



PROJECT DOCUMENT
Turkmenistan

Project title: "Partnering for SDG acceleration, phase II"

Project number: 00104471

Implementing Partner: Ministry of Finance and Economy of Turkmenistan

Start date: September 1, 2021

End date: December 31, 2023

Project Appraisal Committee meeting date:

Brief Description

The joint project between UNDP and the Ministry of Finance and Economy of Turkmenistan "Partnering for SDG acceleration", which was launched in 2018, is a joint platform for coordinating the work of the relevant ministries and departments of Turkmenistan and UN agencies in the implementation of the SDGs. During the implementation of the project, partners have achieved a number of notable achievements, in this regard, it is proposed to implement the second phase of the project.

The purpose of the second phase of this project is to increase the capacity of the Ministry of Finance and Economy of Turkmenistan as a responsible body for coordinating activities to implement the Sustainable Development Goals adopted by the United Nations Member States in Turkmenistan.

The project will include the following components:

1. Assistance on financing for development in the context of SDG implementation.
2. Strengthening national capacities to improve the trade system.

Contributing Outcome 1 of the SDCF UN-TKM

2021-2025: By 2025, people have access to more effective, innovative, and transparent public administration based upon the rule of law, human and labour rights, gender equality and quality data.

CPD Output 1.1: Policies, institutional, and financing mechanisms strengthened for implementation, measurement, and monitoring of nationalized SDG indicators and targets.

Gender marker: GEN 2

Total resources required 2021-2023:	192,541 USD	
Government of Turkmenistan: (Ministry of Finance and Economy of Turkmenistan)	Total: 177,541 USD	
	2021:	12,675 USD
	2022:	89,643 USD
	2023:	75,233 USD
UNDP:	15,000 USD	

Agreed by (signatures):

Ministry of Finance and Economy of Turkmenistan	United Nations Development Programme
Muhammetgeldy Serdarov, Minister	Natia Natsvlishvili, Resident Representative a.i.
Date: 08.12.2020	Date: 08.12.2020

I. DESCRIPTION OF THE SITUATION

Turkmenistan is committed to the implementation of the 2030 Agenda for Sustainable Development and the achievement of the Sustainable Development Goals (SDGs). Turkmenistan actively continues its activities to implement the SDGs and formulate a national strategy with a focus on ensuring sustainable balanced economic growth and improving the well-being of the population. Having assumed the obligations to achieve all 17 Sustainable Development Goals by 2030, in 2016, Turkmenistan began the process of nationalizing SDG targets and indicators, adapting global goals to the conditions of Turkmenistan and integrating them into the state policy of the country, thereby defining the key areas of economic and social and environmental development of the country until 2030.

Turkmenistan plans to further integrate sustainable development goals and objectives into national, sectoral and regional programs, development strategies and plans, as well as financial plans of the country. In this regard, by the Decree of the President of Turkmenistan dated November 17, 2017, a national coordination mechanism was created in the form of a Working Group consisting of deputy heads of ministries, departments, public organizations, educational and scientific institutions, which oversees the implementation of the Sustainable Development Goals and their monitoring. The coordinating body is the Ministry of Finance and Economy of Turkmenistan.

This decree is a key document for ensuring the fulfillment of Turkmenistan's international obligations to achieve the goals and objectives in the field of sustainable development and demonstrates Turkmenistan's practical commitment to the global Agenda 2030 at a high government level.

In the period of 2018-2020, the United Nations Development Program (UNDP) in Turkmenistan, together with the Ministry of Finance and Economy of Turkmenistan (MFIET) and the State Committee on Statistics, implemented the first phase of the project "Partnering for SDG acceleration". The project was aimed at strengthening the capacity of the Ministry of Finance and Economy of Turkmenistan as a responsible body for coordinating the implementation and monitoring of the achievement of the Sustainable Development Goals (SDGs), the components of which included: improving the coordination system and assistance in the preparation of the national report on SDGs, increasing the capacity in the field introducing SDGs into the process of developing national development programs and financial plans, creating a database on SDGs and increasing national statistical capacity.

Within the framework of the implemented joint project "Platform for the implementation of Sustainable Development Goals" in 2019, a Voluntary National Review of Turkmenistan (VNR) was prepared, which was later successfully presented at the High-Level Political Forum on Sustainable Development in July 2019.

One of the main messages of the VNR identified the need to strengthen state policy in the economic sphere in the context of the country's transition to market relations, as well as in the area of creating a mechanism for sustainable financing of the SDGs. This is especially important in the current situation with the unfavorable socio-economic impact of the global pandemic, when the fiscal space is narrowing and many aspects of the Sustainable Development Goals are taking a regressive trend.

Implementation of the 2030 Agenda can be achieved through the development of comprehensive financing mechanisms and their implementation at all levels. Turkmenistan supported the Addis Ababa Action Agenda and is also taking measures to ensure sustainable financing of activities aimed at implementing the Sustainable Development Goals in the country and beyond.

According to the Voluntary National Review, one of the key components in the implementation of the 2030 Agenda is securing financing for development. In this direction, Turkmenistan continues to work to improve the public finance system, including through fiscal regulation in order to mobilize internal resources.

At the 75th session of the United Nations General Assembly, Turkmenistan reaffirmed its commitment to achieving the Sustainable Development Goals, including financing the implementation of the 2030

Agenda for Sustainable Development and accelerating the implementation of the Addis Ababa Action Agenda on financing for development, improving an effective multilateral trading system, multilateral cooperation in the transport sector, and the continuation of multilateral dialogue on climate change, environmental protection, rational use of natural resources and environmental safety.

Financing and resource mobilization at the national and international levels is an important aspect of the implementation of the Sustainable Development Goals. For the effective implementation of the set goals, it is necessary to continue the processes of improving the system of financing sustainable development issues.

According to expert assessments carried out within the framework of the first phase of the project, financing of national measures to achieve the SDGs can be ensured by mobilizing domestic resources through the introduction of tax incentives, encouraging public-private partnerships, stimulating business investment, as well as attracting support at the international level and technology transfer. These and other dimensions are integral to the 2030 Agenda and ensure the application of sustainable development finance principles at the national level.

On the issue of financing the SDGs, Turkmenistan supported the Addis Ababa Funding Action Program. The main source of financing for the SDGs in Turkmenistan is domestic government financial resources. Much attention is paid to the issue of attracting both international finance and private sector resources.

