, a change in the audit methodology is needed to be more integrated approach. The integrated audit method is expected to provide a more holistic understanding of how public entities, especially SOEs, manage resources, achieve strategic goals, and comply with applicable regulations.

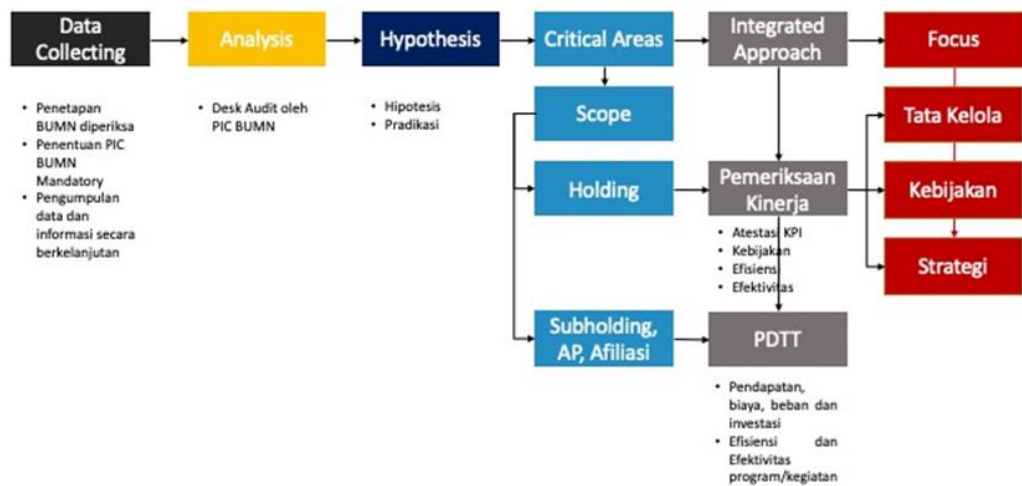


Figure 1. Integrated Audit Approach Process Framework

Based on the Figure 1, according to the Audit Framework for SOEs AKN VII Performance, changes were made to the audit methodology using an integrated audit approach starting with data and information collection followed by continuous analysis by the auditor in the form of a desk audit. The results of the desk audit are in the form of a hypothesis or prediction of problems that occur in SOEs which are critical areas in determining the scope of the audit. An integrated audit is first carried out by conducting an audit at the holding and subholding/subsidiary/affiliate levels. The audit at the subholding/subsidiary/affiliate level is carried out in the form of PDDT in semester 1 which is then followed up with a performance audit at the holding level. The focus of the audit is on governance, policies and strategies (Susanto et al., 2023). The audit output also includes a list of internal and external SOEs policies that require recommendations for improvement to create improvements in governance, efficiency and effectiveness in the audited SOEs. The purpose of the integrated audit approach is to provide recommendations that can support better performance and efficiency, supported by better policies and in accordance with applicable governance and regulations. The AKN VII audit must target several issues relevant to the role, duties and responsibilities of the audited object.

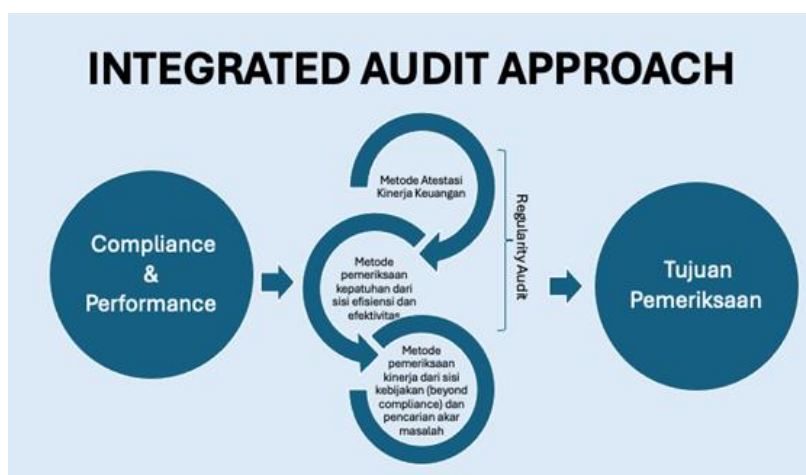


Figure 2. Concept of Integrated Audit Approach AKN VII

Based on the Figure 2, the integrated audit approach is an approach that combines performance audits, compliance audits, and financial audits in one integrated audit process. This method is designed to provide more comprehensive audit results by looking at various aspects simultaneously, both in terms of performance, finance, and compliance with regulations and governance (Handayani et al., 2023). This method can reduce audit fragmentation and increase efficiency in the audit process, because various types of audits are carried out simultaneously using the same data source and documentation. The application of the integration of the performance audit method with compliance audits is expected to cover the weaknesses of compliance audits. Performance audits are holistic, comprehensive, and consolidative. The consolidative nature is fulfilled by applying the audit at the holding or conglomerate level. The holistic and comprehensive nature is fulfilled by emphasizing the search for root causes and improving governance and business strategy.

