

Annual Project Progress Report

Project title: Strengthening institutional, statistical and information – technical capacity of the State Statistics Committee of Turkmenistan

Output ID: 00123312

Project ID: 00129739

Implementing partner: State Statistics Committee of Turkmenistan

Period covered in this report: January -December 2022

Date of last Annual Report: N/A

Date of the last Project Board meeting: 21.10.2022

Date of last Quality Assurance and rating 01.12.2020, Highly satisfactory

1. Project Performance

Please state the expected Output of the Project, set indicators and corresponding CP Outcome (as per project document/AWP):

Project Result 1: The Information and technical capacity of the State Statistics of Turkmenistan (TurkmenStat) aimed at improving the quality of statistical data is strengthened

Indicators:

1.1. The software for the statistical business register has been launched and allows processing data by 60%

Target: 60%

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

Achieved 40%. As a result of the tender process, the contract with the winning company was signed and more than 40% of the work is already done

1.2. Proportion of specialists who can use the statistical business register software

Target: 80%

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

The relevant trainings for 14 staff (9 women, 5 men) of TurkmenStat, who were involved in work with SBR from Ahal, Balkan, Dashoguz, Mary and Lebap velayats were organized and conducted from December 6th to December 13th by the representatives of the company - developer.

The subject of the trainings was the step-by-step usage of SBR Client and SBR Builder. The contact information of the responsible employees was obtained in all velayats, and after the installation of the server in TurkmenStat, the company provided login/passwords so they will be able perform tests on their own computers.

Project Result 2: Methodological, informational and human resources of the national accounts of Turkmenistan are strengthened

Indicators:

2.1 Share of indicators for which methodologies have been developed and tested

Targets: 40%

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

The UNDP Turkmenistan supported the State Statistics Committee in transitioning towards the System of National Accounts of 2008 version. The working group on financial account, which consists of representatives of State Statistics Committee of Turkmenistan, Central Bank of Turkmenistan, Ministry of Finance and Economy of Turkmenistan, Ministry of Labour and Social Protection of Turkmenistan, State Insurance Organization, was established and several working meetings were held to develop the regulatory acts and bylaws, which will help in compilation of the financial account. Moreover, the representatives of the State Statistics Committee and Central Bank of Turkmenistan strengthened their knowledge and learned the experience of other countries during the international workshop on Financial Account on 14-16 November in Brussels, Belgium.

2.2 Number of surveys adapted according to the 2008 SNA recommendations

Targets: 1

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

Achieved. The methodology to conduct sample survey on supply and use tables as well as the work plan to conduct the survey in 2022 was developed. During the reporting year, the survey was ongoing, and it is expected to get the overall analysis on statistical data, characterizing the cost of goods and services produced in all sectors of the economy for year 2022, in November 2023. Moreover, it is planned to conduct additional survey on tourism next year to compile the satellite tourism account in future.

Project Result 3: The capacity of the State Committee of Turkmenistan on Statistics to prepare statistical reports to measure progress on the SDGs is increased

Indicators:

3.1 SDG indicators database enables collection, processing and analysis of data.

Target: yes

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

Achieved. SDG database enables collection, processing, and analysis of SDG data. The SDG database, which includes information on the country's achievements, metadata, charts, graphs and disaggregated data within SDG indicators was developed at TurkmenStat.

3.2. Number of specialists who own statistical tools for processing and analyzing data on SDG indicators

Output targets: 12

a) Were the indicators and output achieved? Yes No Partially

b) If no or partially, please explain why?

The online training aimed to take stock of SDG implementation progress in the country, identify good practices and analyze possible gaps to ensure timely policy measures, as well as to ensure that the country firmly follows the path to SDGs achievement was organized on 3rd March 2022. The main principle of the 2030 Agenda to leave no one behind guided the mid-term review to ensure due analysis of SDG progress for vulnerable groups. Results of the SDG MTR will feed into the preparation of Turkmenistan's 2nd National Voluntary Review to be presented in 2023. More than 12 participants were attended the online training.

2. Progress Reporting

Please summarize the main achievements during the project cycle:

Project Output 1:

Under the projects on Strengthening institutional and statistical capacity on national accounts and on Strengthening institutional, statistical and information-technical capacity of the State Statistics Committee of Turkmenistan (the development of the software for SBR is developed within the framework of these two projects), we have encountered certain issues in delivering three tenders to develop a Statistical Business Registry (SBR). As the three tenders were unsuccessful due unforeseen circumstances, a decision was taken to revisit our approach towards completing this activity to develop a Business Registry, including the revision of the technical and advisory arrangements to support the implementation of this activity as well as our contractual arrangements with the international expert. On the fourth tendering attempt the ToR for the software for SBR was amended by TurkmenStat. The contract with the international expert was discontinued. The tender was re-announced, as a result of which the tender process finalized successfully and the contract with the winning company was signed, and development of software was commenced.