Over the past few years, Turkmenistan, with the assistance of the UN system and the UN Development Program, has created a solid foundation for further advancing the development finance agenda, including the Sustainable Development Goals, at the global level.

Turkmenistan actively participates in global platforms for financing for development. Thus, in June 2018, Turkmenistan hosted the International Conference "Partnership for Financing Development in the Heart of the Great Silk Road", which was organized by the State Bank for Foreign Economic Affairs of Turkmenistan and UNDP with the support of the Ministry of Foreign Affairs of Turkmenistan. Particular attention at the conference was paid to the implementation of the Addis Ababa Action Agenda, which lays the foundation for financing sustainable development and is an integral part of the global Agenda. Within the framework of the conference, the Final Document was adopted, as well as bilateral agreements were signed, in particular, a Memorandum of Understanding, on joint cooperation on the accumulation of development financing to achieve the Sustainable Development Goals in Turkmenistan between the State Bank for Foreign Economic Affairs of Turkmenistan and the UN Development Program.

Within the framework of the First Caspian Economic Forum, held in the city of Turkmenbashi on August 12, 2019, a Memorandum of Understanding was signed between the UN in Turkmenistan and the Ministry of Finance and Economy of Turkmenistan on cooperation to achieve the SDGs in Turkmenistan, which laid the foundation for strengthening cooperation to mobilize internal financing the SDGs and provides for concrete actions to put into practice the Addis Ababa Action Agenda.

In particular, the memorandum identifies the financing of the SDGs, mobilization of domestic public finance for the SDGs, relationship of public finance and investment with sustainable development goals, improvement of tax policy, development of capital markets, attraction of domestic and international private finance for the SDGs by creating a favorable the business environment and regulatory framework and through public-private partnerships.

At the same time, as a sign of commitment in this direction, the Ministry of Finance and Economy of Turkmenistan and the UN system in Turkmenistan, on May 28, 2020 via video link, organized an International Seminar on the topic "Financing the implementation of the Sustainable Development Goals: the role of integrated national financing mechanisms."

Following the results of the International Seminar, according to the adopted Statement, the participants confirmed their commitment to the implementation of the Addis Ababa Action Program and the creation of Integrated National Systems for Financing the Sustainable Development Goals. The importance of

integrated approaches to financing for development through measures that facilitate the mobilization of resources from all possible sources of financing, including public-private partnerships, as well as the mobilization of international financial resources from financial institutions and foundations, was also noted.

The priority areas reflected at these events also occupy an important place in the Statement of Turkmenistan at the 75th session of the UN General Assembly. The Government of Turkmenistan invariably emphasizes the need to maintain a continuous dialogue in the current environment on financing the implementation of the Global Strategies, in particular the 2030 Agenda for Sustainable Development, and advocates accelerating the implementation of the Addis Ababa Action Agenda on Financing for Development to mobilize and efficiently use resources. required to achieve the SDGs, and also expresses the expediency of considering, within the framework of the 75th session of the General Assembly, the possibility of holding the UN Conference on Financing for Development in Ashgabat in 2022.

All the above indicates that Turkmenistan is actively and progressively working to finance development issues, and in particular the Sustainable Development Goals, both domestically and in the international arena. Turkmenistan is ready to continue to act as an international platform for the development and adoption of mechanisms and instruments for financing development issues and to make its advisory and technical contribution to this process. This implies the preparation and holding of a series of meetings and events of an international and regional nature in the period 2021-2022 to build a point agenda and expected agreements for the global forum. As an active participant in the dialogue on financing for development, Turkmenistan, in cooperation with UNDP, is ready to consider creating a coordination mechanism based on the Ministry of Finance and Economy, which will play a key role in further promoting the role of Turkmenistan on this agenda, as well as accumulating national experience and competence.

At the same time, Turkmenistan attaches particular importance to other key aspects of achieving the SDGs, including the continuation of multilateral dialogue on climate change, environmental protection, rational use of natural resources and environmental security, as well as intensification of cooperation in the multilateral trading system.

Sustainable climate finance is an important component in financing for development. Climate finance includes financing of programs, projects, industries, and specific activities aimed at reducing negative impacts and increasing the country's adaptive capacity to climate change. Climate finance is a key element in fulfilling Turkmenistan's commitments under the Paris Agreement and achieving the country's Sustainable Development Goals as a whole. In this context, along with individual sectors directly facing the negative impacts of climate change, such as agriculture and water management, ecological and environmental management, active participation of the financial and economic sector as the main institution for planning, developing and distributing funds under various government programs is extremely important. Funds aimed at improving the infrastructure of rural areas, land reclamation, improving water infrastructure, including the introduction of water-saving technologies in agricultural production, the provision of concessional loans for agricultural production under various existing government programs can be considered as part of climate finance.

Turkmenistan considers the development of an effective and multilateral trading system as one of the key directions for enhancing international cooperation in the economic sphere. The practical implementation of the above will require a huge amount of work and significant costs on the part of the Government of Turkmenistan, including financial and human resources.

According to the Country Program of Cooperation between Turkmenistan and UNDP for 2021-2025 and the Plan of Operational Socio-Economic Measures in Turkmenistan to Counter the Acute Respiratory Disease Pandemic, developed by the Government of Turkmenistan with the UN Country Team, the United Nations Development Program (UNDP) in Turkmenistan, being the main UN agency representing solutions in various areas in the field of sustainable development, as well as integrating and coordinating the efforts of all other UN agencies in order to achieve the global 2030 Agenda for

Sustainable Development, offers the Ministry of Finance and Economy of Turkmenistan its technical assistance in the implementation of the following (second) the project phase on building national capacity in financing for development, promoting a global partnership in financing for development and building national capacity in the trade and transport system for accession WTO aimed at the efficiency of planning, financing of resources, both public and private, maintaining a sufficient level of productive investment and human development, as well as improving the effectiveness, integrity and consistency of macroeconomic policies that ensure sustainable economic development and growth in the country's welfare.

II. STRATEGY

The second phase of the project will contribute to the implementation of the components of the UNDP Country Program for 2021-2025 in the field of improving conditions for sustainable and inclusive diversification of the economy, attracting investment and adapting innovative and digital technologies to achieve the Sustainable Development Goals in Turkmenistan.

