

**“Strengthening Resilience of the Agriculture
Sector Project” Grant No. D860-TJ,
Grant No. E1450-TJ.**

**The project special purpose financial statements
for the year ended December 31, 2024 ,
and independent auditors’ report**

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“STRENGTHENING RESILIENCE OF THE AGRICULTURE SECTOR PROJECT”
GRANT No. D860-TJ, GRANT No. E1450-TJ

**STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF
THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

The following statement, which should be read in conjunction with the independent auditors’ report is made with a view to distinguish the respective responsibilities of management and those of the independent auditors in relation to the project special purpose financial statements of the Project “Strengthening Resilience of the Agriculture Sector Project”, Grant No. D860-TJ, Grant No. E1450-TJ (the “Project”).

Management is responsible for the preparation of the project special purpose financial statements that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by components for the year ended December 31, 2024 in accordance with International Public Sector Accounting Standard “Financial Reporting Under the Cash Basis of Accounting” (the “IPSAS”) issued by the International Public Accounting Standards Board of the International Federation of Accountants and the World Bank’s Financial Management Sector Board’s “Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities” (the “WB Guidelines”).

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

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

Management is also responsible for:

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

The project special purpose financial statements for the year ended December 31, 2024 were approved and authorized for issue on June 19, 2025 by the management of the Project.

On behalf of the Management:


Satori D.
Director of AED PMU
June 19, 2025
Dushanbe, the Republic of Tajikistan


Murodov I.

Chief Accountant of AED PMU

June 19, 2025
Dushanbe, the Republic of Tajikistan

INDEPENDENT AUDITOR'S REPORT

To the Management of the State Institution Project Management Unit for "Agriculture Entrepreneurship Development" under the Ministry of Agriculture of the Republic of Tajikistan and to the Management of the State Committee on Investments and State Property Management of the Republic of Tajikistan

Opinion

We have audited the Special Purpose Financial Statements prepared by the Management of the State Institution Project Management Unit for "Agriculture Entrepreneurship Development" under the Ministry of Agriculture of the Republic of Tajikistan (hereinafter – AED PMU) of the "Strengthening Resilience of the Agriculture Sector Project" (hereinafter – the Project) financed against the financial proceeds of the International Development Association (hereinafter – IDA) according to the Grant Agreement No. D860-TJ, Grant Agreement No. E1450-TJ (hereinafter – Grant Agreements) for the year ended December 31, 2024.

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

In our opinion,

- a) The Special Purpose Financial Statements of the Project fairly present in all material respects the financial position of the Project as at December 31, 2024 and the results of its operations for the year ended December 31, 2024, in conformity with the International Public Sector Accounting Standards (hereinafter – IPSAS);
- b) The AED PMU has utilized all proceeds of the Grant Agreements withdrawn from IDA only for purposes of the Project in accordance with the Grant Agreements; and no proceeds of the Grant Agreements have been utilized for other purposes;
- c) Statement of the Designated Account on Project for the year ended December 31, 2024 give a true and fair view of the financial position of the Designated Accounts of the Project as at December, 31 2024 and of the cash flows for the year ended December, 31 2024 and complies with the World Bank's guidelines; moreover
- d) With respect to SOEs, adequate supporting documentation has been maintained to support claims to the IDA for reimbursement of expenditures incurred and the expenditures comply with objectives stipulated in the Grant Agreements

Basis for Opinion

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

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

Emphasis of Matter

Basis of Accounting

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ✓ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ✓ Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project AED PMU internal control.
- ✓ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Auditor:
KRESTON TASHKENT LLC

