

**“Modernizing the National Statistical
System in Tajikistan”**

Grant No. TF0B4665, Grant No. D836-TJ

The project special purpose financial statements

for the year ended December 31, 2023

and independent auditor’s report

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“MODERNIZING THE NATIONAL STATISTICAL SYSTEM IN TAJIKISTAN”

GRANT No. TF0B4665; GRANT No. D836-TJ

STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

The following statement, which should be read in conjunction with the independent auditors’ responsibilities is made with a view to distinguish the respective responsibilities of management and those of the independent auditors in relation to the project special purpose financial statements of the “Modernizing the National Statistical System in Tajikistan” Grant No. TF0B4665; Grant No. D836-TJ

Management is responsible for the preparation of the project special purpose financial statements that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by components for the year ended December 31, 2023 in accordance with International Public Sector Accounting Standard “Financial Reporting Under the Cash Basis of Accounting” (the “IPSAS”) issued by the International Public Accounting Standards Board of the International Federation of Accountants and the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”).

In preparing the project special purpose financial statements, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether IPSAS and WB Guidelines have been followed, subject to any material departures disclosed and explained in the project special purpose financial statements; and
- preparing the project special purpose financial statements on a going concern basis, unless it is inappropriate to presume that the Project will be implemented in accordance with the established period.

Management is also responsible for:

- designing, implementing and maintaining effective and sound system of internal control and for revealing risks in system of internal control;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Project, and which enable them to ensure that the project special purpose financial statements of the Project comply with IPSAS and WB Guidelines;
- compliance with laws and regulations of the Republic of Tajikistan, accounting system of the Project and the requirements of the World Bank;
- taking such steps as are reasonably available to them to safeguard the assets of the Project; and
- detecting and preventing fraud and other irregularities.

The special purpose financial statements of the project for the year ended December 31, 2023 were approved and authorized for issue on May 08, 2024 by the management of the Project.

On behalf of the Management:



Jamshed Nurmahmadzoda
Director, Agency for Statistics under the
President of the Republic of Tajikistan;
Project Director

May 08, 2024
Dushanbe, Republic of Tajikistan



Ortiqov Ismoil
Chief Accountant

May 08, 2024
Dushanbe, Republic of Tajikistan

INDEPENDENT AUDITOR'S REPORT

To the Management of Project Implementation Group “Modernizing the National Statistical System in Tajikistan” under Agency on Statistics for the President of the Republic of Tajikistan and to the Management of State Committee on Investments and State Property Management of the Republic of Tajikistan

Opinion

We have audited the Special Purpose Financial Statements prepared by the Management of Project Implementation Group “Modernizing the National Statistical System in Tajikistan” under Agency on Statistics for the President of the Republic of Tajikistan (hereinafter – PIG) of the Project “Modernizing the National Statistical System in Tajikistan” (hereinafter-Project) financed against the financial proceeds of the International Development Association (hereinafter-IDA) according to the Grant Agreement No. TF0B4665 and Grant Agreement No. D836-TJ (hereinafter – Grant Agreements) for the year ended December 31, 2023.

The Special Purpose Financial Statements comprise: Summary of Funds received and Expenditures paid, Summary of Expenditures paid by Components, Notes to the special purpose financial statements includes: (i) Statement of expenditures (SOE); (ii) Statement of Designated Account (iii) Statement of Financial Position; and the principal accounting policies and other explanatory information.

In our opinion,

- a) The Special Purpose Financial Statements of the Project fairly present in all material respects the financial position of the Project as at December 31, 2023 and the results of its operations for the year ended December 31, 2023, in conformity with the International Public Sector Accounting Standards (hereinafter – IPSAS);
- b) The PIG has utilized all proceeds of the Grant Agreements withdrawn from IDA only for purposes of the Project in accordance with the Grant Agreements; and no proceeds of the Grant Agreements have been utilized for other purposes;
- c) Statement of the Designated Account on Project for the year ended December 31, 2023 give a true and fair view of the financial position of the Designated Account of the Project as at December 31, 2023 and of the cash flows for the year ended December 31, 2023 and complies with the World Bank's guidelines; moreover
- d) With respect to SOEs, adequate supporting documentation has been maintained to support claims to the IDA for reimbursement of expenditures incurred and the expenditures comply with objectives stipulated in the Financing Agreements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Project PIG in accordance with the ethical requirements that are relevant to our audit of the statements in with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Basis of Accounting