According to Presidential Regulation Number 18 of 2020, the 2020-2024 RPJMN is an important part of the 2005-2025 RPJPN, with the target of realizing an independent, advanced, just, and prosperous society through accelerated development based on regional competitive advantages and quality human resources. In this context, PN 6 Sustainable Energy Development aims to increase the portion of new and Renewable Energy (*Energi Baru dan Terbarukan/EBT*) in the national energy mix to 23% by 2024 and reduce the intensity of primary and final energy. The main strategies include EBT management, energy efficiency, and energy conservation. The national energy policy regulated in PP Number 79 of 2014 includes main policies such as the availability of national energy and energy reserves, as well as supporting policies such as energy conservation, subsidies, energy technology research, and institutions. In addition, Presidential Regulation Number 98 of 2021 concerning the Economic Value of Carbon (*Nilai Ekonomi Karbon/NEK*) supports the control of greenhouse gas emissions through carbon trading, reinforced by the Regulation of the Minister of Environment and Forestry Number 21 of 2022. However, the study by the Directorate General of Energy and Mineral Resources. The BPK Renvaja identified various problems, including suboptimal coordination, outdated EBT data, ineffective investment incentive schemes, and inadequate infrastructure and funding. This was obtained from a study by Letari (2021), which stated that coordination of all parties in order to support the achievement of EBT targets nationally was suboptimal. Other problems include regulations that do not fully support the development of EBT, low public awareness, and the high cost of Carbon Capture Storage (CCS) technology and electric vehicles (Belva & Raspati, 2024). In addition, supervision and risk mitigation in carbon trading and the preparation of an EBT roadmap are considered suboptimal. Indonesia's low carbon trade is also due to the lack of incentives and binding regulations for companies to purchase carbon units.

Previous research by Zakariya (2020), highlighted the important role of the Audit Board of Indonesia in supervising state financial management during the pandemic. The pandemic has driven large budget allocations for handling COVID-19, which is vulnerable to misuse. However, restrictions such as Large-Scale Social Restrictions (*Pembatasan Sosial Berskala Besar/PSBB*) and Work from Home (WFH) limit audits. This study emphasizes the importance of optimizing audits through increased coordination with related parties and utilizing information technology, such as electronic documents and video conferencing, to ensure transparency and prevent fraud. Tumija & Febriansyah (2019), discussed the implementation of the 2017 (SPKN) which replaced rule-based standards with a principle-based approach. Although the 2017 SPKN is expected to increase accountability and transparency, its implementation is still gradual with some audits still referring to the old guidelines. This study also underlines the role of new features, such as conceptual frameworks and purpose-built audits, in supporting state financial governance.

Nugroho (2018), discusses the audit of Pertamina EP Cepu's supply chain compliance by Special Task Force for Upstream Oil and Gas Business Activities (*Satuan Kerja Khusus Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi/SKK Migas*) together with State Finance Polytechnic State Accounting College (*Politeknik Keuangan Negara Sekolah Tinggi Akuntansi Negara/PKN STAN*). The audit covers aspects of procurement of goods/services, asset management, and customs with methods such as physical inspection and field observation. The Audit Result Report (*Laporan Hasil Pemeriksaan/LHP*) provides recommendations for system improvements to improve efficiency and compliance. Purwanto (2007), developed an e-government application performance evaluation model based on the DeLone and McLean model. This study uses SEM-PLS and finds that the quality of information and service significantly affects user satisfaction, while system quality has a weak effect. A case study in Sragen Regency shows the effectiveness of e-government applications, despite shortcomings in accessibility and functionality. This study emphasizes the importance of application performance audits to improve the quality of public services.

METHODS

The research method used is a qualitative method in the form of exploratory description that helps researchers to gain a deeper understanding of the phenomenon being studied through the perspective of those who experience it directly (Creswell, 2013). This type of research aims to provide an in-depth description of the implementation of the integrated audit method applied in the thematic audit of PN 6 Sustainable Energy Development. The location of the research was carried out at the State Auditorate VII of the Republic of Indonesia Audit Board. The research was conducted for approximately 6 months starting from February to September 2024. This study explores the implementation of the integrated audit method in the thematic audit of PN 6 in SOEs, to improve the quality, effectiveness, and strategic recommendations of the BPK, in order to encourage governance and sustainable business strategies of the audited entities. The focus of the research subjects in this study is the audit team and audit manager in the thematic audit of PN 6 at AKN VII. Other parties who can strengthen the research are experts in their fields. Data collection in this study uses document studies, interviews, and observations. The data analysis method is carried out by collecting and organizing data first, then the data is grouped into themes in a certain code and presented in the form of tables, images and discussions. To ensure the validity and reliability of the data, researchers use data triangulation techniques. Triangulation is carried out by comparing information obtained from interviews with relevant official documents. In addition, researchers also conduct member checking by providing temporary results to informants to ensure that the researcher's interpretation is in accordance with the existing reality.