On the request of the national partner, the work for the development of the part related to actualization of the legal entities and entrepreneurs was prioritized and it was agreed that within the project on Strengthening Institutional and Statistical Capacity on National Accounts the part of the software responsible for registration and actualization of legal entities and entrepreneurs would be developed and transferred to the national partner. The actualization function of the software was developed, and it is ready for testing. During the development of this part of the software the several meetings with the relevant employees of TurkmenStat and UNDP were organized and presentation on developments were delivered. In the course of intense discussions, the relevant employees of TurkmenStat, who were involved in the work with SBR, provided their comments and suggestions on improvement of the software. All these inputs were collected and taken into account by the company-developer in the further developments. Moreover, the company prepares draft manual and video lessons for users, which prescribe step by step actions for registration and actualization of legal entities and individuals. The other components of the software will be developed in the beginning of the next year.

The relevant trainings for 14 staff (9 women, 5 men) of TurkmenStat, who were involved in work with SBR from Ahal, Balkan, Dashoguz, Mary and Lebap velayats were organized and conducted from December 6th to December 13th by the representatives of the company - developer.

The subject of the trainings was the step-by-step usage of SBR Client and SBR Builder. The contact information of the responsible employees was obtained in all velayats, and after the installation of the server in TurkmenStat, the company provided login/passwords so they will be able perform tests on their own computers.

Project Output 2:

According to the expert's recommendations for further transition to the SNA 2008, it was decided to continue the work on building Supply and Use tables (SUT) and symmetric Input-Output tables. The most complex issue when constructing SUT tables is obtaining information on the structure of costs for production and sales of products, as well as on the structure of gross fixed capital formation and capital in the context of a detailed range of products (goods and services). To obtain these data, the selective statistical survey of the costs of production and (or) sale of goods (works, services), as well as the

composition of machines, equipment, vehicles, and inventory put into operation was conducted during the year 2022. In preparation for conducting a survey, the following activities were organized:

- Methodological guideline to conduct a sample survey and about 80 statistical forms were developed;

- An economic description for data processing was prepared for selective statistical survey on costs of production and sale of products (products, works, services) and the composition of machines, equipment, vehicles, inventories put into

operation in 2022;

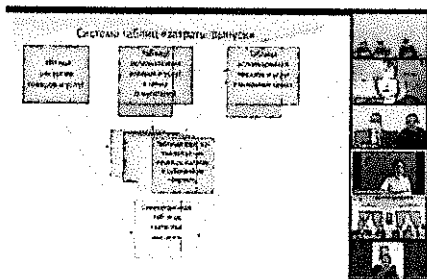
- A National Consultant to develop software for collecting, processing and analyzing the results of sample survey on the costs of production and sale of products (maps, works, services) and the composition of machines, equipment, vehicles was hired.

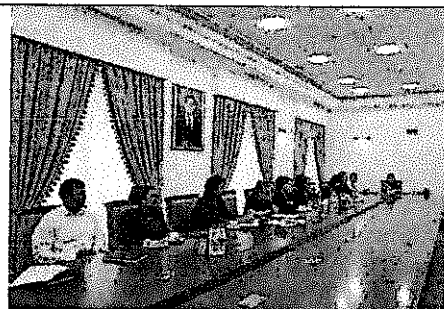
The objects of the survey were the following categories of economic entities:

- entrepreneurial legal entities;
- non-entrepreneurial legal entities;
- budgetary institutions.

The training for employees of TurkmenStat and its regional branches to conduct a survey was held in the beginning of the year. The software to process and analyze the survey results was developed.

Entering the collected data into database, as well as their processing and analysis are scheduled for the year 2023.





As this project is a logical continuation of the previous joint project, implemented by UNDP and TurkmenStat, it was decided to continue the work on elaboration of financial account under the developed Road Map on ~~Elaboration~~ Elaboration of Financial Account and Balance Sheet of Assets and Liabilities. The Working Group composed of representatives of the State Statistics Committee of Turkmenistan, the Central Bank of Turkmenistan, the Ministry of Economy and Finance of Turkmenistan, the Pension Fund of the Ministry of Labour and Social protection of Population of Turkmenistan, the State

Insurance Organization of Turkmenistan was established. During the reporting period, the members of the Working Group held four meetings to develop the methodological guidelines, regulatory acts and bylaws, which will help in compilation of the financial account, please see the following links:

- [UNDP continues to strengthen the capacity of the national accounts of Turkmenistan | United Nations Development Programme;](#)

- [UNDP continues to strengthen national statistical capacity of Turkmenistan | United Nations Development Programme;](#)

- [UNDP continues to strengthen national statistical capacity of Turkmenistan | United Nations Development Programme;](#)

- [UNDP continues to strengthen the capacity of the national accounts of Turkmenistan | United Nations Development Programme.](#)

The below methodological guidelines were developed during the reporting period:

- Guidelines for the classification of financial instruments used in elaboration of the financial account and balance sheet of assets and liabilities,

- Methodological guideline on data sources for compiling the financial account and balance sheet,

- Methodological guideline on the compilation of financial accounts in the form of matrices "From whom to whom",

- Provision on the linkage of the SNA with financial, monetary and banking statistics.

Moreover, the representatives of the State Statistics Committee and Central Bank of Turkmenistan strengthened their knowledge and learned the experience of other countries during the international workshop on Financial Account ¹.