Without modifying our opinion, we draw attention to Note 3 to the Special Purpose Financial Statements, which describes the basis of accounting. The Special Purpose Financial Statements are prepared to assist the Project to comply with the financial reporting provisions on the requirements conditions of the Grant Agreements and IPSAS. As a result, the Special Purpose Financial Statements may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Special Purpose Financial Statements based on the cash flow basis in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Project PIG ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Project or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Project PIG financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ✓ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ✓ Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project PIG internal control.

- ✓ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ✓ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the PIG ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the PIG to cease to continue as a going concern.

- ✓ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor:
KRESTON TASHKENT LLC

Uzbekistan, Tashkent region, 100007
Makhtumkuli street, 99A


Tashkent, May 08, 2024



“MODERNIZING THE NATIONAL STATISTICAL SYSTEM IN TAJIKISTAN”
GRANT No. TF0B4665; GRANT No. D836-TJ
SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID
FOR THE YEAR ENDED DECEMBER 31, 2023
(in US dollars)

	Notes	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Opening balance	4	<u>4,301</u>	-	-
Funds received				
Grant No. TF0B4665-TJ	5	-	-	340,234
Grant No. D836-TJ	5	<u>4,335,505</u>	<u>1,552,875</u>	<u>5,888,380</u>
Total funds received		<u>4,335,505</u>	<u>1,552,875</u>	<u>6,228,614</u>
Other income		<u>124</u>	-	<u>124</u>
Total receipts		<u>4,335,629</u>	<u>1,552,875</u>	<u>6,228,738</u>
Project expenses				
Goods, works, non-consulting services, Training and Operating Costs	6	3,842,797	1,290,950	5,133,747
Consulting services	6	463,500	257,500	721,000
Consulting services, including audit, Training and Operating Costs	6	-	-	340,234
Total project expenses		<u>4,306,297</u>	<u>1,548,450</u>	<u>6,194,981</u>
Foreign exchange loss/(gain)		<u>120</u>	<u>124</u>	<u>244</u>
Closing balance	4	<u>33,513</u>	<u>4,301</u>	<u>33,513</u>

On behalf of the Management:

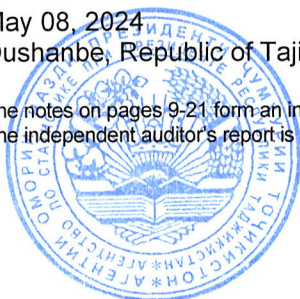

Jamshed Nurmahmadzoda
Director, Agency for Statistics under the
President of the Republic of Tajikistan;
Project Director


Ortiqov Ismoil
Chief Accountant

May 08, 2024
Dushanbe, Republic of Tajikistan

May 08, 2024
Dushanbe, Republic of Tajikistan


The notes on pages 9-21 form an integral part of the project special purpose financial statements.
The independent auditor's report is on pages 4-6.



“MODERNIZING THE NATIONAL STATISTICAL SYSTEM IN TAJIKISTAN”
GRANT No. TF0B4665; GRANT No. D836-TJ
SUMMARY OF EXPENDITURES PAID BY COMPONENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(in US dollars)

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Component 1: Strengthening the Institutional Capacity of AS and Improving ICT Infrastructure	1,730,600	664,308	2,517,750
Component 2: Enhancing the system of statistical production, dissemination and data use	2,462,850	769,493	3,449,735
Component 3: Project Management	112,847	114,649	227,496
	<u>4,306,297</u>	<u>1,548,450</u>	<u>6,194,981</u>

On behalf of the Management:

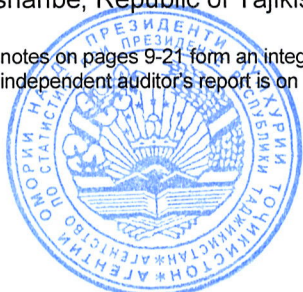

Jamshed Nurmahmadzoda
Director, Agency for Statistics under the
President of the Republic of Tajikistan;
Project Director

