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PROJECT DOCUMENT**Turkmenistan****Project Title:** Strengthening institutional and statistical capacity on national accounts**Project Number:****Implementing Partner:** State Statistics Committee of Turkmenistan**Start Date:** 01.08.2018**End Date:** 31.12.2020**Brief Description**

The project objective is to strengthen national statistical and institutional capacity for implementation the conceptual transition from 1993 version of the System of National Accounts (SNA) to 2008 version and to expand the scope, degree of detailed elaboration and quality of national accounts and complementary data of macroeconomic statistics.

In this regard, the following project components have been identified: 1) national program for the 2008 SNA implementation and establishment of institutional mechanisms for coordination of national statistical system; 2) preparation of proposals for improving the system of statistical classifications; 3) adaptation to SNA 2008 requirements on business registers; 4) strengthening methodological, information and personnel potential in the area of national accounts of Turkmenistan in accordance with the requirements of the SNA 2008; and 5) strengthening ITC capacity to support the system of national accounts in Turkmenistan.

Project Outcome: Complete introduction and transitions to SNA 2008 version

Contributing Outcome PFD 2016-2020: Quality disaggregate data, aligned with international standards, is available to policy makers, legislators, and the interested public to monitor the major goals of National Programmes, the post-2015 SDGs, and the PFD, and to formulate new national strategies and programmes

Indicative Output(s): Availability of results-based monitoring and reporting systems in targeted ministries/institutions to measure progress in the implementation of national line ministries' programmes, including relevant SDGs.

Total resources required:**US\$542179.26****Total resources allocated:****UNDP:****US\$73500.00****Government of Turkmenistan:**

equivalent amount in national currency (manat) determined by applying the official exchange rate in effect on the date of payment

US\$468679.26**Agreed by (signatures):****The State Statistics Committee of Turkmenistan****United Nations Development Programme**

Halykdurdy Gurbanov
Chairperson

Date:

29.08.2018

Elena Panova
Resident Representative

Date:

27.07.2018

I. DESCRIPTION OF THE SITUATION

The System of National Accounts of Turkmenistan at present includes the following accounts on which the methodological basis of the calculations in accordance with 1993 SNA methodology is provided for:

- production account;
- generation of income account;
- allocation of primary income account;
- secondary distribution of income account;
- use of disposable income account;
- capital account;
- account of foreign economic relations.

In the context of building of national accounts the monthly, quarterly and annual calculations of the gross domestic product and other major macroeconomic aggregates as well as annual calculations of the gross regional product on production method on 1993 SNA methodology are implemented.

Building of the main national accounts is a significant achievement of statistics of Turkmenistan; however, at present most of the countries have already implemented or are being implemented transition to a new version of 2008 SNA in accordance with the UN recommendations. Though 2008 SNA retains basic concepts, definitions and classifications of 1993 SNA but it also introduces a number of new methodological approaches to the calculation of a number of important indicators that is a daily need in connection with new challenges with which national statistical services are faced.

Particularly, in connection with the adoption of UN Sustainable Development Agenda for the period up to 2030 there is a necessity to strengthen national statistical capacity for measuring, monitoring and reporting on sustainable development goals including related objectives and indicators. Goal 17 specifically relates to strengthening the methods of implementing the Agenda for the period up to 2030 while task 17.18 is aimed to strengthen support for capacity-building up to 2020 in order to improve noticeably the availability of high-quality, relevant and reliable data which is disaggregated by level of income, gender identity, age, race, nationality, migration status, disability, geographical location and other characteristics which are significant taking into account national conditions.

Sustainable development goals also include a number of indicators that are directly related to the 2008 SNA. Specifically, it relates to goals 8 (economy) and 17 (partnership). For example, target 17.13 stipulates for enhancing macroeconomic stability through coordination of economic policy and ensuring consistency and establishing a set of key macroeconomic indicators as an indicator. In the times of economic and financial difficulty the accuracy and timeliness of national accounts are the most important for prevention vulnerability and susceptibility to global income shocks.

After the approval of 2008 SNA as an international standard for the compilation and distribution of national accounts, the Statistical Commission of UN supported its application in all countries. Nevertheless, many countries had difficulties in transition their accounts from 1993 SNA to the version 2008 SNA. In connection with this, at the forty-first session of Statistical Commission of the United Nations the Group of Chairman's Friends on factors that made it difficult to apply SNA was established.

According to the Report of the Group of Chairman's¹ Friends on factors, basic obstacles on the way of the implementation of introduction process are insufficient readiness of national statistical and institutional systems for the application of SNA and also the availability of sources of basic data. The necessity to increase statistical and institutional capacity in the aspect of SNA application has also become a key recommendation of the self-assessment which was carried out by Turkmenstat in 2014 with the purpose to improve its institutional structure. The assessment

¹ Report of the Group of Chairman's¹ Friends on factors that made the 1993 System of National Accounts difficult to implement. Economic and Social Council, 20 December, 2011

was conducted by using a modified version of the international methodology of the Adapted Global Assessment that is supported by Eurostat, ECE and EFTA which has been successfully applied in the countries of Eastern Europe, the Caucasus and Central Asia.

