

NATIONAL WATER RESOURCES MANAGEMENT PROJECT - PHASE 1

SWISS GRANT NO. TF016315

**IMPLEMENTED BY PROJECT IMPLEMENTATION UNIT
UNDER THE DEPARTMENT OF WATER RESOURCES AND LAND IMPROVEMENT
OF THE MINISTRY OF AGRICULTURE, FOOD INDUSTRY AND MELIORATION
OF THE KYRGYZ REPUBLIC**

SPECIAL PURPOSE FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 December 2018

**BISHKEK
March 2019**

NATIONAL WATER RESOURCES MANAGEMENT PROJECT - PHASE 1

SWISS GRANT NO. TF016315

TABLE OF CONTENTS

	Page
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND PRESENTATION OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS	3
INDEPENDENT AUDITOR'S REPORT	4-5
SPECIAL PURPOSE FINANCIAL STATEMENTS For the year ended 31 December 2018:	
Statement of cash receipts and payments	6
Statement of expenditures per components	7-8
Notes to the special purpose financial statements	9-15
ANNEX 1. RECONCILIATION BETWEEN THE AMOUNTS SUBMITTED BY THE PIU DWR AND DISBURSED BY THE WORLD BANK	16

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND PRESENTATION OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS

The management of the Project Implementation Unit under the Department of Water Resources and Land Improvement of the Ministry of Agriculture, Food Industry and Melioration of the Kyrgyz Republic ("PIU DWR") is responsible for the preparation of the special purpose financial statements of "National Water Resources Management Project - Phase 1" ("Project") financed by Grant Agreement: Swiss Grant No. TF016315 dated 17 April 2014, that present fairly the Project's cash receipts and payments for the year ended 31 December 2018, in compliance with the International Public Sector Accounting Standard, *Financial Reporting under the Cash Basis of Accounting*, ("IPSAS-Cash Basis") issued by the International Public Sector Accounting Standards Board ("IPSASB") within the International Federation of Accountants ("IFAC") and the Standard Conditions for Grants Made by the World Bank Out of Various Funds ("WB Guidelines").

In preparing the special purpose financial statements, PIU DWR's management is responsible for:


- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional required disclosures for the year ended 31 December 2018.

PIU DWR's Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Project;
- Maintaining adequate accounting records that are sufficient to show and explain the Project's transactions, and which enable them to ensure that the special purpose financial statements comply with *IPSAS - Cash Basis* and the *WB Guidelines*;
- Taking such steps that are reasonably available to them to safeguard the assets of the Project and to affirm that funds received have been used in accordance with the Financing Agreement Swiss Grant No. TF016315 dated 17 April 2014, and World Bank related guidelines, with due attention to economy and efficiency, and only for the purposes for which the financing was provided; and
- Preventing and detecting fraud and other errors.

The special purpose financial statements for the year ended 31 December 2018 were authorized for issue on 25 March 2019 by the PIU DWR's Management.

On behalf of the PIU DWR's Management:


Kydykbek Beyshekeev
Director




Saltanat Djumaeva
Financial Manager

INDEPENDENT AUDITOR'S REPORT

To the management of the Project Implementation Unit under the Department of Water Resources and Land Improvement of the Ministry of Agriculture, Food Industry and Melioration of the Kyrgyz Republic ("PIU DWR")

Opinion

We have audited the special purpose financial statements of "National Water Resources Management Project - Phase 1" ("Project") financed by Financing Agreement Swiss Grant No. TF016315 dated 17 April 2014 ("Financing Agreement"), and implemented by PIU DWR which comprise the statement of cash receipts and payments, and the statement of expenditures per components for the year ended 31 December 2018, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respect, the cash flows for the year ended 31 December 2018 in accordance with International Public Sector Accounting Standard: *Financial Reporting Under the Cash Basis of Accounting*, ("IPSAS-Cash Basis").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as issued by International Auditing and Assurance Standards Board ("IAASB") of the International Federation of Accountants ("IFAC"). 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 and of the PIU DWR in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled out other ethical requirements in accordance with 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- Cash Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes that financial statements are prepared in accordance with cash basis framework, as a result, they may not be suitable for another purposes. Our opinion is not modified in respect of this matter.

Responsibilities of the Management for the Financial Statements

Management of the PIU DWR is responsible for the preparation and fair presentation of the special purpose financial statements in accordance with IPSAS-Cash Basis issued by the International Public Sector Accounting Standards Board ("IPSASB") of the IFAC and Standard Conditions for Grants Made by the World Bank Out of Various Funds ("WB Guidelines"), and for such internal control as management determines is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 high level of assurance, but is not a guaranty that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial statements.

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

- Identify and assess the risks of material misstatement of the special purpose 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 the 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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.