May 08, 2024
Dushanbe, Republic of Tajikistan


Ortiqov Ismoil
Chief Accountant

May 08, 2024
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“MODERNIZING THE NATIONAL STATISTICAL SYSTEM IN TAJIKISTAN”
GRANT No. TF0B4665; GRANT No. D836-TJ
NOTES TO THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(in US dollars)

1. GENERAL INFORMATION

In accordance with the Grant Agreement between the Republic of Tajikistan and the International Development Association (hereinafter "IDA", "World Bank") dated May 18, 2021. The World Bank has provided Grant No. TF0B4665 in the amount of 350,000 US dollars and dated May 28, 2021. The World Bank has provided Grant No. D836-TJ in the amount of 7,000,000 SDR.

Funding was provided for the implementation of the Project and the “Modernizing the National Statistical System in Tajikistan” Agency on Statistics under the President of the Republic of Tajikistan Grant No. TF0B4665; Grant No. D836-TJ.

Project purpose Grant No. TF0B4665.

Project Objectives and Description.

The objective of the Project is to facilitate the preparation of the proposed Modernizing the National Statistical System in Tajikistan. The Project consists of the following parts:

Establishing systems for implementation of the MNSSP, including: (i) development of the project operational manual, required procurement, environmental and social documents, and the results framework; (ii) creation of the PIG, Training and other capacity building for the PIG and relevant governmental counterparts; and (iii) Project audit.

Improving implementation readiness and strengthening capacity of PIE, including: (i) assessment of data needs of the governmental and non-governmental stakeholders; (ii) IT assessment of the national statistical system, which may include the PIE and its regional offices, line-ministries and other relevant governmental entities; (iii) assessment of the HR system of the PIE, as well as preparatory works for creation of an internal PIE HR resources platform; (iv) preparation of the tender documentation for twinning partnership arrangements; and (v) regular stakeholder consultations.

The Closing Grant No. TF0B4665 Date is August 31, 2021.

Project purpose Grant No. D836-TJ.

The aim of the project is to provide the Agency for Statistics with the opportunity to modernize the process of preparing, distributing statistical data and to increase user participation.

The project consists of the following components:

COMPONENT 1: STRENGTHENING THE INSTITUTIONAL CAPACITY OF THE AGENCY FOR STATISTICS AND IMPROVING ICT INFRASTRUCTURE

Strengthening Institutional Capacity

- a) streamlining of the organizational structure of the NSS in accordance with the Statistics Law, including modernization of the data collection, processing and dissemination systems, development of the regulatory framework for the Open Data and data policy, development of the internal regulations in information security and data protection;
- b) improvement of personnel training and retraining systems within the Agency for Statistics, including: (i) Trainings for IT staff on data and network administration, data and network security, and related activities; (ii) Training for the Regional Centers on, inter alia, statistical methods and modes of data collection; and (iii) purchase and installation of video conference equipment and software for training facilities;
- c) introduction of the modern HR management system, including purchase of relevant software;
- d) alignment of the data protection and privacy provisions of the Statistics Law and the Personal Protection Law with international best practice, including the UNECE Model Law; and

- e) purchase of related vehicles, necessary for statistical work, e.g. for data-collection and monitoring purposes, in remote and difficult-to-access settlements.

Improving ICT Infrastructure

- a) setting up of new and modernization of existing data centers, including their network connection with the Regional Centers (as might be necessary), establishment of the network operations center, purchase of relevant equipment and software and strengthening of the security systems of the Agency for Statistics;
- b) purchase and/or development of software, including, inter alia: (i) purchase and/or development of data validation, processing and dissemination, data exchange software; (ii) integration of all software applications, centrally within the Agency for Statistics, under a common software configuration; (iii) setting up a back-up data warehouse and anonymization of personally identifiable data, and (iv) purchase of licenses for data base management systems and any custom software applications;
- c) establishment of a call-center to enable phone-based data collection, survey implementation monitoring, and to facilitate data quality control, including purchase of the necessary software and equipment; and
- d) creation of an integrated electronic population registry, including purchase of software to electronically update databases in the Agency for Statistics' central data warehouse.