The process on introduction of 2008 SNA in Turkmenistan has already started. Particularly, Turkmenstat cooperates with the World Bank in the framework of the project "Strengthening the capacity in the sphere of statistics of national accounts" which envisages: a) the practical introduction of the methodology of "supply and use" "input-output" tables drawing and b) preparation of an action plan on improving the system of national accounts in Turkmenistan, observance of international methodological standards (in particular, 2008 SNA).

In the context of present project experts evaluated the results of the pilot survey of intermediate consumption structure which was conducted in Turkmenistan in 2015 for the needs of "input-output" tables drawing, the assistance was rendered in correction of shortages in reviewing of survey results and in revision of the methodology for "supply and use" tables drawing in accordance with the requirements of 2008 SNA. It is expected that by the end of the World Bank project, the first version of the "supply and use" tables which will basically aligned to the recommendations of the 2008 SNA will be drawn.

Also, in the context of present project experts will evaluate the existing status of the classification system of the SNA of Turkmenistan and will give specific recommendations for the phased introduction of the updated system of classification which corresponds to 2008 SNA.

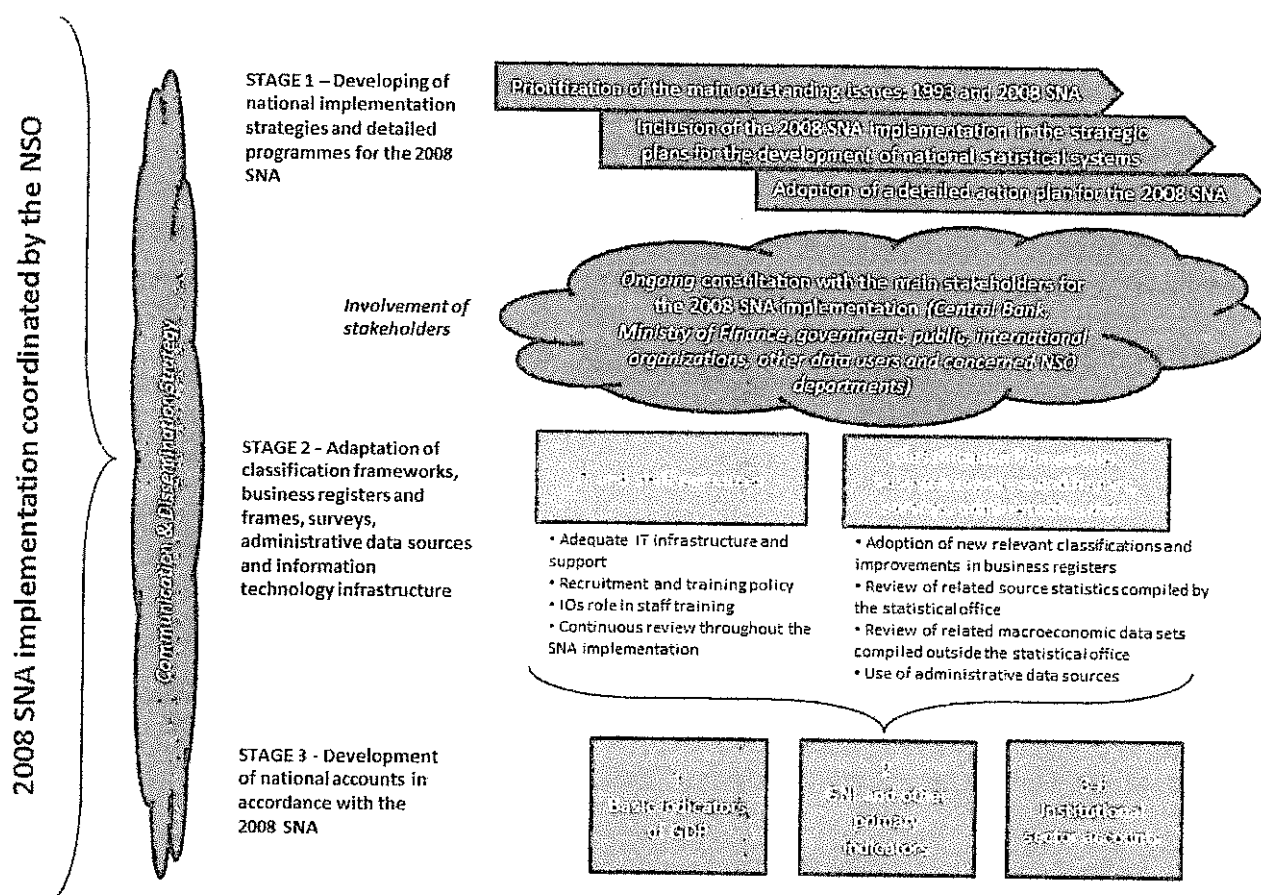
Thereupon, the United Nations Development Program guided by the recommendations of the Group of Chairman's Friends, by recommendations of self-assessment is planning to provide technical assistance in the aspect of static capacity building in order to support the transition to 2008 SNA and the implementation of objectives and indicators of the relevant Sustainable Development Goals.