Project Output 3:

In order to build the capacity of TurkmenStat's employees to monitor the SDG database, the UNDP Project Team in cooperation with the UNRC office in Turkmenistan, hired the international consultant to conduct the training for representatives of line ministries, who are responsible for collection and analysis of SDG data. The online training aimed to take stock of SDG implementation progress in the country, identify good practices and analyze possible gaps to ensure timely policy measures, as well as to ensure that the country firmly follows the path to SDGs achievement was organized on 3-rd March, 2022². The main principle of the 2030 Agenda to leave no one behind guided the mid-term review to ensure due analysis of SDG progress for vulnerable groups. Results of the SDG MTR will feed into the preparation of Turkmenistan's 2nd National Voluntary Review to be presented in 2023. More than 12 participants were attended the online training.

¹ <https://turkmenistan.gov.tm/ru/post/68105/sostavlenie-finansovyyh-schyotov-v-turkmenistane>

² <https://turkmenistan.un.org/en/174196-improving-national-reporting-system-sustainable-development-goals-turkmenistan>

3. Project Risks and Issues

The project Risk Log is maintained throughout the project implementation to capture potential risks to the project and associated measures to mitigate risk. The Project Manager shall maintain and update the Risk Log and ensure that risks are identified, communicated and managed effectively.

A number of potential risks are listed below.

| Description of risk | Type and category | Risk management actions | Current situation |
|--|-------------------|--|-------------------|
| According to the project document, it was planned to receive Government co-sharing funds in full amount as indicated in the ProDoc. Delay in receiving the Government contribution (funds in USD). | Financial | Transfer of the second installment in a full amount is arranged. The full amount of the first instalment was received | Completed |
| Cancellation of international experts' missions due to global pandemic related to COVID – 19 | Operational | Activities were conducted via online platforms | Completed |
| The project team encountered certain issues in delivering three tenders to develop a Statistical Business Registry and all the three tenders failed | Organizational | A decision was taken to revisit our approach towards completing this activity to develop a Business Registry, including the revision of the technical and advisory arrangements to support the implementation of this activity as well as our contractual arrangements with the expert. The tender process was successfully finalized and the contract with the winning company was concluded. | Completed |
| Failure of national partners to provide the required number of in-service training personnel. Frequent | Organizational | Regularly during the Project Board Meetings the issue was raised and discussed | Ongoing |

| | | | |
|---|--|--|--|
| personnel changes in the organizations involved in the Project. | | | |
|---|--|--|--|

4. Lessons learned and follow-up steps

Within the framework of the project, the RFP for services to develop the statistical business register was developed and advertised twice in May and August 2021. Due to unforeseen circumstances, the tender process was unsuccessful.

Taking into account the above mentioned, there is a need to eventuate the risks and allocate more time for such activity as a tender for future project planning.

Moreover, within the project framework due to fruitful cooperation with Russian Experts on Demand program it was possible to hire the international expert to evaluate the current situation on transition to SNA 2008 and provide recommendations for further transition to SNA 2008. In accordance with the expert's report many countries, including CIS countries have made significant progress in implementing the 2008 SNA. However, most countries face significant challenges to obtain more reliable national accounts figures and provide comprehensive macroeconomic analysis based on these data. Most of the changes proposed in the 2008 SNA seem to be acceptable for the CIS countries from a conceptual point of view. However, from the point of view of the possibilities of their implementation by countries, these changes are not homogeneous. There are many practical problems, mainly related to obtaining initial data, which will need to be addressed to implement these proposals into the regular statistical practice of countries.

Thus, each country should determine for itself the priority directions for the implementation of the SNA 2008, and the initial stage, priorities should be given to those issues that affect the estimates of GDP at current and constant prices. Considering the above-mentioned, it was decided to divide the work on the implementation of the provisions of the 2008 SNA, into activities which should be done first and for medium term perspectives. And at the initial stage, priorities will be given to those issues that affect estimates of GDP at current and constant prices.

During the project implementation timeframe, the work on elaboration of the financial account was started. But there is no sufficient time to finalize this work and there is a need to develop the next project and finalize the work.

5. Transfer of Assets or other related matter

Please state on any past or future transfer of assets made within the project cycle (Attach list of equipment, cooperation frameworks with beneficiaries, etc.)

N/A

6. Financial management

| Budget item | Total approved in 2021 (in USD) | Expenses + commitments | Budget utilization in % to planned |
|--------------------|--|-----------------------------------|---|
| Component 1 | 155,159.00 | 165,639.00 | 107 |
| Component 2 | 112,556.00 | 53,717.00 | 48 |

| | | | |
|------------------------|------------|------------|-----|
| Component 3 | 3,869.00 | 765.00 | 20 |
| Project Management | 37,667.00 | 39,632.00 | 105 |
| Total delivery in 2022 | 309,252.00 | 240,287.00 | 84% |

Prepared by: Gulyalek Berdiyeva, Project Manager



Date: February 15, 2023

Approved by: Akmyrat Danatarov, Programme Analyst



Date: February 15, 2023