In order to ensure that the national realities and priorities of the country are fully taken into account in the implementation of the 2030 Agenda, as well as the integrated and indivisible nature of the SDGs and the balance of all three components of sustainable development: economic, social and environmental, this project will contribute to improving the national coordination mechanism for achieving the SDGs. including strengthening the capacity of the Ministry of Finance and Economy of Turkmenistan as a state body responsible for the formation of national socio-economic policy and the State budget of the country, and monitoring progress in achieving the SDGs

The main goal of the project is to increase national capacity in the implementation of the SDGs in Turkmenistan and to promote financing for sustainable development.

Project activities will be carried out in the following main areas:

Component 1. Assistance on financing for development in the context of SDG implementation.

This project will assist in improving the coordination of work on the SDGs with relevant ministries and departments, the private sector and public organizations and the preparation of periodic national reports on the progress of achieving the SDGs in Turkmenistan, which will serve as a platform for preparation of subsequent voluntary national reviews of Turkmenistan by providing methodological and technical assistance to the Ministry finance and economy of Turkmenistan.

The project offers assistance in coordinating work on development financing and transferring advanced knowledge and international experience in this area for specialists from the Ministry of Finance and Economy of Turkmenistan and other key sectoral ministries responsible for the implementation of the SDGs.

One of the important goals of the coordination mechanism will be to improve national capacities in financing for development, to create specific prerequisites for preparing for the UN Conference on Financing for Development in 2022. The United Nations Development Program, in collaboration with the Ministry of Finance and Economy of Turkmenistan, will conduct an analysis of existing development finance instruments to support the Government of Turkmenistan in strengthening the link between the achievement of the nationalized Sustainable Development Goals and financial policies. The project will provide the Government of Turkmenistan with a report that will contain an overall picture of potential sources of financing for development in the country and can serve as the basis for a strategy for mobilizing resources, including international ones, for a long-term program of government reforms, including national, sectoral and regional. In this context, recommendations will be provided on the further development of favorable conditions for attracting private and foreign capital to the country, which will directly contribute to the implementation of the "Program for the development of foreign economic activity for 2020-2025".

The project will facilitate a global dialogue on promoting development finance issues in line with the priority positions of Turkmenistan at the 75th session of the United Nations General Assembly. Building on the global experience of the United Nations Development Program, regional activities will be carried out on financing for development issues, including the development of an Integrated National Financing Mechanism for SDGs by presenting a holistic financing approach to achieve the SDGs. It is proposed to start work on the implementation of the Integrated National Mechanism for Financing the SDGs in Turkmenistan, as a reliable mechanism for effectively mobilizing internal and external resources for the implementation of the SDGs. The work carried out under this component of the project will be a preparatory phase for the UN Conference on Financing for Development, which is proposed to be held in 2022 as part of the 75th session of the General Assembly. The United Nations Development Program will provide global expertise to host a series of international and regional meetings and events in 2021 and 2022 with a view to comprehensively preparing for a global forum to advance financing for development.

The project will also support the implementation of climate finance reforms. Climate finance is a key element in fulfilling Turkmenistan's commitments under the Paris Agreement and achieving the country's Sustainable Development Goals as a whole. In order to develop national, regional, sectoral programs and plans under this component, the Ministry of Finance and Economy of Turkmenistan will be assisted in analyzing existing national and sectoral strategies and plans and identifying measures aimed at reducing the negative impact and increasing adaptation to climate change, including special-purpose financing. A document will be prepared that will be the initial contribution of Turkmenistan with the prospects for climate finance. Along with this, an analysis of existing and planned measures and investments will serve as a starting point for attracting large-scale financial investments from international and other funds, such as the Green Climate Fund, the Adaptation Fund, the Global Environment Facility and other international financial institutions for development.

Component 2. Strengthening national capacities to improve the trade system.

Strengthening cooperation with the World Trade Organization (WTO), whose issues are closely involved in monitoring progress towards the SDGs, plays an important role in achieving the 2030 Agenda for Sustainable Development. Particularly relevant in the context of the global pandemic crisis is maintaining international economic cooperation through open trade and the creation of an enabling business environment, which are critical to stimulating the investment needed to achieve the SDGs. Turkmenistan considers the development of an effective and multilateral trading system as one of the key directions for enhancing international cooperation in the economic sphere. In this regard, the receipt by Turkmenistan of observer status in the World Trade Organization in 2020 will contribute to the effective integration of Turkmenistan in the international trade and economic space, attracting international investment, and expanding financing for sustainable growth.

This component of the project will work in three directions to assist the Ministry of Finance and Economy of Turkmenistan in preparing for the negotiation process on WTO membership with a focus on the country's comparative advantages: conducting an analysis of WTO membership on the country's economy, taking into account the socio-economic impact of the global pandemic; preliminary analysis of the legal framework for accession to the WTO membership; helping to strengthen the institutional framework for a successful WTO accession process.

Inclusive, trade-based economic growth will further enhance the country's ability to generate more income, which is one of the essential prerequisites for achieving sustainable development. In addition, integration into the multilateral trading system embodied in the WTO will also contribute to the country's long-term growth prospects by providing access to new markets, new technologies and new investments, and making development sustainable.

The implementation of this component will also contribute to Turkmenistan's commitment to developing an effective multilateral trading system as an observer member of the WTO to advance practical measures to overcome the crisis in the global economy and trade.

This project is in line with the goals and objectives outlined by the Sustainable Development Cooperation Framework (SDCF) between Turkmenistan and the UN for 2021-2025 and the Country Program Document (CPD) of cooperation between Turkmenistan and UNDP for 2021-2025. In particular, the project contributes to the achievement of Outcome 1 of the SDCF UN-TKM 2021-2025: By 2025, people have access to more effective, innovative, and transparent public administration based upon the rule of law, human and labour rights, gender equality and quality data, as well as Output 1.1 CPD UNDP-TKM 2021-2025: Policies, institutional, and financing mechanisms strengthened for implementation, measurement, and monitoring of nationalized SDG indicators and targets.

At the same time, the implementation of the project will contribute to the implementation of the "Program of the President of Turkmenistan for socio-economic development for 2019-2025", "Program for the development of economic, financial and banking systems for 2018-2024", "Program for the development of foreign economic activity for 2020- 2025", "National program to reduce the difficult circumstances prevailing in the world economy on the country's economy and sustainable development of the national economy for 2020-2021", as well as the "Plan of operational socio-economic measures in Turkmenistan to counter acute infectious disease pandemic".