Uzbekistan, Tashkent region, 100007,
Makhtumkuli street, 99A

Tashkent, June 19, 2025



“STRENGTHENING RESILIENCE OF THE AGRICULTURE SECTOR PROJECT”
GRANT No. D860-TJ, GRANT No. E1450-TJ

SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID
FOR THE YEAR ENDED DECEMBER 31, 2024
(in US dollars)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Opening balance	4	<u>2,317,329</u>	<u>1,911,329</u>	<u>-</u>
Funds received				
Grant No.D860-TJ	5	6,585,101	9,153,185	23,354,949
Grant No.E1450-TJ	5	<u>9,180,688</u>	<u>12,897,966</u>	<u>22,078,654</u>
Total funds received:		<u>15,765,789</u>	<u>22,051,151</u>	<u>45,433,603</u>
Other income		<u>-</u>	<u>88</u>	<u>88</u>
Total receipts		<u>15,765,789</u>	<u>22,051,239</u>	<u>45,433,691</u>
Project expenses				
Grant No. D860-TJ				
Goods, works, non-consulting services, operating costs and training with in the Project	6	5,547,497	8,820,853	19,587,472
Consulting services	6	<u>1,360,387</u>	<u>543,305</u>	<u>2,389,916</u>
Grant No. E1450-TJ				
Goods, works, Operating Costs, Training, non-consulting services, and consultants' services for the Project	6	8,783,033	12,133,056	20,916,089
Consulting services	6	<u>453,552</u>	<u>147,700</u>	<u>601,252</u>
Capitalization funds under part 3.4 of the project	6	<u>-</u>	<u>-</u>	<u>-</u>
GOODS, WORKS, OPERATING COSTS, TRAINING, NON-CONSULTING SERVICES, AND CONSULTANTS' SERVICES	6	<u>14,330,530</u>	<u>20,953,909</u>	<u>40,503,561</u>
CONSULTING SERVICES	6	<u>1,813,939</u>	<u>691,005</u>	<u>2,991,168</u>
Total project expenses		<u>16,144,469</u>	<u>21,644,914</u>	<u>43,494,729</u>
Foreign exchange (gain)/losses		<u>(83)</u>	<u>325</u>	<u>230</u>
Other expenses		<u>-</u>	<u>-</u>	<u>-</u>
Closing balance	4	<u><u>1,938,732</u></u>	<u><u>2,317,329</u></u>	<u><u>1,938,732</u></u>

On behalf of the Management:

Satori D.
 Director of AED PMU

June 19, 2025
 Dushanbe, the Republic of Tajikistan

Murodov I.

Chief Accountant of AED PMU

June 19, 2025
 Dushanbe, the Republic of Tajikistan

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

“STRENGTHENING RESILIENCE OF THE AGRICULTURE SECTOR PROJECT”
GRANT No. D860-TJ, GRANT No. E1450-TJ

SUMMARY OF EXPENDITURES PAID BY COMPONENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(in US dollars)

	Notes	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Part 1. Strengthening seed, seedling and planting material systems	6	13,362,659	18,896,992	37,215,355
Part 2. Support investments in ALCs for horticulture value chains	6	128,627	208,577	337,204
Part 3. Strengthen public capacity for crises prevention and management	6	1,904,109	1,712,154	3,941,815
Part 4. Project management and coordination	6	<u>749,074</u>	<u>827,191</u>	<u>2,000,355</u>
		<u>16,144,469</u>	<u>21,644,914</u>	<u>43,494,729</u>

On behalf of the Management:



Satori D.

Director of AED PMU

June 19, 2025

Dushanbe, the Republic of Tajikistan

Murodov I.

Chief Accountant of AED PMU

June 19, 2025

Dushanbe, the Republic of Tajikistan

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“STRENGTHENING RESILIENCE OF THE AGRICULTURE SECTOR PROJECT”
GRANT No. D860-TJ, GRANT No. E1450-TJ

NOTES TO THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(in US dollars)

1. GENERAL INFORMATION

According to the Agreement between the Republic of Tajikistan and International Development Association (the “IDA”, “World Bank”) signed on June 21, 2021, the IDA provided a Grant No. D860-TJ in amount of 40,400,000 Special Drawing Rights.

According to the Agreement between the Republic of Tajikistan and International Development Association (the “IDA”, “World Bank”) signed on January 18, 2023, the IDA provided a Grant No. E1450-TJ in amount of 39,000,000 Special Drawing Rights.

The period of duration of the Grants is from June 21, 2021 to June 30, 2027.

The Grants were provided for the Project “Strengthening Resilience of the Agriculture Sector Project” (the “Project”).

Project purpose

The objective of the Project is to strengthen the foundations for a more resilient agricultural sector in Tajikistan.

The Project comprises the following components (parts):

Component I: Strengthening seed, seedling and planting material systems

Component II: Support investments in ALCs for horticulture value chains

Component III: Strengthen public capacity for crises prevention and management

Component IV: Project management and coordination

Component I: Strengthening seed, seedling and planting material systems

1.1. Enabling environment

Improving the policy and regulatory frameworks of seed, seedling and planting systems by: supporting the review and development of policies and legislation, including: (i) assessing existing legislation, (ii) identifying policy and legislative gaps and implementation problems, (iii) developing new regulatory rules, regulatory frameworks, and legislation, including their harmonization with regional and international standards; and (iv) providing technical assistance to the MoA on legislative and policy development and development strategies and programs.