COMPONENT 2: ENHANCING THE SYSTEM OF STATISTICAL PRODUCTION, DISSEMINATION, AND DATA USE

SNA 2008 and statistical infrastructure

- a) improvement of the system of national accounts in line with SNA 2008 requirements;
- b) compilation of a statistical business register; and
- c) upgrade and modernization of statistical infrastructure in the Agency for Statistics and its Regional Centers, including purchase and installation of necessary equipment and software.

Electronic data collection and improvements in data dissemination and use

- a) introduction of unified system of classifications, nomenclatures, and harmonization of various registers, including their alignment with the best international practice;
- b) improvement of the economic (including foreign investments and balance-of-payment), price and social statistics, as well as gender disaggregation, though, *inter alia*: (i) improving data collection questionnaires according to corresponding international standards and SNA 2008 requirements; (ii) improving the completeness and consistency of data on economic activities; (iii) ensuring collection and dissemination of gender disaggregated statistics; (iv) Training for statisticians/economists in the use of statistical packages, data analysis, visualization and GIS tools; and (v) developing of the software for electronic document circulation for the Agency for Statistics and Regional Centers;
- c) modernization and improvement of the methods for presenting data and dissemination tools, though, *inter alia*: (i) upgrading the website of the Agency for Statistics and providing support for Open Data, micro- and meta-data dissemination; (ii) purchase of the statistical packages, data visualization and GIS tools, software applications to
- d) integrate with web-based dissemination, and (iii) purchase or development of software applications for presentation of internationally comparable indicators on social, economic, financial and poverty topics, as well as, Tajikistan specific national and sub-national indicators; and
- e) improvement of administrative statistics and development of a methodology for incorporating "big data" into the statistical system.

COMPONENT 3: PROJECT MANAGEMENT

Support for Project implementation and management, including: (i) procurement, financial management, environmental and social risk management, monitoring and evaluation, and reporting; Project related audits; and (iii) Training and Operating Costs for the Project.

The Closing Grant No. D836-TJ date is November 30, 2026.

2. PRESENTATION OF THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS

Basis of preparation

Under the cash basis system income (or expenditure) is recognized when cash is received (or paid) irrespective of when goods or services are received or provided.

The Project's approved budget disclosed by categories of expenses is not publicly available and as such comparison of budget and actual amounts is not presented.

These project special purpose financial statements consist of:

- Summary of funds received and expenditures paid;
- Summary of expenditures paid by components;
- Notes to the project special purpose financial statements, including short description of main statements of accounting policy and other descriptive notes.

The reporting currency of these project special purpose financial statements is US dollars (the "USD").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash basis of accounting

Project special purpose financial statements are prepared on a cash basis of accounting. The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the project. Project special purpose financial statements prepared under the cash basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the project special purpose financial statements is balances of cash and changes therein.

Foreign currency

Operations in foreign currency initially are counted in functional currency by the official currency exchange rate settled by the National Bank of Tajikistan (the "NBT") on a date of operation.

Funds received are translated into US dollars at official exchange rate of Special Drawing Rights (the "SDR") at the date of funds receipt. All payments made in local currency are translated into US dollars at the official exchange rate defined by NBT, at the date of transaction.

All foreign exchange differences resulted from maturity or recounting are included in the summary of funds received and expenditures paid.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and due from banks, which can be converted to the corresponding amount of cash in the short term. Balances of advances paid to employees at the end of the period are also part of closing cash position.

Taxes

Calculation and payment of personal income tax and social security contributions from income of local staff and consultants is made in accordance with the requirements and rates of the Tax Code of the Republic of Tajikistan and relevant legislation of the Republic of Tajikistan.

Project expenses

The expenses are recorded in the period when they were actually paid.

Sources of funds

The funds were provided by the IDA to the Project by Direct payment and Advances.

4. CASH AND CASH EQUIVALENTS

As at December 31, 2023 and December 31, 2022 Cash and cash equivalents are presented as follows:

		December 31, 2023	December 31, 2022
Grant D836-TJ	Currency		
Designed account	USD	33,512	4,293
Transit account	TJS	1	8
Cash on hand	TJS	-	-
		<u>33,513</u>	<u>4,301</u>

As of December 31, 2023, the Project did not have a Designated and Transit account for Grant No. TF0B4665.