II. STRATEGY

In the guidelines of the United Nations Statistical Commission the following three stages of introduction for the implementation of 2008 SNA are described:

- Step 1. Developing of national implementation strategies and detailed programmes for the 2008 SNA;
- Stage 2. Adaptation of classification systems, business registers, frames, surveys, administrative data sources and information technology infrastructure;
- Stage 3. Development of national accounts in accordance with the 2008 SNA.

These recommendations suppose carrying out a number of activities as well as a temporary frame for each phase in order to assist countries in creation of structured plans on realization that take into account the permissible load on the statistical system, the needs of key users and necessary resources. These activities should not be considered as fully consistent, most of them should be conducted in parallel.²



The project of the World Bank "Strengthening capacity in Statistics of National Accounts" assists Turkmenstat in developing of the strategy for improving national accounts in Turkmenistan, observance of international methodological standards including 2008 SNA and an action plan for its realization.

The purpose of present project between UNDP and State Statistical Committee of Turkmenistan is strengthening national statistical and institutional capacity for implementation the conceptual transition from the applied at present 1993 SNA to the version 2008 SNA and to expand the scope, degree of detailed elaboration and quality of national accounts and data of economic statistics which supplement them. In connection with this, the following project components were

² UNECE Recommendations for the Implementation of the System of National Accounts 2008 in the countries of Eastern Europe, Caucasus and Central Asia, and South-Eastern Europe, January 2013. United Nations Economic Commission for Europe Statistics Division.

identified: 1) coordination of a national program for introduction of 2008 SNA and identifying institutional mechanisms of coordination the national statistical system; 2) preparation of proposals for improving the system of statistical classifications; 3) adaptation to the requirements of business register 2008 SNA; 4) strengthening the methodological, information and personnel potential of the national accounts of Turkmenistan in accordance with the requirements of 2008 SNA and 5) the strengthening of the ICT capacity which ensures building of national accounts of Turkmenistan.

Present project corresponds to the goals and objectives designated by the Framework Program of Partnership between Turkmenistan and the United Nations for the period 2016-2020 (PFD) and the Program Action Plan within the country between the Government of Turkmenistan and the United Nations Development Program for 2016-2020 (CPAP) aimed at improving the quality of statistical data. Particularly the project contributes to the achievement of Result 1: Qualitative data which is aligned with international standards is available to policy makers, legislators and interested public for monitoring the major goals of the National Programs, SDGs for post-2015, PFD and for development of new national strategies and program. The project will contribute to the achievement of the Global Agenda in the field of Sustainable Development up to 2030 and the Sustainable Development Goals (SDGs), nationalized by Turkmenistan in September 2016. In particular, SDG 8 (economy) and SDG 17 (partnership).

III. RESULTS AND PARTNERSHIPS

Expected results

It is expected that in the context of the project the following results that contribute to strengthening institutional and statistical capacity in the field of national accounts will be achieved.

Result 1: The national program of introduction 2008 SNA is agreed and institutional mechanisms are identified. Activities to achieve this result will be based on the results of work of the World Bank on developing a strategy in the field of improving the system of national accounts and will be coordinated with activities that are included in the strategy. Particularly present project will assist in conduction of the consultations to Turkmenstat with key stakeholders who are compilers of interrelated economic statistics and data providers on national accounts including the Central Bank and the Ministry of Finance and Economy with the aim to raise their awareness about recommendations of 2008 SNA that are applicable zones of their responsibility. Also, the round tables with users of national accounts data will be held including Central Bank, the Ministry of Finance and Economy and other government agencies which are responsible for monitoring of economic and financial policies as well as planning of national development. The project will also assist in updating of existing and concluding new framework agreements such as the Memorandums of Understanding between Turkmenstat and other institutions. The project will contribute to the inclusion of activities on introduction of 2008 SNA in the overall medium-term strategy of development of the national statistical system.

Achievement of present result will be measured by following indicators:

- 1.1 Number of specialists from ministries and departments who are familiar with the recommendations of SNA 2008;
- 1.2 The number of joint consultations between Turkmenistan, the Central Bank, the Ministry of Finance and Economy and other agencies;
- 1.3 Number of updated and concluded agreements with key institutions-providers of data for SNA.

Result 2: Proposals for improving of the classification system prepared, will be achieved by assisting in the improvement and application of international standard classifications including classifications of economic activity ISIC of version 4 (NACE 2), classification of basic products (CPC 2) and classifications of institutional sectors. Within the framework of the project realization, regular meetings will be held with the aim of coordination between various departments of Turkmenstat which are responsible for national accounts, business registers as well as with the relevant departments of the Central Bank and the Ministry of Finance and Economy.

Achievement of present result will be measured by following indicators:

- 2.1 Projects of economic classifications are developed in accordance with international standards and submitted for approval and introduction.

Result 3: Business registers adapted. This result will be achieved through carrying out consultations with international experts, conducting the necessary practical measures to improve the registers as well as training the staff of the central apparatus and the regional branches of Turkmenstat in the work with the updated registers.

Achievement of this result will be measured by following indicators:

- 3.1 Business registers are aligned with the requirements of SNA 2008.