RESULTS

The audit of National Program 6 (PN 6) Sustainable Energy Development using the Integrated Audit Approach method resulted in a number of key findings related to the performance of PT Pertamina (Persero) and its subsidiaries, especially PT Pertamina Power Indonesia (PPI), in supporting the sustainable energy transition. The audit results show that PT PPI's financial statements have been prepared in accordance with applicable accounting standards. However, there are a number of challenges in achieving financial targets, especially related to investment in new and renewable energy (EBT). The geothermal exploration project in Hululais, Bengkulu, is one example of a case where an investment of USD 300 million is at risk of becoming a sunk cost because PT PLN has not realized the planned construction of the power plant. This condition shows a lack of synergy between PT PPI as a renewable energy sub holding with other stakeholders, which causes idle capacity and potential loss of investment opportunities (opportunity losses). In addition, PT PPI's comprehensive profit in 2023 decreased by 15.68%, from USD 173,325 thousand in the previous year to USD 146,143 thousand. This decline was triggered by investment losses in venture companies, such as PT Jawa Satu Power (JSP) and PT Jawa Satu Regas (JSR). This issue indicates the need for an in-depth evaluation of the company's investment portfolio to optimize return on investment and reduce the risk of future losses.

PT PPI faces obstacles in complying with the renewable energy pricing policy stipulated in Presidential Regulation No. 112 of 2022. This policy sets a limit on renewable energy prices, which causes the low economic level of EBT projects. In addition, there are other regulations, such as contract addendums and taxation, which increase project operational costs. As a result, PT PPI finds it difficult to achieve the expected return on investment. The audit also found that the limited budget allocation from the government to support sustainable energy projects is one of the main obstacles. In fact, the energy transition requires significant investment, especially to fund the development of new technologies such as geothermal, biomass, and solar power. Greater regulatory and budget support is needed for renewable energy projects to be able to compete with fossil fuels.

In terms of operational efficiency, PT PPI still faces a number of major challenges. Renewable energy technologies currently used have high costs and long payback periods. This has an impact on low efficiency in project management, especially in the new and renewable energy-based power generation sector. In addition, there are obstacles in the supply chain and project implementation. For example, solar power generation projects planned in several operational areas have not reached optimal utilization levels. The distribution and marketing process of new and renewable energy products is also hampered by inadequate infrastructure. As a result, renewable energy production targets have not been met optimally. In asset management, the results of the audit found that the significant increase in fixed assets has not been balanced by optimization of their use. This condition indicates that the company needs to improve project planning and execution to ensure that each invested asset provides optimal added value.

PT PPI's Internal Control System (ISC) is not yet fully adequate in supporting risk mitigation related to sustainable energy development. Several major projects have experienced obstacles due to lack of proper planning, including regulatory risks that have an impact on increasing project costs and implementation time. For example, a geothermal exploration project in the Hululais area has not only experienced delays but also has the potential to cause major losses due to idle capacity. This indicates the need for improvements in the risk management system, including early identification of potential regulatory and technical obstacles. A strong risk control system will help the company anticipate and mitigate key risks, both at the strategic and operational levels. The audit found that although PT PPI has demonstrated a commitment to sustainable energy development, there are major challenges that must be overcome. From financial to operational aspects, the company faces obstacles that require strategic solutions,

including increasing synergy with stakeholders, harmonizing policies, and improving risk governance. By overcoming these challenges, PT PPI is expected to be more effective in supporting the national energy transition and achieving the Net Zero Emission target by 2060.

DISCUSSION

This study explores the application of the Integrated Audit Approach method at PT Pertamina (Persero) and PT Pertamina Power Indonesia (PPI) to support sustainable energy development according to the 2020–2024 RPJMN. This approach includes financial, compliance, and performance analysis, as well as its implications for governance, efficiency, and risk management. The Integrated Audit Approach method combines financial, compliance, and performance audits to provide a holistic view of the company. The financial statements of PT Pertamina and PT PPI are in accordance with financial accounting standards. Common size, time series, and financial ratio analysis reveal financial stability and increased debt due to large investments in renewable energy projects, such as geothermal and solar power plants. Miles et al. (2014), highlight the importance of financial audits in mapping asset and liability trends. Renewable energy investments require long-term returns, so a risk management strategy is needed to maintain liquidity.