1.2. Research and development

Capacity building in selected national agricultural R&D research institutes to develop new and adapt existing technologies to local conditions and changing circumstances, through:

- a. conducting assessment of the capabilities and capacities of selected R&D institutions;
- b. infrastructure development, including: (i) provision of office furniture, IT and laboratory equipment, mobile and agricultural equipment; (ii) construction of new and/or rehabilitation of existing office and laboratory buildings and greenhouses; and (iii) rehabilitation of existing research infrastructure, including related irrigation systems; and; (iv) operating costs for overseeing and monitoring fieldwork; and
- c. providing training for researchers, specialists and technical assistants.

1.3. Multiplication of seeds, seedlings and planting material

Build the capacity of seed farms and nurseries involved in the multiplication of seeds, seedlings and planting material through:

- a. conducting an assessment of the capacity and capabilities of seed farms and nurseries;
- b. developing infrastructure, including: (i) construction and/or rehabilitation of storage facilities, office and laboratory buildings, greenhouses, and rehabilitation of existing irrigation systems; and (ii) procurement of office furniture, field and laboratory equipment, vehicles, and farm machinery; (iii) operational costs of field supervision and monitoring;
- c. provision of training for technicians and other associated personnel; and
- d. purchase of elite and super seeds and seedlings and planting material for commercial multiplication by seed farms and nurseries.

1.4. Quality assurance

Building the capacity of institutions and entities involved in quality assurance of seeds, seedlings, and planting material through:

- a. conducting assessments of the capacity and capabilities of institutions and entities involved in quality assurance of seeds, seedlings, and planting material;
- b. developing infrastructure, including: (i) construction of new and/or rehabilitation of existing office and laboratory buildings; and (ii) procurement of office furniture, field, laboratory equipment, IT and related equipment, agricultural equipment, and vehicles; (iii) operational costs of field supervision and monitoring;
- c. provision of training for researchers, technicians, and other personnel associated with quality assurance.

Component II: Support investments in ALCs for horticulture value chains

2.1. Support the establishment and operation of the ALCs

Support for the establishment and operation of ALCs in the selected regions, including: (i) support for feasibility studies, business plans, environmental and social impact assessments, and detailed design estimates and construction supervision plans; (ii) construction work for the construction of the ALCs; (iii) supervision of construction work; and (iv) provision of equipment for the operation of the ALCs.

2.2. Capacity building for operation and management of ALCs and awareness-raising

Providing training for (i) ALCs management staff on the operation and management of the ALCs; and (ii) the MoA to scale up future investments in a sustainable and integrated food distribution network organized around the ALCs.

Component III: Strengthen public capacity for crises prevention and management.

3.1. Real-time monitoring of agricultural production, land use and agrometeorology

Improving the information base and capacity building in data analysis for effective policy making for more sustainable and resilient agricultural development through:

- a. creating a system for regular data collection on agricultural land use/planting decisions, including: (i) developing protocols and guidelines for data collection into a single database; and (ii) establishing new agrometeorological stations and ICT infrastructure for data reception and processing; (iii) operational costs of field supervision and monitoring.
- b. information about crop vegetation and impact of climate hazards on agricultural production, including the purchase of remote sensing goods and equipment, and the collection and monitoring of field data;
- c. capacity building at the institutional level on agricultural production forecasting and early warning, which will lead to decisions by the MCA to assist farmers in adapting to climate change, including through the provision of training;
- e. increasing capacity of MoA, Agency for meteorological and Emergency Situations Committee on the collection and analysis of location-specific weather information, harmonization and integration of data collection, including through the provision of Trainings;
- f. providing farmers with early warning and timely diagnosis and other agrometeorological information materials, as well as developing information dissemination channels.

3.2. Soil fertility improvement

Increasing farmers' awareness of their soil, water, and biological hazards, and replacing the provision of general advice with practically proven recommendations and the implementation of climate-optimized farming practices, by:

- a. enhancing land productivity by increasing soil fertility and improving soil conditions and addressing land degradation, including: (i) upgrading laboratory infrastructure for soil and water analysis, including: construction work for buildings with provision of equipment, ICT, and software; (ii) establishment of a network of central repository and regional laboratories; (iii) improvement of guidelines/methodologies for soil testing and fertilizer use; (iv) operational costs of field supervision and monitoring.
- b. building capacity in the MoA and other government agencies to promote climate-smart agricultural practices, including through training;
- c. Laying the foundation for the effective use of innovative spectroscopic digital technology for soil scanning and testing in the future, including the promotion of field soil testing equipment among farms.