Result 4: Methodological, information and personnel potential of national accounts of Turkmenistan are strengthened. Activities in the framework of present component will be aimed at the practical realization of the recommendations of SNA 2008 regarding gross domestic product (GDP) and its components. The project will submit technical expertise with the aim to improve existing methods and introduction of changes of 2008 that will affect the assessment of GDP and its main components including the following:

- 1) the measurement of services including FISIM financial services and insurance services;
- 2) evaluation of constant prices: development of suitable deflators; introduction of the double deflation method;
- 3) assessment of unobserved economy;
- 4) assessment of residential rent;
- 5) expenses on Research and Development;
- 6) calculation of regional GDP at regional level;
- 7)

calculation of economic and environmental accounts. In the framework of the project will be submitted correspondent consultations on the application of methodologies and also selective surveys will be conducted, for example, in the field of services in the informal sector. Besides, practical training on national accounts will be organized. Particularly, a practical introductory course on national accounts prepared by the Statistics Division of the UN Department of Economic and Social Affairs will be conducted for employees of the relevant departments of Turkmenstat and other ministries and departments which will provide details of 2008 SNA and the types and methods of practical application. The project will also support the participation of representatives of Turkmenistan in various training sessions on the 2008 SNA including separate components carried out by the United Nations Statistics Division, European Economic Commission of UN, Eurostat, the World Bank, the International Monetary Fund and others. Particular attention will be paid to the training of staff of Turkmenstat in the regions.

The result will be measured by the following indicators:

- 4.1 The assessment of GDP and its main components is carried out according to 2008 SNA;
- 4.2 Portion of indicators on which methodologies have been developed and tested;
- 4.3 Number of surveys adapted according to the recommendations of 2008 SNA;
- 4.4 Number of international seminars and conferences attended by experts of Turkmenstat;
- 4.5 By the 3rd quarter 2020, the joint quarterly statistical report prepared in compliance with 2008 SNA;
- 4.6 Number of specialists who received practical training on SNA 2008.

Result 5: ICT potential related to building national accounts is strengthened. In the context of the project it is planned to update the software and computer software to conduct and maintain the database of 2008 SNA. The calculations of 2008 SNA indicators will be carried out automatically and standard output data tables will be formed through developing of special software.

By means of the following indicators achievement of present result will be measured:

- 5.1 Equipment and software provide for calculations of the main indicators of the SNA in accordance with the recommendations of 2008.

Resources required for achieving the expected results

In order to achieve above mentioned results the project stipulates the involvement of highly qualified international experts. The consultants should have meaningful experience in the field of national accounts, statistical capacity-building and have good knowledge of the Global Agenda in sphere of sustainable development up to 2030 and the Sustainable Development Goals, experience in the CIS region and good knowledge of the relevant environment in Turkmenistan and also to have Excellent knowledge of English and Russian languages (oral and written). The project will also involve local consultants to support international experts. These consultants are required to have experience and good understanding of the national statistical system of Turkmenistan including the legal and methodological basis. Trainings also will be organized to study international practice in the relevant fields.

Partnerships

In the course of the project implementation, UNDP and Turkmenstat will closely cooperate with representatives of the Central Bank, the Ministry of Finance and Economy and others. The project activity also will be coordinated with the activity of other international organizations including the United Nations Statistics Division (DESA), UN European Economic Commission, Eurostat, the World Bank, the International Monetary Fund and CIS Statistical Committee which carry out activity in the sphere of improving and enhancing statistical capacity on national accounts.

IV. PROJECT MANAGEMENT

The project will be implemented under a national implementation modality (NIM). As the national implementing partner, the State Statistics Committee of Turkmenistan (Turkmenstat) will oversee all aspects of project implementation. This role is consistent with Turkmenstat's role as the agency responsible for development policy planning and coordination. The Turkmenstat will appoint a senior staff member to serve as the National Project Coordinator (NPC), who will be the lead individual responsible for overseeing the project.