The financial approach also examines how the structure of assets and liabilities reflects the company's priorities in supporting the energy transition. A significant increase in debt indicates a commitment to large investments in projects that require high capital, such as geothermal and solar power plants. However, this raises new challenges in risk management, especially the risk of liquidity and solvency of the company. Compliance audits show constraints in government policies, such as the ceiling price in Presidential Regulation No. 112 of 2022 which limits revenue from renewable energy projects. Other findings include Domestic Component Level (*Tingkat Komponen Dalam Negeri*/TKDN) which limits the procurement of geothermal project equipment, as well as the lack of tax incentives which increase investment costs. Wilson & Mergel (2022), emphasize that rigid policies often hamper corporate strategies. The TKDN policy, for example, caused delays in the procurement of critical components for the geothermal project in Hululais. In addition, tax policies that do not support long-term investment create additional pressure on companies to achieve project economics.

In the context of compliance, policy revisions such as the removal of ceiling prices or increased tax incentives can have a significant impact on the success of renewable energy projects (Arisman & Iwan, 2023). Companies also need to submit recommendations for more flexible policies related to the use of domestic components, which are often a barrier in large projects that require specialized technology. Thus, these policies need to be adjusted so that they not only support national targets but also strengthen the company's financial position. PT PPI has developed renewable energy projects, such as geothermal in Sibayak, Lumut Balai, and Kamojang, as well as solar power plants. Decarbonization initiatives, such as Carbon Capture Utilization and Storage (CCUS), support the 2060 Net Zero Emission target, despite facing challenges of high costs and limited infrastructure (Miles et al., 2014). CCUS technology, although very promising in reducing carbon emissions, requires large investments and more supportive regulations. The development of infrastructure for CCUS also requires good cross-sector coordination between the government and companies. In this context, stronger incentive policies can encourage the adoption of this technology on a wider scale.

An integrative approach links financial, compliance, and performance aspects. Increasing debt can be a threat if not balanced with a funding strategy. Policies such as ceiling prices and TKDN limit the economics of projects, while decarbonization projects require regulatory support and incentives. Beasley et al. (2005), stated that integrated audits strengthen governance through transparency and internal control. Improving governance can improve corporate relationships with stakeholders, especially in

complying with Presidential Regulation No. 112 of 2022. Performance audits identify weaknesses in project management and resource allocation. For example, the delay in the geothermal project in Hululais shows the need for improvements in supply chain management (Miles et al., 2014). Alkatiri et al., (2023); Mursyida & Maulina (2023), mention the importance of risk audits in anticipating strategic uncertainty. Revisions to policies such as ceiling prices can improve the economics of renewable energy projects and support the achievement of national targets. In addition, in-depth performance audits allow companies to identify potential operational efficiencies, including optimizing human resources and technology in renewable energy projects.

The Integrated Audit Approach method provides comprehensive insight into governance, efficiency, and risk management in supporting sustainable energy development. With this approach, PT Pertamina and PT PPI can overcome regulatory constraints, improve operational efficiency, and support the 2060 Net Zero Emission target. In addition, this method allows companies to monitor the long-term impact of major investments in strategic projects, including how the projects contribute to national goals. In the long term, the application of this method can strengthen corporate accountability and encourage the adoption of policies that better support sustainable development. It also creates opportunities to increase trust from stakeholders, including the government, the community, and investors, through more transparent and relevant reports. Thus, the Integrated Audit Approach is not only relevant to assess corporate performance but also to provide strategic recommendations that can help entities face future challenges.

CONCLUSION

This study evaluates the implementation of the Integrated Audit Approach in the audit of the National Program 6 Sustainable Energy Development at PT. Pertamina and PT. Pertamina Power Indonesia (PPI). The Integrated Audit Approach has proven effective in identifying problems early and providing a comprehensive assessment of financial, compliance, and operational performance. This method helps in risk mapping and provides in-depth insights into corporate governance. The preliminary audit results support the sustainability of the evaluation at the detailed audit stage. This method facilitates risk mapping and operational efficiency, especially in the face of regulatory constraints such as renewable energy ceiling prices and Domestic Component Level (TKDN) policies. Integrated audits support the company's strategic risk management. At PT. Pertamina and PPI, challenges such as renewable energy project inefficiencies and increasing debt can be addressed through funding strategies and financial performance optimization. Integrated audits are important in improving corporate governance and transparency. Risks such as project delays and cost increases can be identified early. The resulting strategic recommendations help companies improve governance and balance financial performance with sustainable energy development goals. However, this method is time-consuming, costly, and human resource-intensive. Integrated audits require strong coordination between teams. In addition, regulatory challenges such as ceiling prices and renewable energy taxes affect the project's economics. In conclusion, the Integrated Audit Approach is effective in supporting governance, risk management, and sustainable energy development goals, despite regulatory and resource challenges. To improve the effectiveness of the Integrated Audit Approach implementation, several recommendations are provided, including: Improving coordination between auditor teams through intensive training to improve efficiency and competence in assessing risk and compliance.

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