3.3. Crop protection and locust control

Strengthening the capacity of crop protection and locust control agencies to provide public plant protection services and help farmers protect themselves from pests in an environmentally sustainable manner, by:

- a. investing in broad-scale control measures to control the locusts, preventing and losses, including: (i) upgrading plant protection laboratory infrastructure, including construction work for buildings, procurement of equipment, and laboratory reagents; (ii) improving the technical capacity of plant protection and locust control units, including providing chemicals, commodities, and equipment to provide services and strengthen field surveillance; (iii) operating costs; (iv) field and office equipment and critical logistical resources for experts, scientists, and farmers;
- b. investment in human capacity to apply control measures, including training: (i) for plant protection and locust control agencies on climate smart agriculture and integrated pest management; (ii) for natural resource management experts, scientists, and farmers.

Component IV: Project management and coordination

Support for project implementation and management, including: (i) procurement, financial management, environmental and social risk management, citizen engagement, monitoring and evaluation, and reporting; audits related to the project; and (iii) project training and operating costs

Duration of the Project is June 21, 2021 to June 30, 2027.

2. PRESENTATION OF THE PROJECT SPECIAL PURPOSE FINANCIAL STATEMENTS

Basis of preparation

These project special purpose financial statements have been prepared in accordance with the International Public Sector Accounting Standard (the "IPSAS") "Financial Reporting under the Cash Basis of Accounting" issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (the "WB Guidelines").

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

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

These project special purpose financial statements consist of:

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash basis of accounting

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

Foreign currency

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

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

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

Cash and cash equivalents

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

Taxes

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

Project expenses

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

Sources of funds

The funds were provided by the World Bank to the Project by advance, reimbursement or through direct payment to the end supplier of goods and/or services.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2024 and as of December 31, 2023 comprise:

	Sources of financing	Currency	December 31, 2024	December 31, 2023
Designated account	Grant No. D860-TJ	USD	1,377,325	1,700,019
Designated account	Grant No. E1450-TJ	USD	550,925	617,307
Transit account	Grant No. D860-TJ	TJS	1	2
Transit account	Grant No. E1450-TJ	TJS	1	1
Advances to employees		TJS	10,480	-
			<u>1,938,732</u>	<u>2,317,329</u>

5. FUNDS RECEIVED

The funds received are presented by the following financing methods:

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Sources of financing			
Grant No. D860-TJ			
Advances	5,581,036	8,248,124	15,829,160
Direct payments	1,004,065	905,061	7,525,789
	<u>6,585,101</u>	<u>9,153,185</u>	<u>23,354,949</u>
Grant No. E1450-TJ			
Advances	9,180,688	8,953,187	18,133,875
Direct payments	-	3,944,779	3,944,779
	<u>9,180,688</u>	<u>12,897,966</u>	<u>22,078,654</u>
	<u>15,765,789</u>	<u>22,051,151</u>	<u>45,433,603</u>

6. PROJECT EXPENSES

The Project expenses by components are presented in the summary of expenditures paid by project components. The Project expenses on major categories are presented in the summary of funds received and expenditures paid.

Breakdown of project expenses by categories and natures is presented as follows:

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

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Production and category update (Ministry of Agriculture)	3,131,694	6,388,570	13,998,681
Plant protection and locust control	1,140,491	1,263,415	2,724,216
Actual monitoring of agricultural production, land use and agrometeorology	336,089	365,119	701,208
Payroll and related taxes	284,171	282,236	826,690
Research activity	267,520	185,074	452,594
Soil fertility management	185,095	41,852	226,947
Office renovation, equipment and goods	77,619	197,355	408,433
Operating expenses	73,383	67,129	155,103
Quality assurance	36,923	-	36,923
Training for AED PMU Staff	13,279	9,727	23,006
Consulting services	1,233	20,376	33,659
Bank services	-	-	12
	<u>5,547,497</u>	<u>8,820,853</u>	<u>19,587,472</u>
Grant No. E1450-TJ			
Multiplication of seeds, seedlings, and planting materials	8,487,739	9,973,172	18,460,911
Payroll and related taxes	102,096	50,319	152,415
Nutrition improvement	91,875	2,075,218	2,167,093
Office renovation, equipment and goods	82,958	4,778	87,736
Operational expenses	9,733	1,635	11,368
Consulting services	6,221	27,934	34,155
Training for employees	2,411	-	2,411
	<u>8,783,033</u>	<u>12,133,056</u>	<u>20,916,089</u>
	<u>14,330,530</u>	<u>20,953,909</u>	<u>40,503,561</u>