5. FUNDS RECEIVED

The funds received were provided by the following methods and sources of financing:

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Grant No. D836-TJ			
Advances	2,805,568	500,000	3,305,568
Direct Payments	<u>1,529,937</u>	<u>1,052,875</u>	<u>2,582,812</u>
	<u>4,335,505</u>	<u>1,552,875</u>	<u>5,888,380</u>
Grant No. TF0B4665			
Direct Payments	-	-	340,234
	-	-	<u>340,234</u>
	<u>4,335,505</u>	<u>1,552,875</u>	<u>6,228,614</u>

6. PROJECT EXPENSES

The Project expenses by components are presented in the summary of expenditures paid by components. The Project expenses on major categories are presented in the summary of funds received and expenditures paid. Breakdown of the Project expenses by nature is presented as follows:

GOODS, WORKS, NON-CONSULTING SERVICES, TRAINING AND OPERATING COSTS

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Grant No. D8360-TJ			
Goods	2,767,419	597,735	3,365,154
Non-consulting services	470,212	540,808	1,011,020
Sample surveys	420,332	-	420,332
Operating expenses	47,190	38,272	85,462
Study abroad	57,960	9,859	67,819
PIU Management	79,684	104,276	183,960
	<u>3,842,797</u>	<u>1,290,950</u>	<u>5,133,747</u>

CONSULTING SERVICES

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
International consulting services`	463,500	257,500	721,000
	<u>463,500</u>	<u>257,500</u>	<u>721,000</u>

CONSULTING SERVICES, INCLUDING AUDIT, TRAINING AND OPERATING COSTS

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Consulting services	-	-	252,453
Goods	-	-	72,835
Staff salary	-	-	13,581
Operating expenses	-	-	1,365
	<u>-</u>	<u>-</u>	<u>340,234</u>
	<u>4,306,297</u>	<u>1,548,450</u>	<u>6,194,981</u>

The Project expenses on major components are presented in the summary of funds received and expenditures paid, is presented as follows:

COMPONENT 1: STRENGTHENING THE INSTITUTIONAL CAPACITY OF AS AND IMPROVING ICT INFRASTRUCTURE

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Grant No. D8360-TJ			
Purchase of IT equipment	1,229,220	-	1,229,220
Purchase of a computer and furniture	311,778	190,724	502,502
Office renovation	101,608	-	101,608
Training seminars	51,214	-	51,214
Travel expenses	33,308	3,664	36,972
Advertising	3,472	-	3,472
Purchase of cars	-	248,300	248,300
Other	-	221,620	221,620
	<u>1,730,600</u>	<u>664,308</u>	<u>2,394,908</u>
Grant No. TF0B4665-TJ			
Consultants' services	-	-	35,061
Purchase of a computer and furniture.	-	-	37,934
Expenses for the purchase of videoconferencing equipment	-	-	24,755
Payroll and related taxes	-	-	13,581
Modernization 1C system	-	-	10,146
Material expenses (Office supplies)	-	-	1,004
Advertising	-	-	361
	<u>-</u>	<u>-</u>	<u>122,842</u>
	<u>1,730,600</u>	<u>664,308</u>	<u>2,517,750</u>

COMPONENT 2: ENHANCING THE SYSTEM OF STATISTICAL PRODUCTION, DISSEMINATION AND DATA USE

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Grant No. D8360-TJ			
Purchase of IT equipment	1,005,564	-	1,005,564
Consultants' services	463,500	257,500	721,000
Purchase of a computer and furniture	193,275	-	193,275
Travel expenses	21,244	4,130	25,374
Material expenses (Office supplies)	14,357	-	14,357
Training seminars	3,816	11,626	15,442
Internet services	314	-	314
Customs expenses	361	-	361
Translation services	480	498	978
Payroll and related taxes	60	-	60
Office renovation	-	27,900	27,900
Banking services	-	7,528	7,528
Representation expenses (Events)	-	3,014	3,014
Other	759,879	457,297	1,217,176
	<u>2,462,850</u>	<u>769,493</u>	<u>3,232,343</u>
Grant No. TF0B4665-TJ			
Consultants' services	-	-	137,187
IT Consulting services	-	-	80,205
	<u>-</u>	<u>-</u>	<u>217,392</u>
	<u>2,462,850</u>	<u>769,493</u>	<u>3,449,735</u>