III. RESULTS AND PARTNERSHIPS

Expected Results

The expected result within the framework of this project is the achievement of two components, which will contribute to increasing national capacity in the implementation of the Sustainable Development Goals and promoting financing for sustainable development in Turkmenistan.

Output 1: Assistance provided on financing for development in the context of SDG implementation.

The following activities will be carried out to achieve Result 1:

- 1.1. Assisting in the preparation of draft periodic national reports on the progress of the SDGs in Turkmenistan.
- 1.2. Assisting in coordinating and holding of thematic expert group meetings according to SDG priority areas.
- 1.3. Analyzing existing development instruments and providing advice on best practices for financing development and SDG implementation, including with the aim of attracting private investment.
- 1.4. Conducting two regional workshops to facilitate global dialogue on financing for development.
- 1.5. Assisting in assessing national, sectoral strategies and plans, including climate change adaptation for sustainable development and targeted climate finance.

In pursuance of the Decree of the President of Turkmenistan dated November 17, 2017, assistance will be provided in the coordination of development financing issues in order to study the development financing processes and transfer best practices with the participation of specialists from the Ministry of Finance and Economy of Turkmenistan and other relevant ministries and departments. To achieve this result, assistance will also be provided in the preparation of draft periodic reports on the progress of achieving the SDGs in Turkmenistan. Support will be provided for regional workshops on financing for development, including on the design and initiation of an Integrated National SDG Financing Mechanism by presenting a holistic financing approach to achieve the SDGs. An analysis of existing financing instruments in the country, including private sector investment, will be carried out, and a report on potential sources of financing for development issues will be prepared and submitted to the Government of Turkmenistan.

In addition, support will be provided to sustainable climate finance, which is a key element in fulfilling Turkmenistan's commitments under the Paris Agreement and in achieving the country's Sustainable

Development Goals as a whole. In order to develop special national, regional and sectoral programs and plans, assistance will be provided to the Ministry of Finance and Economy of Turkmenistan in conducting an analysis of existing national and sectoral strategies and plans, which will identify measures aimed at reducing the negative impact and increasing adaptation to climate change, including special-purpose financing. A document will be prepared that will serve as the initial contribution of Turkmenistan with the prospects for climate finance.

Achievement of this result will be measured by the following indicators:

1.1. Draft periodic national reports on the progress of achieving the SDGs in Turkmenistan for 2020, 2021, and 2022 have been prepared and submitted to the Ministry of Finance and Economy of Turkmenistan.

1.2. A series of meetings of thematic expert groups according to the priority areas of the SDGs have been held.

1.3. An analysis of existing development tools was carried out, consultations on the study of best practices of development financing processes and the implementation of the SDGs, including with the aim of attracting private investment, were provided, and relevant reports on potential sources of development financing in Turkmenistan were prepared.

1.4. Number of national specialists (men and women) who raised their knowledge of development finance issues and the development of an Integrated National SDG Financing Mechanism.

1.5. An assessment of national and sectoral strategies and plans, including issues of adaptation to climate change for sustainable development and targeted climate finance, was carried out and a final report with recommendations was prepared.

1.6. Number of national professionals (men and women) raised knowledge of targeted climate finance issues.

Output 2: National capacity to improve the trading system increased.

The following activities will be carried out to achieve Result 2:

2.1. Analysis of WTO membership on the country's economy, taking into account the socio-economic impact of the global pandemic.

2.2. Conducting a preliminary analysis of the legal framework and institutional framework for a successful WTO accession process.

This result will be achieved through the provision of analytical and methodological support on WTO membership, to prepare for the negotiation process, study best practices, analyze the legal framework, as well as help strengthen the institutional framework for a successful WTO accession process. An analysis of WTO membership will be carried out taking into account the socio-economic impact of the global pandemic. Assistance will be provided to the Ministry of Finance and Economy of Turkmenistan to promote financing and investment in the development of trade logistics.

Achievement of this result will be measured by the following indicators:

2.1. An analysis of the impact of WTO membership on the country's economy, taking into account the socio-economic impact of the global pandemic, was carried out and a final report on the best practices of accession to the WTO was prepared.

2.2. Number of professionals (men and women) who have built capacity on best practices in WTO accession.

2.3. An analysis of the legal and institutional framework for a successful WTO accession process has been carried out and a final report with recommendations was prepared.

2.4. Number of professionals (men and women) with capacity building on best practices in legislation and institutional framework for WTO membership.

Resources, required to achieve expected results

To achieve the abovementioned results, the project provides for the involvement of highly qualified international experts. Consultants should have significant experience in sustainable development and have good knowledge of the Global Agenda for Sustainable Development 2030 and the Sustainable Development Goals, experience in the CIS region and good knowledge of the relevant environment in Turkmenistan, as well as have excellent knowledge of English and Russian languages (oral and written). The project will also involve local consultants to support international experts. These consultants will need to have a good understanding of the priority areas of Turkmenistan in the implementation of the SDGs, the regulatory and legal system of Turkmenistan, a good understanding of financing issues, knowledge of national development programs. At the same time, study tours will be organized to study international practice in relevant fields.

Partnerships

The main partners in the project are the Ministry of Finance and Economy of Turkmenistan and the United Nations Development Program.

The Ministry of Finance and Economy of Turkmenistan determines the main directions of the country's socio-economic development and formulates national and regional strategies and programs in the field of economic development. The ministry follows short, medium and long term planning cycles in its strategic policy documents. According to the Budget Code adopted in 2014, budgeting in the budgetary system of Turkmenistan should be based on forecasts of the main trends in the socio-economic development of Turkmenistan and its regions, as well as taking into account the simultaneously developed / or formed investment programs. The forecast of the main trends in the socio-economic development of Turkmenistan and its regions (based on proposals from the interested ministries, departments, other economic and financial bodies) is compiled by the Ministry of Finance and Economy of Turkmenistan and its local divisions annually, on an ongoing basis.