CONSULTING SERVICES

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Research activity	1,047,441	102,492	1,608,332
Support for the development and activities of ALC	128,627	208,577	337,204
Production and category update (Ministry of Agriculture)	79,375	92,576	190,839
Monitoring-evaluation and training system	76,172	91,839	171,706
Soil fertility management	12,117	10,595	22,712
Actual monitoring of agricultural production, land use and agrometeorology	8,703	24,816	35,814
Consulting services	7,952	6,053	14,005
Plant protection and locust control	-	6,357	9,304
	<u>1,360,387</u>	<u>543,305</u>	<u>2,389,916</u>
Grant No. E1450-TJ			
Multiplication of seeds, seedlings, and planting materials	311,966	-	311,966
Nutrition improvement	92,894	-	92,894
Real-time monitoring of agricultural production, land use, and agrometeorology	36,846	-	36,846
Monitoring-evaluation and training system	11,846	147,700	159,546
	<u>453,552</u>	<u>147,700</u>	<u>601,252</u>
	<u>1,813,939</u>	<u>691,005</u>	<u>2,991,168</u>
	<u>16,144,469</u>	<u>21,644,914</u>	<u>43,494,729</u>

Breakdown of project expenditures by components (parts) and sources of financing is presented as follows:

PART 1. STRENGTHENING SEED, SEEDLING AND PLANTING MATERIAL SYSTEMS

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Production and category update (Ministry of Agriculture)	3,211,069	6,481,147	14,189,521
Research activity	1,314,962	287,567	2,060,928
Quality assurance	36,924	-	36,924
Consulting services	-	-	-
	<u>4,562,955</u>	<u>6,768,714</u>	<u>16,287,373</u>
Grant No. E1450-TJ			
Multiplication of seeds, seedlings, and planting materials	8,799,704	9,973,172	18,772,876
Nutrition improvement	-	2,075,218	2,075,218
Payroll and related taxes	-	50,319	50,319
Real-time monitoring of agricultural production, land use, and agrometeorology	-	-	-
Consulting services	-	27,934	27,934
Operational expenses	-	1,635	1,635
	<u>8,799,704</u>	<u>12,128,278</u>	<u>20,927,982</u>
	<u>13,362,659</u>	<u>18,896,992</u>	<u>37,215,355</u>

PART 2. SUPPORT INVESTMENTS IN ALCS FOR HORTICULTURE VALUE CHAINS

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Support for the development and activities of ALC	128,627	208,577	337,204
	<u>128,627</u>	<u>208,577</u>	<u>337,204</u>

PART 3. STRENGTHEN PUBIC CAPACITY FOR CRISES PREVENTION AND MANAGEMENT

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Plant protection and locust control	1,140,491	1,269,772	2,733,520
Actual monitoring of agricultural production, land use and agrometeorology	344,792	389,934	737,021
Soil fertility management	197,211	52,448	249,659
	<u>1,682,494</u>	<u>1,712,154</u>	<u>3,720,200</u>
Grant No. IDA E1450-TJ			
Nutrition improvement	184,768	-	184,768
Real-time monitoring of agricultural production, land use, and agrometeorology	36,847	-	36,847
	<u>221,615</u>	<u>-</u>	<u>221,615</u>
	<u>1,904,109</u>	<u>1,712,154</u>	<u>3,941,815</u>

PART 4. PROJECT MANAGEMENT AND COORDINATION

	For the year ended December 31, 2024	For the year ended December 31, 2023	Cumulative
Grant No. D860-TJ			
Payroll and related taxes	284,171	282,235	826,689
Office renovation, equipment and goods	77,619	197,355	278,669
Monitoring-evaluation and training system	76,172	91,839	301,470
Operating expenses	73,383	67,129	155,103
Training for AED PMU Staff	13,279	9,727	23,006
Consulting services	9,184	26,428	47,662
Bank services	-	-	12
	<u>533,808</u>	<u>674,713</u>	<u>1,632,611</u>
Grant No. E1450-TJ			
Payroll and related taxes	102,097	-	102,097
Office renovation, equipment and goods	82,958	4,778	87,736
Monitoring-evaluation and training system	11,846	147,700	159,546
Operational expenses	9,733	-	9,733
Consulting services	6,221	-	6,221
Training for employees	2,411	-	2,411
	<u>215,266</u>	<u>152,478</u>	<u>367,744</u>
	<u>749,074</u>	<u>827,191</u>	<u>2,000,355</u>
	<u>16,144,469</u>	<u>21,644,914</u>	<u>43,494,729</u>

7. DIRECT PAYMENTS PROCEDURES

Direct payments made by the IDA from Grant Account during the period from January 1, 2024 to December 31, 2024 are stated in the following table:

Sources of financing	No. of Withdrawal application	Dated	Payment Currency	Amount in payment currency	Paid Amount by category (in USD) Consultancy services	Total amount in USD
Grant No. D860-TJ	AEDPMU 047	28-May-2024	USD	514,147	514,147	514,147
Grant No. D860-TJ	AEDPMU 049	30-Sep-2024	USD	489,918	489,918	489,918
				1,004,065	1,004,065	1,004,065

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

Reporting Year	Paid Amount by category (in USD)		Total Amount in USD
	Goods, works, non-consulting (II) services, operating costs and training within the Project	Consulting services for the Project	
2022	5,166,997	449,666	5,616,663
2023	4,849,840	-	4,849,840
2024	-	1,004,065	1,004,065
Total	10,016,837	1,453,731	11,470,568

8. STATEMENT OF EXPENDITURE (SOE) PROCEDURES

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

Summary data on funds reimbursed through SOE procedures for the period from January 1, 2024 to December 31, 2024 is stated in the following table:

Total amount of Expenses (without DPs)	15,140,404
<i>Unbilled expenses</i>	<i>(6,778)</i>
Total Amount reported under SOEs	15,133,626
Less: expenditures no submitted to WB on December 31, 2024	(2,054,168)
<i>AEDPMU 051*</i>	<i>(618,275)</i>
<i>AEDPMU 018*</i>	<i>(1,435,893)</i>
Subtotal:	13,079,458
Of which: replenished to Designated account	14,761,724
Less: Reimbursement of expenses for 2023	(1,682,266)
<i>AEDPMU 040</i>	<i>(288,063)</i>
<i>AEDPMU 043</i>	<i>(11,505)</i>
<i>AEDPMU 012</i>	<i>(1,364,092)</i>
<i>AEDPMU 013</i>	<i>(18,606)</i>
Subtotal:	13,079,458
Difference	-

(*) The AEDPMU 051 application, which was reimbursed in March 2025, is USD 1,520,843 of which SOE 2024 is USD 618,275.

(*) The AEDPMU 018 application, which was reimbursed in February 2025, is USD 1,574,437 of which SOE 2024 is USD 1,435,893.

Expenditures not supported by documentation under the SOE procedures amount to USD 6,778.

Below is the summary of IDA-financed total under the SOE Procedure:

No. WA	Period of expenses (year)	Expenses category		Total amount to be replenished	Total amount of replenishment of the Designated Account	Offset from advances
		Goods, works, non-consulting services, operating costs and training within the Project	Consultancy services			
Grant No. D860-TJ						
AEDPMU 040	2024	642,728	29,079	671,807	959,870	-
AEDPMU 042	2024	561,868	141,127	702,995	702,995	-
AEDPMU 043	2024	863,800	-	863,800	875,305	-
AEDPMU 046	2024	900,282	-	900,282	900,282	-
AEDPMU 048	2024	833,810	-	833,810	833,810	-
AEDPMU 050	2024	1,115,876	192,897	1,308,773	1,308,773	-
AEDPMU 051*	2024	610,299	7,976	618,275	-	-
Grant No. E1450-TJ						
AEDPMU 012	2024	133,010	-	133,010	1,497,102	-
AEDPMU 013	2024	1,275,089	137,976	1,413,065	1,431,671	-
AEDPMU 014	2024	1,791,924	105,164	1,897,088	1,897,088	-
AEDPMU 015	2024	1,715,308	45,026	1,760,334	1,760,334	-
AEDPMU 016	2024	1,023,623	48,783	1,072,406	1,072,406	-
AEDPMU 017	2024	1,522,088	-	1,522,088	1,522,088	-
AEDPMU 018*	2024	1,319,291	116,602	1,435,893	-	-
Total:		14,308,996	824,630	15,133,626	14,761,724	-

9. STATEMENT OF FINANCIAL POSITION

Financial position as of December 31, 2024 and December 31, 2023 comprise of:

	December 31, 2024	December 31, 2023
ASSETS AND EXPENDITURES		
Cash and cash equivalents	1,938,732	2,317,329
Cumulative project expenditures	43,494,729	27,350,260
Other expenses	-	-
Foreign exchange loss	230	313
TOTAL ASSETS AND EXPENDITURES	45,433,691	29,667,902
FINANCING		
Funds received	45,433,603	29,667,814
Other income	88	88
Foreign exchange gain	-	-
TOTAL FINANCING	45,433,691	29,667,902

10. WITHDRAWAL APPLICATIONS

Withdrawal applications for the year ended December 31, 2024 comprise:

Sources of financing	Application	Date value	Direct Payments	Advances	Total
Grant No. D860-TJ	AEDPMU040	09-Apr-2024	-	959,870	959,870
Grant No. D860-TJ	AEDPMU042	17-Apr-2024	-	702,995	702,995
Grant No. D860-TJ	AEDPMU043	22-May-2024	-	875,306	875,306
Grant No. D860-TJ	AEDPMU046	31-May-2024	-	900,282	900,282
Grant No. D860-TJ	AEDPMU047	28-May-2024	514,147	-	514,147
Grant No. D860-TJ	AEDPMU048	09-Jul-2024	-	833,810	833,810
Grant No. D860-TJ	AEDPMU049	30-Sep-2024	489,918	-	489,918
Grant No. D860-TJ	AEDPMU050	02-Dec-2024	-	1,308,773	1,308,773
			1,004,065	5,581,036	6,585,101
Grant No. E1450-TJ	AEDPMU012	05-Mar-2024	-	1,497,102	1,497,102
Grant No. E1450-TJ	AEDPMU013	09-Jul-2024	-	1,431,671	1,431,671
Grant No. E1450-TJ	AEDPMU014	30-Sep-2024	-	1,897,088	1,897,088
Grant No. E1450-TJ	AEDPMU015	05-Nov-2024	-	1,760,334	1,760,334
Grant No. E1450-TJ	AEDPMU016	02-Dec-2024	-	1,072,405	1,072,405
Grant No. E1450-TJ	AEDPMU017	16-Dec-2024	-	1,522,088	1,522,088
			-	9,180,688	9,180,688
			1,004,065	14,761,724	15,765,789

Withdrawal applications for the year ended December 31, 2023 comprise:

Sources of financing	Application	Date value	Direct Payments	Advances	Total
Grant No. D860-TJ	AEDPMU034	02-May-2023	-	1,693,365	1,693,365
Grant No. D860-TJ	AEDPMU035	25-May-2023	-	1,654,955	1,654,955
Grant No. D860-TJ	AEDPMU036	10-Oct-2023	-	1,860,244	1,860,244
Grant No. D860-TJ	AEDPMU037	13-Oct-2023	905,061	-	905,061
Grant No. D860-TJ	AEDPMU038	27-Nov-2023	-	1,056,393	1,056,393
Grant No. D860-TJ	AEDPMU039	26-Dec-2023	-	1,983,167	1,983,167
			905,061	8,248,124	9,153,185
Grant No. E1450-TJ	AEDPMU001	29-Jun-2023	-	2,000,000	2,000,000
Grant No. E1450-TJ	AEDPMU002	06-Oct-2023	-	1,169,113	1,169,113
Grant No. E1450-TJ	AEDPMU003	30-Nov-2023	844,327	-	844,327
Grant No. E1450-TJ	AEDPMU004	27-Nov-2023	-	1,846,192	1,846,192
Grant No. E1450-TJ	AEDPMU006	13-Dec-2023	-	1,970,352	1,970,352
Grant No. E1450-TJ	AEDPMU007	18-Dec-2023	436,115	-	436,115
Grant No. E1450-TJ	AEDPMU008	18-Dec-2023	664,338	-	664,338
Grant No. E1450-TJ	AEDPMU009	20-Dec-2023	1,999,999	-	1,999,999
Grant No. E1450-TJ	AEDPMU010	26-Dec-2023	-	879,574	879,574
Grant No. E1450-TJ	AEDPMU011	27-Dec-2023	-	1,087,956	1,087,956
			3,944,779	8,953,187	12,897,966
			4,849,840	17,201,311	22,051,151

11. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated account for the year ended December 31, 2024 comprise:

Sources of financing	Grant No. D860-TJ	Grant No. D860-TJ	Grant No. E1450-TJ
Currency	US Dollars	US Dollars	US Dollars
Bank account	20202972800044795701	20208840300010000698	20208840700010000696
Bank	OJSC "Alif Bank"	CJSC "International Bank of Tajikistan"	CJSC "International Bank of Tajikistan"
Bank's location	Dushanbe, the Republic of Tajikistan	Dushanbe, the Republic of Tajikistan	Dushanbe, the Republic of Tajikistan
Description			
Balance as at January 1, 2024	-	1,700,019	617,307
Advances	-	5,581,036	9,180,688
Total receipts	-	5,581,036	9,180,688
Transfers between accounts	-	5,768,452	9,233,351
Bank services	-	174	137
Expenditures paid	-	135,104	13,582
Balance as at December 31, 2024	-	1,377,325	550,925

12. UNDRAWN FUNDS

As at December 31, 2024 undrawn funds are presented as follows:

	Grant No. D860-TJ		Grant No. E1450-TJ	
	In SDR	In USD	In SDR	In USD
Approved financing amount	40,400,000	58,000,000	39,000,000	50,000,000
Funds received from the start of the project until December 31, 2024	17,603,474	23,354,949	16,584,075	22,078,654
Funds received in 2024	4,975,143	6,585,101	6,906,801	9,180,688
Undrawn financing amount to the December 31, 2024	22,796,526	34,645,051	22,415,925	27,921,346

13. COMMITMENTS

In the normal course of activities, the Project concludes agreements with suppliers of goods and services in accordance with the established budget and procurement plan.