COMPONENT 3: PROJECT MANAGEMENT

	For the year ended December 31, 2023	For the year ended December 31, 2022	Cumulative
Payroll and related taxes	79,799	104,277	184,076
Audit services	15,468	-	15,468
Oil products (Fuel)	8,426	1,137	9,563
Internet services	2,075	1,537	3,612
Customs expenses	2,390	-	2,390
Travel expenses	1,407	163	1,570
Banking services	1,000	372	1,372
Advertising	790	1,378	2,168
Translation services	300	-	300
Customs expenses for cars	-	682	682
Material expenses (Office supplies)	-	5,103	5,103
Other	1,192	-	1,192
	<u>112,847</u>	<u>114,649</u>	<u>227,496</u>
	<u>4,306,297</u>	<u>1,548,450</u>	<u>6,194,981</u>

7. DIRECT PAYMENTS PROCEDURES

Direct payments made by the IDA from Grant Account during the period from January 01, 2023 till December 31, 2023 are stated in the following table:

Sources of financing	No. of Withdrawal application	Dated	Payment Currency	Amount in payment currency	Paid Amount by category (in USD)		Total amount
					(I) Goods, works, nonconsulting services, Training and Operating Costs	(II) Consulting services for the Project	
Grant No. D8360	PIG0049	4-Jan-2023	TJS	1,033,625	101,511	-	101,511
Grant No. D8360	PIG0052	27-Feb-2023	USD	309,000	-	309,000	309,000
Grant No. D8360	PIG0057	6-Jul-2023	TJS	5,400,123	494,875	-	494,875
Grant No. D8360	PIG0058	6-Jul-2023	TJS	3,680,000	337,240	-	337,240
Grant No. D8360	PIG0060	28-Sep-2023	TJS	1,455,615	132,811	-	132,811
Grant No. D8360	PIG0062	12-Oct-2023	USD	154,500	-	154,500	154,500
Total				12,032,863	1,066,437	463,500	1,529,937

Below is the summary of IDA-financed total under the Direct Payments Procedure (from the beginning of the Project):

Reporting Year	Paid Amount by category (in USD)			Total Amount in USD
	Goods, works, nonconsulting services, Training and Operating Costs	Consulting services for the Project	Consulting services, including audit, Training and Operating Costs	
2021	-	-	340,234	340,234
2022	795,375	257,500	-	1,052,875
2023	1,066,437	463,500	-	1,529,937
Total	1,861,812	721,000	340,234	2,923,046

8. STATEMENT OF EXPENDITURE (SOE) PROCEDURES

SOE procedure used by the Project to replenish funds to the Designated Account in accordance with the conditions of the Financing Agreement and World Bank Guidelines' requirements.

Summary data on funds reimbursed through SOE procedures for the year ended December 31, 2023 are presented in the following table:

Grant No. D836-TJ

Total Amount reported under SOEs	2,776,360
<hr/>	
<i>Less: expenditures not submitted to IDA on 31 December 2023¹</i>	<i>(466,367)</i>
Total expenses:	2,309,993
<hr/>	
Reimbursed to Designated Account in 2023	2,805,568
<hr/>	
Less: Reimbursement of expenses for 2022 under:	(495,575)
<i>PIG0051²</i>	<i>(495,575)</i>
Total reimbursed:	2,309,993
<hr/>	
Deviation	-

*1 The application PIG 0063 application, which was reimbursed in January 2024, is 466,367 USD, of which SOE 2023 is 466,367 USD.

*2 The application PIG 0051 for the amount of 495,575 USD, which was actually replenished in 2023, contains SOE 2022 for the amount of 495,575 USD.