The United Nations Development Program, operating in 170 different countries around the world, is the largest United Nations Development System Agency (UNDS). In particular, under the proposed UN reform and the new Strategic Plan 2018-2021, UNDP acts as a unifying mechanism in the implementation of the global Development Agenda 2030, which gives it the opportunity to play a unique role in UNDS, helping countries to establish links in the process solving the most difficult problems of sustainable development. Against this background and its reputation as an impartial partner, UNDP is helping governments to encourage line ministries and development partners to adopt a whole-of-government and community-wide approach that is essential for change. UNDP is often asked to provide support to provide a country-level development coordination mechanism, to help a country formulate a national development strategy and to align that strategy with the sustainable development goals. This is facilitated by UNDP's longstanding partnerships with the highest levels of government, including ministries of planning and finance, legislatures including parliaments, and constitutional authorities.

During the implementation of the project, UNDP and the Ministry of Finance and Economy will closely cooperate with the Ministry of Foreign Affairs of Turkmenistan and other departments of the country. At the same time, the activities of the project will be coordinated with the work of other UN agencies and international organizations, including international financial institutions, working to achieve the Sustainable Development Goals.

Risks and assumptions

EXPECTATIONS:

- Commitment of the leadership of the Ministry of Finance and Economy of Turkmenistan and other involved ministries and sectoral departments in the implementation of the Project.
- Effective coordination of all parties involved in the implementation of the Project.

RISKS:

Among the risks that may affect the achievement of the objectives of this Project, the most significant are:

- Lack of effective coordination between UNDP and the Ministry of Finance and Economy of Turkmenistan in order to timely implement the key activities of the Project.
- Commitment from the national partner to ensure the timely availability of resources for project implementation.
- Insufficiently effective involvement of employees of the Ministry of Finance and Economy in the project implementation processes.
- Migration of qualified specialists to related industries.
- Limitations related to the COVID-19 pandemic.

Knowledge management

The knowledge and experience acquired by the project beneficiaries as a result of the project activities will be transformed into action plans to develop the capacity of the personnel of the Ministry of Finance and Economy of Turkmenistan. The project will prepare and conduct training workshops to explore existing funding instruments and develop integrated national funding mechanisms. UNDP experts will provide advice on the study of international experience on accession to the WTO, the application of mechanisms and standards.

Sustainable development and scaling

The sustainability of the results after the completion of the Project, taking into account the content of the Project, partnerships and the implementation of project activities, is ensured by joint activities to implement the results of project activities in certain areas through:

- Interest and well-coordinated activities of the involved structures.
- State support (dissemination of information on the results of the Project's activities at meetings and thematic seminars among the staff of ministries, departments, public associations, representatives of which are members of the Interdepartmental Commission, websites of the project partners) and budget funding.
- Integration of the results of the Project will contribute to the creation of a coordination mechanism for financing for development in order to study the processes of financing for development and transfer best practices to specialists of the Ministry of Finance and Economy of Turkmenistan and other relevant ministries and departments.

IV. PROJECT MANAGEMENT

Cost effectiveness and efficiency

To ensure the efficiency and effectiveness of the project, a number of approaches were used, in particular:

- The logic of both the Project as a whole and its individual components is based on the principles of results-based management. The mechanisms for managing the implementation of the Project, including resource provision, monitoring and evaluation, are consistent with the expected results at all levels of the Project and constitute a single holistic structure;
- The key result of the project is to help increase national capacity in the implementation of the Sustainable Development Goals and promote financing for sustainable development in Turkmenistan;
- Activities under the Project will be synchronized with relevant state programs and national development strategies implemented during the implementation period project, and their results.

Project management

The project will be implemented through the National Execution Mechanism (NER). The Ministry of Finance and Economy of Turkmenistan will act as the national partner of the Project.

The Project Management System consists of three levels:

1. Strategic management;
2. Operational management and coordination;
3. Monitoring and Evaluation System (Section VI of the Project Document).

Since support for the implementation of the Project, carried out in the national implementation modality, can be provided by UNDP only at the request of the National Partner, the parties agreed that the Project Document will be registered in the prescribed manner with the Ministry of Finance and Economy of Turkmenistan.

In this Project, in addition to the project team, operational control over the implementation of the project and ensuring the relationship of the Project with other similar initiatives and projects will be carried out by the program officers of the UNDP country office: UNDP Assistant Resident Representative and the Program Analyst on Governance, Economic Diversification and Inclusive Growth.

The cost of the above work of the program officers, as well as the administrative services of the UNDP country office, will be reimbursed in an amount not exceeding the limit set in the project budget for this category of costs (section VII). Control over the functions of these specialists, according to their job descriptions, is carried out by and about UNDP Resident Representative.

UNDP in Turkmenistan will oversee and manage the overall budget of the Project, monitor the implementation of the Project, and be responsible for timely reporting to the donor. In addition, UNDP will maintain coordination and collaboration with other ongoing initiatives and organizations in the country.

V. RESULTS FRAMEWORK

The expected result in the formulation of the United Nations Sustainable Development Cooperation Framework (UNSCDF) between Turkmenistan and the UN 2021-2025: Outcome 1: By 2025, people have access to more effective, innovative, and transparent public administration based upon the rule of law, human and labour rights, gender equality and quality data							
Output indicators as specified in the Country Programm Document 2021-2025, Results and Resources Framework, including baseline and targets:							
Output 1.1: Policies, institutional, and financing mechanisms strengthened for implementation, measurement, and monitoring of nationalized SDG indicators and targets							
Indicator 1.1.2: Programme budgets introduced and aligned with SDG financing needs							
Baseline: None (2020)							
Target a: Budgets in 5 government agencies (2025)							
Data source: Government reports. Projects reports							
Applicable Output(s) from the UNDP Strategic Plan :							
Outcome: Accelerating structural transformations for sustainable development							
Project name and number: "Platform for the implementation of Sustainable Development Goals"							
EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE	TARGETS			DATA COLLECTION METHODS AND SOURCES
			2020 level	2021	2022	2023	
Output 1: Provided assistance on financing for development in the context of SDG implementation	1.1. Draft periodic national reports on the progress of the SDGs have been prepared	Project reports	No	Yes	Yes	Yes	Yes

	1.2. Series of meetings of thematic expert groups according to the priority areas of the SDGs were held	Project reports	No	Yes	Yes	Yes	
	1.3. Analysis of existing development tools was carried out, consultations on studying the best practices of development financing processes and the implementation of the SDGs, including with the aim of attracting private investment, were provided, relevant reports on potential sources of development financing were prepared	Project reports	0		1 final report	1 final report	2 final reports
	1.4. Number of national specialists (men and women) raised knowledge of development finance issues and the development of an Integrated National SDG Financing Mechanism	Project reports	0		20 (with participation of women, at least 50%)	30 (with participation of women, at least 50%)	50