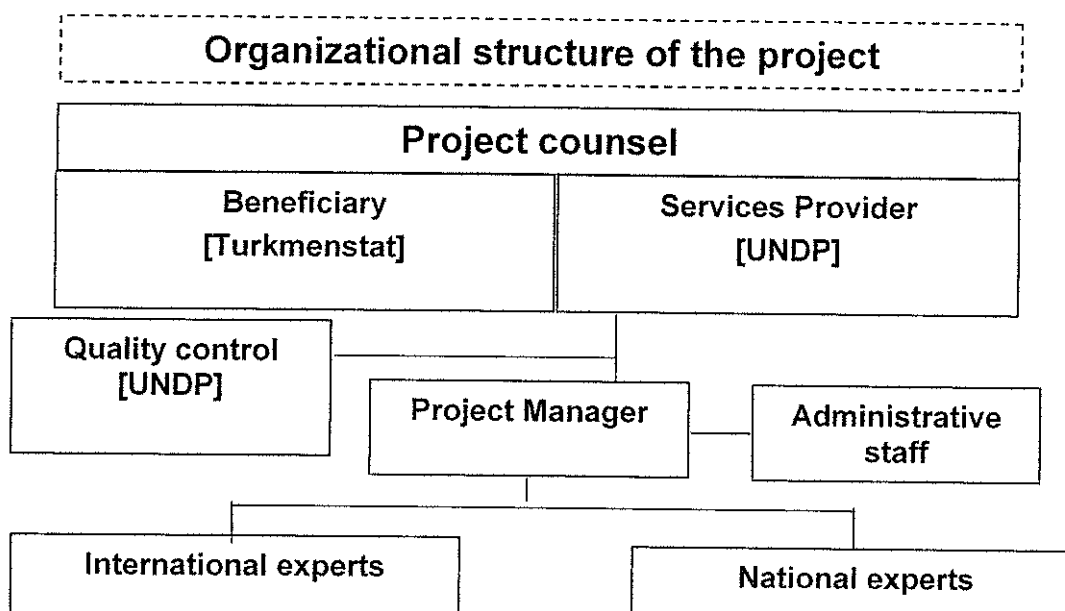
Overall governance of the project will be carried out by the Project Board, which will include Turkmenstat and UNDP, as well as National Project Coordinator. The Project Board may invite other agencies to join as members, with the composition to be approved at the final project appraisal meeting. The National Project Coordinator will serve as Chair of the Project Board, with support from UNDP in organizing and running all meetings and other exchanges of information. Meetings of the Project Board will take place at least twice annually in time for approval of the following year's Annual Work Plan and the previous year reports. Additional meetings may be called as needed by the NPC. The Board is the overall authority for the Project and is responsible for its initiation, direction, review and eventual closure. Within the confines of the Project, the Board is the highest authority. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and any parties beyond the scope of the project.

UNDP will join Turkmenstat in managing the project and providing quality assurance, in accordance with plans approved by the Project Board. Most of UNDP's work for the project will be based in its Country Office (CO) in Ashgabat, under the supervision of the UNDP Deputy Resident Representative and the UNDP Resident Representative as warranted.

The day-to-day operations of the project will be carried out by a project manager who will lead the work of International and National Technical Experts and any support staff needed. The project team will be responsible for carrying out the activities of the project as set forth in this Project Document and any revisions approved by the Project Board. For each meeting of the Project Board, the Project manager will prepare a progress report on project activity, including recent accomplishments, risks, and proposed mitigation measures. The Project manager will also be responsible for preparing all required annual reports for UNDP and the Government as required by the documents signed about this project.

The project will engage experts to carry out specific project work, including a long-term national consultant and short term international experts. The specialists from UNDP regional hub (IRH) will be engaged, too, in support of project activities. The project will cover the costs of the experts.

UNDP country office staff will provide support services to the work of the project, including logistics and clerical work. In addition, the country office will provide administrative support to the Government with regard to various specific administrative functions (such as those involving procurement and financial management). Costs associated with these latter functions will be billed as Indirect Project Costs according to the provisions outlined in Section "Special clauses".



V. STRUCTURE OF RESULTS AND RESOURCES

The expected final result as indicated in the structure of Results and Resources of Country Program: Final result 4 (UNPFD 1): Qualitative data aligned with international standards is available to policymakers, legislators and the public concerned to monitor the main goals of the National Programs, SDGs for the post- 2015, UNPFD and for developing new national strategies and programs.									
The Indicators of final results as indicated in the structure of Results and Resources of Country Program including baseline data and target indicators: Indicator 4.1: % of the recommendations are implemented in accordance with the adapted Global Assessment of national statistical systems (RDP 1.1) <u>Initial data:</u> The State Committee on Statistics received recommendations and some of them are implemented Target: 40%									
Name and number of the project: Strengthening institutional and statistical capacity on national accounts									
Expected results	Indicators	Source of data	Initial data		Goals			METHODS OF DATA COLLECTION	
			Name	Year	Year 1	Year 2	Year 3		
Result 1 The National Program for the Implementation of the 2008 SNA is agreed and the institutional arrangements are identified	1.1 Number of specialists from ministries and departments are familiar with the recommendations of 2008 SNA	Turkmenstat	0	2018	5	8	21	Project reports	
	1.2 The number of joint consultations between Turkmenistan, the Central Bank, the Ministry of Finance and Economy and other agencies	Turkmenstat	0	2018	5	5	15	Project reports	
	1.3 Agreements with key institutions, data compilers are updated and concluded	Turkmenstat	Agreements are made SNA 1993					Project reports	
Result 2 Proposals for improving the classification system are prepared	2.1 Projects of economic classifications have been developed in accordance with international standards and submitted for approval and implementation	Turkmenstat	No	2018		da	da	Project reports	