Information on the amount of funds financed by IDA under the Statement of Expenditures procedure for the reporting period is presented in the following table:

Expenses category						
No. Application SOE	Period of expenses (year)	Goods, works, non-consulting services, operating costs and training within the Project	Consulting services	Total amount to be replenished	Total amount of replenishment of the Designated Account	Offset from advances
PIG 0054	2023	427,160	-	427,160	427,160	-
PIG 0055	2023	476,489	-	476,489	476,489	-
PIG 0056	2023	489,191	-	489,191	489,191	-
PIG 0059	2023	486,079	-	486,079	486,079	-
PIG 0061	2023	431,074	-	431,074	431,074	-
PIG 0063 ²	2023	466,367	-	466,367	-	-
		2,776,360	-	2,776,360	2,805,568	-

9. STATEMENT OF FINANCIAL POSITION

Financial position as at December 31, 2023 is as follows:

	December 31, 2023	December 31, 2022
ASSETS AND EXPENSES		
Cash and cash equivalents	33,513	4,301
Cumulative Project Expenses	6,194,981	1,888,684
Foreign exchange loss/(gain)	244	124
TOTAL ASSETS AND EXPENSES	<u>6,228,738</u>	<u>1,893,109</u>
FINANCING		
Funds received	6,228,614	1,893,109
Other income	124	-
TOTAL FUNDING	<u>6,228,738</u>	<u>1,893,109</u>

10. WITHDRAWAL APPLICATIONS

Applications for the year ended 31 December 2023 presented as follows:

Application	Value Date	Advances	Direct Payments	Total:
PIG0049	4-Jan-2023	-	101,511	101,511
PIG0051	27-Feb-2023	495,575	-	495,575
PIG0052	27-Feb-2023	-	309,000	309,000
PIG0054	11-Apr-2023	427,160	-	427,160
PIG0055	15-May-2023	476,489	-	476,489
PIG0056	14-Jun-2023	489,191	-	489,191
PIG0057	6-Jul-2023	-	494,875	494,875
PIG0058	6-Jul-2023	-	337,240	337,240
PIG0059	9-Aug-2023	486,079	-	486,079
PIG0060	28-Sep-2023	-	132,811	132,811
PIG0061	25-Sep-2023	431,074	-	431,074
PIG0062	12-Oct-2023	-	154,500	154,500
		<u>2,805,568</u>	<u>1,529,937</u>	<u>4,335,505</u>

11. STATEMENT OF DESIGNATED ACCOUNT

Applications, for the period from January 1, 2023 to December 31, 2023, no transactions under grant No. TF0B4665 were carried out through a Designated account.

Applications submitted for the period January 01, 2023 to December 31, 2023 under Grant No. D836-TJ are as follows:

DESIGNATED ACCOUNT	Grant № D836-TJ
Currency	US Dollars
Bank account	20208840200010000691
Bank	CJSC "International Bank of Tajikistan"
Bank's location	Dushanbe, Tajikistan
Description	US Dollars
Balance as at December 31, 2022	4,293
Advance	2,805,568
Total receipts	2,805,568
Transfers between accounts	2,752,127
Expenditures paid	17,218
Issued to accountable	6,834
Exchange difference	170
Balance as at December 31, 2023	33,512

12. UNDRAWN FUNDS

As at December 31, 2023 undrawn funds are presented as follows:

	Grant No. TF0B4665 in USD	Grant No. D836-TJ in XDR	Grant No. D836-TJ in USD
Approved amount	350,000	7,000,000	10,000,000
Funds received from the start of the project until December 31, 2023	340,234	4,435,426	5,888,380
Cancelled	9,766		
Undrawn financing amount	-	2,564,574	4,111,620

13. COMMITMENTS

In the course of ongoing activities, the Project enters into contracts with suppliers of works and services in accordance with the approved budget and procurement plan.

There were no obligations under contracts in force as at December 31, 2023 under the Project.

Counterparty	Contract No.	Currency	Remaining Contract Value (in USD)
LLC "FG-Group" STAT/MNSSP/RFB-NCB/2022-06		TJS	123,856

14. LEGAL CASES

There were no any legal claims related to the Project.

15. EVENTS AFTER THE REPORTING DATE

During 2024, up to the date of issue of these project special purpose financial statements, the World Bank provided financing to the Project as follows:

Application	Date	Advance		Direct Payments	
		In USD	In XDR	In USD	In XDR
PIG0063	18-Jan-2024	466,366	350,348	-	-
PIG0064	23-Jan-2024	-	-	133,333	100,162
PIG0065	6-Feb-2024	-	-	438,659	331,266
PIG0066	17-Apr-2024	-	-	154,500	117,482
		466,366	350,348	726,492	548,910

As at the date of issue of the project special purpose financial statements no other significant events or transactions occurred, except for the events or transactions described above.