<p>Output2: National capacity to improve the trade system increased</p>	1.5. Assessment of national, sectoral strategies and plans, including issues of adaptation to climate change for sustainable development and targeted climate finance was carried out and a final report with recommendations was prepared	Project reports	0			1 final report	1 final report
	1.6. Number of national professionals (men and women) raised knowledge of targeted climate finance issues	Project reports	0		20 ((with participation of women, at least 50%))	20	
	2.1. Analysis of the impact of WTO membership on the country's economy, taking into account the socio-economic impact of the global pandemic, was carried out and the final report on the best practices of accession to the WTO membership was prepared	Project reports	0		1 final report	1 final report	
	2.2. Number of professionals (men and women) with capacity building on	Project reports	0		20 (with participation of women, at	20	

	best practices in WTO accession				least 50%)				
	2.3. Analysis of the legal framework and institutional framework for a successful WTO accession process was carried out and a final report with recommendations was prepared	Project reports	0				1 final report	1 final report	
	2.4. Number of professionals (men and women) with capacity building on best practices in legislation and institutional framework for WTO membership	Project reports	0				20 (with participation of women, at least 50%)	50	

VI. MONITORING AND EVALUATION

Monitoring activities	TARGET	Periodicity	Expected action
Track progress towards results	Project progress data against the results indicators in the Result and Resource Framework (RRF) will be collected and analyzed to assess the project's progress towards the agreed outcomes.	Quarterly, or with frequency required for each indicator.	If progress is slower than anticipated, this issue will be reviewed by the project management.
Monitor and manage risks	Identify specific risks that may threaten the achievement of intended results. Define and monitor risk management actions using a risk log. This includes monitoring measures and plans that may be required according to UNDP Social and Environmental Standards. The audits will be conducted in accordance with UNDP procedures for auditing to manage financial risk.	Quarterly	Risks are determined by project management and actions are taken to manage the risks. A risk log is actively maintained to track identified risks and actions taken.
Explore	Knowledge, best practices and lessons will be covered regularly. In addition, they will be adopted from other projects and partners and included in this project.	At least annually	Relevant lessons are captured by the project team and used to make informed management decisions.
Annual quality assurance of work on the project	The quality of the Project will be assessed against the UNDP quality standards to identify the strengths and weaknesses of the Project, and to make informed management decisions to improve the project.	Annually	Strengths and weaknesses will be considered by the project management and used to make informed decisions to improve project performance.
Review and adjust the direction of activity	Internal review of data and facts on all monitoring activities to make informed decisions.	At least annually	Project performance data, risks, lessons and quality will be discussed by the Project Board and will be used to adjust activities
Project progress report	A progress report will be presented to the Project Board and key stakeholders, and will include progress data showing progress against predetermined annual milestones at the output level, a summary of the annual project quality rating, an updated risk log with mitigation measures impacts, and any assessment or review reports prepared during that period.	Annually, and at the end of the project (final report)	The project progress report, achievements, results, financial report and recommendations for the further perspective of its development are discussed by the Project Board and will be used to develop (if necessary) a project document for the next cycle of work in accordance with the goals and objectives of UNDP and AGSPA
Project Overview (Project Board)	The Project Management Mechanism (ie, the Project Board) will conduct regular project reviews to assess project performance and review the Annual Work Plan to ensure realistic budgeting throughout the life of the project. In the final year of the project, the Project Board	Twice a year	All quality issues, or slower than expected progress, should be discussed by the Project Board, and management actions should be coordinated to address the issues identified.

	should conduct a project completion review to capture the lessons learned and discuss opportunities for scaling up, and to nationalize the project results and lessons learned with the appropriate audience.		
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VII. MULTI-YEAR WORK PLAN

YEAR: 2021

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMING				RESPONSIBLE PARTY	PLANNED BUDGET		
		QI	QII	QIII	QIV		Funding Source	Budget description	Amount (in USD)
Output 1: Assistance on financing for development in the context of SDG implementation provided	1.1 To assist in the preparation of draft periodic national reports on the progress of the SDGs implementation in Turkmenistan					UNDP	Government of Turkmenistan	71300 National expert (1 expert x 4 months)	4,000
								74200 Translation services	300
	1.2 Provide support in coordinating and holding thematic expert group meetings according to the SDG priority areas					UNDP	Government of Turkmenistan	75700 Trainings, seminars (15 people x 5 days)	1,920
								74500 Operational expenses	371
	Total Output 1								6,591
	General management support (GMS), 7%						Government of Turkmenistan	75100 Facilities and Administration	461
Total for Output 1, including general management support (GMS), 7%:									7,052

PROJECT MANAGEMENT	Project staff salary						UNDP	Government of Turkmenistan	71400 Salary (Project manager-100%, Project assistant-15% * 4 months)	5,008
								UNDP	71400 Salary (Project manager)	5,000
	Office expenses						UNDP	Government of Turkmenistan	74500 Operational expenses	247
	Total for UNDP project management							UNDP		5,000
	Total for project management Government of Turkmenistan							Government of Turkmenistan		5,255
	General management support (GMS), 7%							Government of Turkmenistan	75100 Facilities and Administration	368
	Total Project Management									10,623
	Government of Turkmenistan									12,675
	UNDP									5,000
	TOTAL									17,675

YEAR: 2022

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMING				RESPONSIBLE PARTY	PLANNED BUDGET		
		QI	QII	QIII	QIV		Funding Source	Budget description	Amount (in USD)
Output 1: Assistance on financing for development in the context of SDG implementation provided	1.1 To assist in the preparation of draft periodic national reports on the progress of the SDGs implementation in Turkmenistan					UNDP	Government of Turkmenistan	71300 National expert (1 expert x 3 months) 74200 Translation services	3,000 900
	1.3 Analyze existing development instruments and provide advice on best practices for financing for development processes and SDG implementation					UNDP	Government of Turkmenistan	71200 International expert (1 expert x 20 days) 71600 Transportation costs (1 expert x 1 trip x 5 days)	10,000 2,717
								71300 National consultant (1 consultant x 2 months)	3,000
								75700 Regional workshop (2 days x 30 participants x stationery x printout of handouts, translator)	4,394
	1.4 Contribute to the global dialogue on financing for development					UNDP	Government of Turkmenistan		