Result 3 Business registers are adapted to the requirements of 2008 SNA	3.1 Business registers are presented in accordance with the requirements of 2008 SNA	Turkmenstat	Hem	2018		da		da		Project reports
Result 4: The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened	4.1 The estimation of GDP and its main components is carried out according to 2008 SNA	Turkmenstat	partially	2018		da	da	da		Project reports
	4.2 Share of indicators on which methodologies are developed and approved	Turkmenstat		2018	20%	40%	40%	100%		Project reports
	4.3 Number of surveys adapted according to recommendations of 2008 SNA	Turkmenstat	0	2018		1	1	2		Project reports
	4.4 Number of international seminars and conferences attended by experts of Turkmenstat	Turkmenstat	0	2018	3	3	3	9		Project reports
	4.5 By the 3rd quarter 2020, the joint quarterly statistical report prepared in compliance with 2008 SNA	Turkmenstat	0	2018	-	-	yes	yes		Turkmenstat report
Result 5. ICT potential related to building national accounts is strengthened	4.6 Number of specialists completed practical training on national accounts	Turkmenstat	0	2018	20	30	30	80		Project reports
	5.1 Equipment and software provides calculations of the main indicators of the SNA in accordance with the recommendations of 2008	Turkmenstat	partially	2018			da	da		Project reports

VI. MONITORING AND EVALUATION

Activity on monitoring	Purpose	Periodicity	Expected action
Follow up progress in achieving results	Data on the project progress on conformity with the indicators of the results in the Structure of Results and Resources (SRR) will be collected and analyzed to assess the progress of the project with regard to achieving agreed final results.	Quarterly, or with the periodicity required for each indicator.	If progress is slower than it was supposed then this issue will be considered by the project management.
Implement monitoring and risk management	Identify specific risks that may threaten the achievement of the intended results. Identify and monitor risk management activities using a risk journal. This includes measures and monitoring plans that may be required under the UNDP Social and Environmental Standards. Audits will be conducted in accordance with UNDP procedures for conducting audits to manage financial risk	Quarterly	Risks are determined by project management and actions are taken in order to manage risks. A risk journal is actively maintained to monitor identified risks and actions taken.
Study	Knowledge, best practices and lessons will be covered regularly. In addition, they will be adopted by other projects and partners and included in this project.	At least, annually	The relevant lessons are covered by the project team, and are used to make considered management decisions.
Annual quality assurance of the work on the project	The quality of the project will be assessed on conformity with the UNDP quality standards to identify strong and weak points of the project and to make considered decisions at the management level to improve the project.	Annually	Strong and weak points will be considered by project management and used to make considered decisions to improve project performance.
To review and adjust the areas of activity	Internal review of data and facts on all monitoring activities to make considered decisions.	At least, annually	Data on project performance, risks, lessons and quality will be discussed by the Project Board and will be used to adjust the activities
Report of Project Performance	The report of progress will be submitted to the Project Board and key stakeholders and will include progress data reflecting the results achieved against the pre-determined annual interim targets at the outcome level, a brief overview of the annual project quality rating, an updated risk journal with mitigation measures and all evaluation or review reports prepared during this period.	Annually, and at the end of the project (final report)	
Project Survey (Project Board)	The Project Management Mechanism (i.e. the Project Board) will conduct regular project reviews to assess the results of the project and review the Multi-Yearly Work Plan in order to ensure a realistic budget formulation throughout the period of the project. In the final year of the project, the Project Board should review the completion of the project to cover the lessons learned and discuss opportunities for expansion and to nationalize the project results and lessons learned with the correspondent audience.	Twice a year	All issues related quality or progress which is slower than expected, should be discussed by the Project Board and management actions should be agreed for solving identified problems.

VII. ANNUAL WORKING PLAN

Year: 2018

Expected results	Planned activities	Timeline				Planned budget		
		1 quarter	2 quarter	3 quarter	4 quarter	Source of funding	Description of budget	Amount (in USD)
Result 1 The national program for the implementation of the 2008 SNA is agreed and institutional arrangements are identified	1.1. Workshop on SNA 2008 introduction for Turkmenstat staff					Government of Turkmenistan	75700 Trainings, seminars (2 days x 15 persons)	700
	1.2. Finalization of the national program for the implementation of SNA 2008					Government of Turkmenistan	71300 National experts (1 expert x 2 months)	2000
							71200 International experts (1 expert x 10 days)	5000
							71600 Transport expenses (5 days x 1 expert)	2500
	1.3. Coordination meeting between agencies engaged in macroeconomic statistics (GDP, GNP and other indicators)					Government of Turkmenistan	75700 Trainings, seminars (2 days x 20 persons)	1000
							64300, 74500 Operating expenses	1000
	1.4. Elaboration of proposals for improving the mechanism of institutional interaction					Government of Turkmenistan	71300 National experts (1 expert x 1 month)	1000
	Total Result 1:							13200
	Административные расходы, 7%					Government of Turkmenistan	75100	924
	Total, Result 1, including administrative expenses::							14124
Result 2 Proposals for improving the classification system are prepared	2.1 Preparation of proposals for the transition to new classifications in accordance with SNA 2008					Government of Turkmenistan	71200 International experts (1 expert x 10 days)	5000
							71300 National consultants (1 person x 1 month)	1000
							71600 Transport expenses (1 person x 5 days)	2500
	2.2. Harmonization of the classification system with competent authorities					Government of Turkmenistan	71300 National experts (1 expert x 1 month)	1000
	2.3. Training of employees of velayat divisions with new classifications					Government of Turkmenistan	75700 Trainings, seminars (15 participants x 1.5 days x 5 velayats)	380
							71300 National experts (1 expert x 15 days)	500
							64300, 74500 Operating expenses	1000
	Total, Result 2:							11380
	Administrative expenses, 7%:					Government of Turkmenistan	75100	796.60
	Total, Result 2 including administrative expenses::							12176.60
Result 3. Business registers are	3.1 Preparation of proposals on the adaptation of business registers to 2008 SNA					Government of Turkmenistan	71200 International experts (1 expert x 15 days)	7500