Contract value of obligations valid as at December 31, 2024 was as follows:

Counterparty	Contract No.	Currency	Remaining amount to be paid (in USD)
Food and Agriculture Organization (FAO)	UTF/TAJ/023/TAJ	USD	896,269
Joint Venture of Ginger Sofreco	TJ-SRASP-QCBS-CS01	USD	515,225
LLC "Dastovard 2016"	TJ-SRASP-RFB-G21-1 Lot 1	TJS	484,590
Global Alliance for Improved Nutrition	TJ-SRASP-CS-CDS-2024	USD	255,601
LLC "Dastovard 2016"	TJ-SRASP-RFB-G21-2 Lot 2	TJS	167,970
LLC "Arcon"	SRASP-CS-CQS-2024-02	TJS	161,632
LLC "Dastovard 2016"	TJ-SRASP-RFB-G21-3 Lot 3	TJS	131,377
PO "Avesto"	SRASP/CS/CQS-2023-01	TJS	109,029
PO "Umedbakhsh"	SRASP/AF/CS/DS-2024-01	TJS	59,230
LLC "Asil Sokhtmon"	SRASP/RFB/G/2024-11-1	TJS	46,900
SUE "Agricultural Development Digitalization Center"	No.12	TJS	45,439
LLC "Murod-2010"	No.TJ-AED PIU-358146-CW-RFB-2	TJS	30,328
Khuramshahr LLC	SRASP-2024-01-CW-RFQ/1 Lot 1	TJS	16,028
LLC "Balkhi Safo Dushanbe"	No.SRASP/CW/RFQ-2023-01	TJS	13,663
LLC "Silver K"	SRASP/RFB/G/2024-11-2	TJS	10,963
Research Institute of Construction and Architecture	SRASP-CQS-CS-2024-02	TJS	10,839
Kust German	SRASP-2024-01-CS-INDV	USD	8,341
LLC "Behruz Sokhtmon trading"	SRASP-2023-01-CW-RFQ-02	TJS	7,818
Technologiyai Muhandisy LLC	SRASP/GO/RFQ-2024	TJS	7,719
PO "Peshsaf"	SRASP-2023-NC-RFQ	TJS	7,560
LLC "Memori Asr"	TJ-SRASP-296837-CS-CQS	TJS	6,682
Sitoish LLC	SRASP-2023-01-CW-RFQ-03	TJS	5,994
LLC "Kalasoz"	No. TJ-AED PIU-258145-CW-RFB- Lot 3	TJS	4,900
LLC Marvoridi sharq	SRASP-2024-01-CW-RFQ/3 Lot 3	TJS	3,117
LLC "Bunyodkori Somon"	TJ-SRASP PIU-358146-CW-RFB - Lot 1, Lot 4	TJS	2,966
LLC Marvoridi sharq	SRASP-2024-01-CW-RFQ/2 Lot 2	TJS	2,431

14. LEGAL CASES

There were no any legal cases related to the Project.

15. EVENTS AFTER THE REPORTING DATE

Project Financing

From January 1, 2025, to the date of issuance of these project special purpose financial statements, the World Bank provided financing to the Project as follows:

Method of financing	Application	Date value	Amount in USD	Amount in SDR
Grant No. D860-TJ				
Advance	AEDPMU051	21-March-2025	1,520,843	1,143,147
Direct Payment	AEDPMU052	03-Apr-2025	1,436,654	1,072,378
Advance	AEDPMU053	30-May-2025	1,852,473	1,365,416
Advance	AEDPMU054	12-Jun-2025	1,149,419	839,992
Grant No. E1450-TJ				
Advance	AEDPMU018	28-Feb-2025	1,574,437	1,202,779
Refunds Application	Ran: N000000444925	30-Apr-2025	(523,859)	(386,295)
Advance	AEDPMU019	03-Jun-2025	558,533	410,598.23
Advance	AEDPMU020	12-Jun-2025	1,906,317	1,393,129.98
			9,474,817	7,041,145

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