Output 2: National capacity to improve the trading system increased	1.5 Assess national, sectoral strategies and plans, including climate change adaptation for sustainable development and targeted climate finance								71600 Transportation costs (4 speakers x 1 trip x 2 days)	7,868
									74500 Operational expenses	321
			UNDP					Government of Turkmenistan	71200 International expert (1 expert x 20 days)	10,000
									71600 Transportation costs (1 expert x 1 trip x 5 days)	2,717
									75700 Seminar (1 seminar x 1 day x 25 participants x stationery x printouts, translation)	2,044
	Total for Output 1									46,961
	General management support (GMS), 7%							Government of Turkmenistan	75100 Facilities and Administration	3,287
	Total for Output 1, including general management support (GMS), 7%:									50,248
	2.1 Analyze WTO membership, taking into account the social and		UNDP					Government of Turkmenistan	71200 International expert (1 expert x 20 days)	10,000

	economic impact of the global pandemic						UNDP	Government of Turkmenistan	75700 Seminar (1 seminar x 3 days x 30 participants x stationery x printout of handouts)	5,164
							UNDP	Government of Turkmenistan	71300 National consultants (1 consultant x 6 months)	6,000
									74500 Operational expenses	379
										21,543
							Government of Turkmenistan	75100 Facilities and Administration	1,508	
Total for Output 2:										23,051
Total for output 2, including general management support (GMS), 7%:										
PROJECT MANAGEMENT	Project staff salary						UNDP	Government of Turkmenistan	71400 Salary (Project manager- 50%* 12 months)	13,046
								UNDP	71400 Salary (Project assistant)	5,000
	Office expenses						UNDP	Government of Turkmenistan	72500 Office supplies	350
									72400 Communication and internet	1,500

										74500 Operational expenses	379
	Total for project management Government of Turkmenistan								Government of Turkmenistan		15,275
	Total for UNDP project management								UNDP		5,000
	General management support (GMS), 7%								Government of Turkmenistan	75100 Facilities and Administration	1,069
	Total Project management										21,344
	TOTAL Government of Turkmenistan										89,643
	TOTAL UNDP										5,000
	TOTAL										94,643

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMING				RESPONSIBLE PARTY	PLANNED BUDGET		
		QI	QII	QIII	QIV		Funding Source	Budget description	Amount (in USD)
Output 1: Assistance on financing for development in the context of SDG implementation provided	1.1 To assist in the preparation of draft periodic national reports on the progress of the SDGs implementation in Turkmenistan					UNDP	Government of Turkmenistan	71300 National expert (1 expert x 3 months) 74200 Translation services	3,000 900
	1.3 Provide advice on development finance to attract private investment					UNDP	Government of Turkmenistan	71200 International expert (1 expert x 20 days) 71600 Transport costs (1 expert x 1 trip x 5 days)	10,000 2,717
								71300 National consultant (1 consultant x 3 months)	3,000
	1.4 Contribute to the global dialogue on financing for development					UNDP	Government of Turkmenistan	75700 Regional workshop (2 days x 50 participants x stationery x printout of handouts, translator)	6,144

											71600 Transportation costs (4 speakers x 1 trip x 2 days)	7,868
											74500 Operational expenses	321
	Total for Output 1											33,950
	General management support (GMS), 7%									Government of Turkmenistan	75100 Facilities and Administration	2,377
	Total for Output 1, including general management support (GMS), 7%:											36,327
Output 2: National capacity to improve the trading system increased	2.2 Conducting a preliminary analysis of the legal framework and institutional framework for a successful WTO accession process								UNDP	Government of Turkmenistan	71200 International experts (1 expert x 20 days)	10,000
											71600 Transportation costs (1 expert x 1 trip x 5 days)	2,717
									UNDP	Government of Turkmenistan	75700 Seminar (1 seminar x 5 days x 30 participants x stationery x printout of handouts, translator)	5,164

							UNDP	Government of Turkmenistan	71300 National consultant (1 consultant x 6 months)	3,000
									74500 operational expenses	245
	Total Output 2:									21,126
	General management support (GMS), 7%							Government of Turkmenistan	75100 Facilities and Administration	1,479
	Total for Output 2, including general management support (GMS), 7%:									22,605
PROJECT MANAGEMENT	Project staff salary						UNDP	Government of Turkmenistan	71400 Salary (Project manager- 50%)	13,046
								UNDP	71400 Salary (Project assistant)	5,000
	Office expenses							Government of Turkmenistan	72500 Office supplies	300
									72400 Communication and internet	1,500
									74500 Operational expenses	379
	Total for project management Government of Turkmenistan							Government of Turkmenistan		15,225
	Total for UNDP project management							UNDP		5,000

	General management support (GMS), 7%							Government of Turkmenistan	75100 Facilities and Administration	1,066
	TOTAL PROJECT MANAGEMENT									21,291
	TOTAL Government of Turkmenistan									75,223
	TOTAL UNDP									5,000
	TOTAL									80,223

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The project will be implemented in national implementation modality with the support of the UNDP Country Office in accordance with the UNDP rules and procedures. The Ministry of Finance and Economy of Turkmenistan acts as the National Implementing Partner. The Ministry of Finance and Economy of Turkmenistan will be responsible for the successful implementation of the project activities, the sustainability of the results achieved, as well as report on the project results to other state bodies of Turkmenistan. In particular, the National Implementing Partner is responsible for ensuring that the long-term results of the project are in line with the development goals described in the strategic documents of Turkmenistan.

The Ministry of Finance and Economy of Turkmenistan will appoint a senior official as the National Project Coordinator (NPC) who will be responsible for the implementation of the project on behalf of the Implementing Partner.

At the initial stage of the project, UNDP and the Academy jointly develop the regulatory documents of the Project Board (PB), including the list of members and the rules of work. The NCP is the chairman of the Project Board. The Project Board is responsible for making management decisions on the project based on consensus. Project Board is the main subject of strategic project management. The Project Board will meet at least twice a year to discuss issues related to the implementation of the project. Additional meetings may be called by the NPC as required.

Representatives of other interested parties may be invited to participate in the Project Board as observers.