adapted						Turkmenistan	71300 National experts (1 expert x 2 months)	2000
							71600 Transport expenses (1 expert x 5 days)	2500
	3.2. Carry out practical measures for adapting registers					Government of Turkmenistan	71300 National experts (1 expert x 1 month)	1000
	3.3. Training employees of velayat departments to work with updated registers					Government of Turkmenistan	75700 Trainings, seminars (15 participants x 1.5 days x 5 velayats)	1800
	Total, Result 3:						64300, 74500 Operating expenses	1000
	Administrative expenses, 7%.					Government of Turkmenistan	75100	15800
	Total, Result 3 including administrative expenses::							1106.00
	4.1 Conduct training of the staff on 2008 SNA in the workplace					Government of Turkmenistan	71200 International experts (2 experts x 10 days) 71600 (2 experts x 5 days)	10000 5000
	4.2. Organize participation to international seminars, trainings and practical courses on specific issues of 2008 SNA					Government of Turkmenistan	71600 Transport expenses (1 mission x 4 days x 3 participants) 75700 Trainings, seminars (3 participants x \$200 tuition fee)	8000 600
						UNDP	71600 Transport expenses (2 experts x 5 days)	5000
						Government of Turkmenistan	64300, 74500 Operating expenses	1000
	4.3 Prepare methodologies and calculation for SNA indicators in line with 2008 version					Government of Turkmenistan	71200 International experts (1 expert x 30 days) 71600 Transport expenses (2 missions x 1 expert x 5 days) 71300 National experts (1 expert x 3 months)	15000 5000 3000
	Total, Result 4:						71300 Translation into Turkmen	1000
	Of which Government of Turkmenistan:							53600
	Administrative expenses, 7%:					Government of Turkmenistan	75100	48600
	Total, Result 4 including administrative expenses::							3402
	Of which Government of Turkmenistan:							57002
								52002
	Result 4. The methodological, information and personnel potential of Turkmenistan's national accounts is strengthened							

Result 5. ICT potential related to building national accounts is strengthened	5.1 Conduct a review of the existing ICT infrastructure on national accounts and make recommendations for improving it						Government of Turkmenistan	71200 International experts (1 expert x 20 days)	10000
								71300 National experts (1 expert x 3 months)	3000
								71600 Transport expenses (2 missions x 1 expert x 5 days)	5000
								64300, 74500 Operating expenses	1000
Project management	Total, Result 5:								19000
	Administrative expenses, 7%:						Government of Turkmenistan	75100	1330
	Total, Result 5 including administrative expenses::								20330
	Project Staff						UNDP	71400 Salary	12000
	Office expenses							72400 Communications and internet	2000
								72500 Office supplies	500
	Total, Project management:								14500
Total									135038.60
Government of Turkmenistan									115538.60
UNDP									19500

Year: 2019

Expected results	Planned activities	Timeline				Planned budget	
		Q1	Q2	Q3	Q4	Source of funding	Amount (in USD)
Result 2 Proposals for improving the classification system are prepared	2.1 Update economic classifications in accordance with SNA 2008					Government of Turkmenistan	20000
						71200 International experts (1 expert x 40 days)	
						71300 National consultants (1 expert x 2 months)	2000
						71600 Transport expenses (5 days x 1 expert)	2500
						71300 National consultants (1 expert x 15 days)	500
Result 3. Business registers are adapted	2.2. Conduct trainings on classifications for velayats					75700 Trainings, seminars (15 participants x 1.5 days x 5 velayats)	380
						64300, 74500 Operating expenses	1000
	Total, Result 2:						26380.00
	Administrative expenses, 7%:					Government of Turkmenistan	1845.60
	Tal, Result 2 including administrative expenses::						28226.60
Result 4. The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened	3.1 Carry out practical measures for adapting of registers					Government of Turkmenistan	10000
						71200 International experts (1 expert x 20 days)	
						71300 National experts (2 experts x 2 months)	4000
						71300 National experts (2 experts x 10 days)	600
						75700 Trainings, seminars (15 participants x 1.5 days x 5 velayats)	1800
Result 4. The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened	3.2 Training employees of velayat departments to work with updated registers					64300, 74500 Operating expenses	1000
	Total, Result 3:						17400
	Administrative expenses, 7%:					Government of Turkmenistan	1218
	Total, Result 3 including administrative expenses::						18618
	4.1 Conduct training on SNA 2008 in the workplace					Government of Turkmenistan	10000
Result 4. The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened						71200 International experts (1 expert x 20 days)	
						71600 Transport expenses (5 days x 1 expert)	2500
						71200 International experts (1 expert x 20 days)	10000
						UNDP	
	4.2 Organize participation in international seminars, trainings and practical courses on specific issues of SNA 2008					Government of Turkmenistan	12900
Result 4. The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened						71600 Transport expenses (2 missions x 5 days x 5 participants)	

Total	198502.70
Government of Turkmenistan	166502.70
UNDP	32000

Year: 2020

Expected results	Planned activities	Timeline				Planned budget	
		Q1	Q2	Q3	Q4	Source of funding	Amount (in USD)
Result 2 Proposals for improving the classification system are prepared	2.1. Coordination of the classification system with competent authorities					Government of Turkmenistan	6000
	2.2. Coordination of the classification system with ministries and agencies					Government of Turkmenistan	380
	Total, Result 2:					64300, 74500 Operational expenses	1000
	Administrative expenses, 7%:					75100	7380.00
	Total, Result 2 including administrative expenses::						516.60
Result 3. Business registers are adapted	3.1 Conducting practical measures for registers adapting					Government of Turkmenistan	7896.60
	3.2 Training employees of velayat divisions to work with updated registers					Government of Turkmenistan	4000
	Total, Result 3:					75700 Trainings, seminars (15 participants x 1.5 days x 5 velayats)	1800
	Administrative expenses, 7%:					64300, 74500 Operational expenses	1000
	Total, Result 3 including administrative expenses::					75100	6800
Result 4. The methodological, information and personnel potential of national accounts in Turkmenistan is strengthened	4.1 Training of staff on the SNA 2008 in the workplaces					Government of Turkmenistan	476
	4.2 Organize participation in international seminars, trainings and practical courses on specific issues of SNA 2008					Government of Turkmenistan	7276
	4.3 Prepare methods and perform calculations of SNA indicators to bring the main accounts in line with the version 2008					71200 International experts (1 expert x 20 days)	10000
						71600 Transport expenses (2 missions x 1 expert x 5 days)	5000
						75700 Trainings, seminars (Participation fees x 3 participants x 2 visits x \$200)	1200
						71600 Transport expenses (2 seminars x 3 participants x 4 days)	16125
						71200 International experts (1 expert x 50 days)	25000
						71600 Transport expenses (2 missions x 1 expert x 5 days)	5000

[illegible]

* Budget calculation is made based on the average rates of 2017 for services and activities used by UNDP for planning the project budget (Attachment No. 1).

** The calculation of the cost of operating expenses for conducting the survey according to 2008 SNA (Attachment No. 2).

VIII. LEGAL CONTEXT AND RISK MANAGEMENT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Turkmenistan and UNDP, signed on 5 October 1993. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by the State Statistics Committee of Turkmenistan "Implementing Partner" with UNDP support in accordance with the Financial Regulations and Rules of UNDP to ensure best value for money, fairness, integrity, transparency, and effective international competition.

Risk management standards

1. Consistent with the Article III of the SBAA and Part X of the Country Programme Action Plan (CPAP) for 2016-2020 signed between the Government of Turkmenistan and UNDP on 22 June 2016,, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via

http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.

4. Consistent with UNDP's Programme and Operations Policies and Procedures, social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement risk management and mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

IX. SPECIAL CLAUSES

1. The State Statistics Committee of Turkmenistan (Turkmenstat) guided by the provisions of the Co-financing Agreement between the Government of Turkmenistan and the United Nations Development Programme signed on 22 June 2016, will provide contribution for implementation of the current Project in the amount of USD 468679.26 (four hundred six thousand six hundred seventy nine US dollars 26 cents), which will be placed at the disposal of UNDP in local currency equivalent.
2. Turkmenstat shall, in accordance with the schedule of payments set out below, deposit the contribution in the Turkmen-Turkish Commercial Bank, account no. 23203934273168502583000.

Date payment due	Amount
01.08.2018	USD 115538.60
31.01.2019	USD 166502.70
31.01.2020	USD 186637.96

3. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange³ prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.
4. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.
5. UNDP receives, manages and uses the Contribution aimed at attaining the project objectives and in accordance with its applicable regulations, rules and directives of UNDP, including, in particular financial regulations issued by the UNDP Executive Board.
6. UNDP shall submit to Turkmenstat reports on the project implementation and financial report in accordance with Article 4 of the abovementioned Co-financing Agreement dated 22 June 2016. All financial accounts and statements shall be expressed in United States dollars.
7. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavors to obtain the additional funds required.
8. If the payments referred above are not received in accordance with the payment schedule or additional arrangements, is not forthcoming from the Government or other sources, the assistance to be provided to the project under this project document may be reduced, suspended or terminated by UNDP.
9. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

- (a) 7% cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices
 - (b) direct cost for implementation support services (ISS) provided by UNDP and implementing partner.
10. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP until its delivery and installation. Ownership over equipment purchased from the contribution will be transferred to the State Statistics Committee of Turkmenistan upon its installation in accordance with the relevant policies and procedures of UNDP.

³ UN exchange rate for Turkmenistan is based on official exchange rate of the Central Bank of Turkmenistan