The Project Manager is the Executive Secretary of the Project Board, participates in meetings as a non-voting member of the Project Board, and is responsible for preparing the Project Board meeting and keeping minutes of the meetings.

To ensure UNDP's unconditional accountability for project results, Project Board decisions will be made in accordance with standards that ensure good governance for development results, including the best value for money, fairness, integrity, transparency and effective competition.

The strategic level of project management by UNDP is provided by the UNDP Country Office in Turkmenistan. At this level, the long-term results of the project are consistent with the United Nations Sustainable Development Cooperation Framework (UNSDCF) for 2021-2025, the Sustainable Development Goals (SDGs) and the UNDP Country Program Document for Turkmenistan (2021-2025).

The main level of operational management is the Project Manager. The project team consists of a Project Manager and a Project Assistant.

To perform highly specialized tasks and provide the necessary expertise, international and national experts will be involved to increase the effectiveness of the project. The recruitment of short-term consultants will be carried out in accordance with UNDP procedures, taking into account the requirements of the national partner.

The transfer of property acquired under the project will be carried out after the completion of the project in accordance with the decision of the Project Board under the rules and procedures of UNDP.

PROJECT ORGANIZATION STRUCTURE

PROJECT BOARD
(Governance mechanism)

**Ministry of Finance and
Economy of Turkmenistan**
(Beneficiary)

UNDP
(Implementing agency)

Project Manager

Project Assistant

**Consultants and
experts**

IX. LEGAL CONTEXT

This project document will be the instrument referred to in Article 1 of the Standard Basic Assistance Agreement signed between the Government of Turkmenistan and UNDP on October 5, 1993 (the "Agreement"). Any references in this agreement to an Implementing Agency will be deemed to be references to an Implementing Partner.

This project will be implemented by the Civil Service Academy under the President of Turkmenistan - "Implementing Partner", in accordance with its financial regulations, rules and procedures only to the extent that they do not contradict the principles of the UNDP Financial Regulations and Rules. Where the Implementing Partner's financial management does not provide the required leadership to ensure maximum cost-effectiveness, fairness, integrity, transparency and effective international competition, UNDP's financial management will apply.

X. RISK MANAGEMENT

1. Consistent with the Article III of the SBAA *[for the Supplemental Provisions to the Project Document]*, 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.
4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
 - (a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").
 - (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any

unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:
 - i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;
 - ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;
 - iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;
 - iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
 - v. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
- b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
6. 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>).
7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or 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.

8. 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.
9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

13. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

14. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
15. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
16. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

X. SPECIAL CLAUSES

1. The Ministry of Finance and Economy of Turkmenistan, in accordance with the provisions of the Agreement between the Government of Turkmenistan and the United Nations Development Program on co-financing, will provide a contribution for the implementation of this project in the amount of **177,541** (one hundred seventy seven thousand five hundred forty one) US dollars to be credited to the UNDP account as follows.
2. The Ministry of Finance and Economy of Turkmenistan, in accordance with the following payment schedule, will transfer a contribution in the manat equivalent in the amount of **35,508** (thirty five thousand five hundred and eight US dollars) US dollars to the Turkmen-Turkish Commercial Bank, to the settlement account 23203934273168502583000.

Payment date	Amount
i. 25.09.2021	2,535 USD
ii. 20.01.2022	17,929 USD
iii. 20.01.2023	15,045 USD

3. 3. The Ministry of Finance and Economy of Turkmenistan, in accordance with the payment schedule below, will transfer a contribution in dollar equivalent in the amount of **142,033** (one hundred forty two thousand and thirty three US dollars) US dollars to Citibank NA, 111 Wallstreet New York, NY 10043, account 36349562 and details: SWIFT no.CITIUS33, ABA no. 021000089.

Payment date	Amount
i. 25.09.2021	10,140 USD
ii. 20.01.2022	71,714 USD
iii. 20.01.2023	60,178 USD

4. The value of the Contribution, if made in a currency other than the US Dollar, shall be determined using the UN exchange rate¹ in effect at the date the deposit was accepted. If the UN exchange rate changes before the UNDP Contribution is fully utilized, the value of the remaining funds will be revalued accordingly. When determining losses of the

¹ The UN exchange rate for Turkmenistan is determined based on the official exchange rate of the Central Bank of Turkmenistan

remaining funds in the balance, UNDP informs the Government about the possibility of additional funding from the Government. If additional funding is not possible, support for the Action Plan under this project document may be reduced, postponed or terminated by UNDP.

5. The above payment schedule is based on the requirement that the Contribution must be made prior to the commencement of planned activities. This schedule is subject to change in accordance with the progress of the project.
6. UNDP shall receive, administer and use the Project Contribution in accordance with its applicable UNDP rules, regulations, policies, procedures and directives, including in particular the Financial Rules issued by the UNDP Executive Board.
7. UNDP undertakes to submit to the Ministry of Finance and Economy of Turkmenistan reports on the implementation of activities and the use of the project's financial resources in accordance with Co-financing Agreement. All financial accounts and reports must be denominated in US dollars.
- 8.
9. In the event that unexpected increases in expenditures or liabilities are expected or have been realized (either due to inflationary factors, fluctuations in exchange rates or unforeseen circumstances), the UNDP should submit additional cost estimates to the government in a timely manner reflecting the further funding that will be required. The government should take all possible measures to obtain the required additional funds.
10. All unspent funds of the Contribution remaining after the preparation of the final balance sheet will be used for the purchase of additional services and (or) equipment, in agreement with the Ministry of Finance and Economy of Turkmenistan.
11. If the payments mentioned above are not received in accordance with the payment schedule and the additional deadline during the project is not received from the Government or other sources, UNDP may reduce, suspend or terminate the assistance provided to the project under this project document.
12. All interest income attributable to the contribution must be credited to the UNDP account and must be used in accordance with the established UNDP procedures.
13. The following costs must be attributed to the contribution:
 - (a) 7% reimbursement of indirect costs associated with the provision of overall management support from UNDP headquarters and country office
 - (b) Direct costs of implementation support services provided by UNDP.
14. Ownership of equipment, materials and other property financed from the contribution proceeds remains with UNDP prior to delivery and installation of the equipment. Ownership of the equipment purchased with the donated funds will be transferred from UNDP to the Ministry of Finance and Economy of Turkmenistan upon completion of the equipment installation in accordance with UNDP rules and procedures.