Report on Other Legal Requirements

To comply with the terms of the Financing Agreement, the PIU DWR management shall insure that:

1. funds have been used in accordance with the conditions of the Financing Agreement concluded between the International Development Association ("IDA") and the Kyrgyz Republic, and World Bank related guidelines, with due attention to economy and efficiency, and only for the purposes for which the financing was provided;
2. supporting documents, records and accounts have been maintained to support claims for reimbursement of expenditures incurred. Expenditures included in the withdrawal applications and reimbursed against are eligible for financing under the Financing Agreement. Interim Unaudited Financial Statements ("IFSs") issued by PCU during the reporting period are in agreement with the underlying books of account;
3. The Designated account used has been maintained in accordance with the provision of the Financing Agreement, and World Bank related guidelines.
4. Goods and Services financed have been procured in accordance with the Financing Agreement and provisions of the World Bank Procurement Guidelines.

In our opinion, the PIU DWR management has complied with the above requirements for the year ended 31 December 2018.

"BDO Armenia" CJSC
25 March 2019

Gnel Khachatryan, FCCA
Engagement Partner



National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Statement of cash receipts and payments

For the year ended 31 December 2018

(Amounts are shown in US dollars)

Note	Actual		Budget		Variance	
	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018
TOTAL OPENING CASH	139,447	-				
Sources of Funds						
Swiss Grant No. TF016315	2,713,395	7,519,119				
TOTAL FUNDS	2,713,395	7,519,119				
Other income	5,688	23,679				
Project Expenditures						
1. Goods, Training, Operating Costs and Consultants' services	2,318,095	6,989,405	2,149,300	6,820,610	168,795	168,795
Goods	520,683	1,389,544	454,743	1,323,604	65,940	65,940
Consultants' services	1,290,168	4,053,353	853,217	3,616,402	436,951	436,951
Training	297,074	814,378	460,500	977,804	(163,426)	(163,426)
Operating costs	210,170	732,130	380,840	902,800	(170,670)	(170,670)
TOTAL PROJECT EXPENDITURES	2,318,095	6,989,405	2,149,300	6,820,610	168,795	168,795
Other expenditures						
Foreign currency gain/(loss)	6,739	18,763				
	243	(691)				
TOTAL CLOSING CASH	533,939	533,939				

Kydykbek Beyshekeev
Director

Saltanat Djumaeva
Financial Manager

25 March 2019

The notes on pages 9-16 form an integral part of these special purpose financial statements.

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Statement of expenditures per components
For the year ended 31 December 2018
(Amounts are shown in US dollars)

Activity	Actual		Budget		Variance	
	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018
Part 1. Strengthening National Water Management Capacity	1,264,479	2,495,022	1,105,295	2,335,838	159,184	159,184
1.1. Linking all DWR offices with a digital information network	19,458	529,347	376,142	886,031	(356,684)	(356,684)
1.2. Establishing a digital Water Information System (WIS)	783,580	1,050,942	369,000	636,362	414,580	414,580
1.3. Enhancing basin water resource planning and management	240,055	539,555	145,500	445,000	94,555	94,555
1.4. National consulting services	101,398	195,853	97,785	192,240	3,613	3,613
1.5. Social contribution from employer	17,486	33,783	16,868	33,165	618	618
1.6. International training	59,726	72,532	80,000	92,806	(20,274)	(20,274)
1.7. Training for WIS	13,894	18,624	10,000	14,730	3,894	3,894
1.8. Deep computer training	28,882	54,386	10,000	35,504	18,882	18,882
Part 2. Improving Irrigation Service Delivery to Water Users Associations (WUAs)	299,726	1,198,825	394,460	1,293,559	(94,734)	(94,734)
2.1. Activities at National Level	146,697	401,802		255,105	146,697	146,697
2.2. Activities at Scheme level	19,984	373,242	172,133	525,391	(152,149)	(152,149)
2.3. Supporting studies and activities	5,115	53,774	91,650	140,309	(86,535)	(86,535)
2.4. National consulting services	95,285	271,636	96,101	272,452	(816)	(816)
2.5. Social contribution from employer	16,548	47,002	16,576	47,030	(28)	(28)
2.6. Computer training	-	10,827	-	10,827	-	-
2.7. Training for Management of Maintenance of Irrigation Systems	16,097	40,542	18,000	42,445	(1,903)	(1,903)

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Statement of expenditures per components
For the year ended 31 December 2018
(Amounts are shown in US dollars)

Activity	Actual		Budget		Variance	
	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018	Reporting year	Cumulative as at 31 Dec 2018
Part 3. Improving Irrigation Management by WUAs						
3.1. Assessment and Strengthening of WUAs	475,487	1,797,383	397,126	1,719,023	78,361	78,361
3.2. Strengthening WUS Support Units	63,110	468,489	68,000	473,379	(4,890)	(4,890)
3.3. Support and strengthening Federations of WUAs	363,647	1,062,476	245,265	944,094	118,382	118,382
3.4. Strengthening other water management organizations	-	19,631	20,000	39,631	(20,000)	(20,000)
3.5. National Consulting Services	6,444	78,559	20,000	92,115	(13,556)	(13,556)
3.6. Social contribution from employer	36,068	143,478	37,408	144,818	(1,340)	(1,340)
	6,218	24,750	6,453	24,985	(235)	(235)
Part 4. Project Management						
4.1. Operating costs PIU	278,403	1,498,175	252,419	1,472,191	25,984	25,984
4.2. National consulting Services	23,235	151,279	21,025	149,069	2,210	2,210
4.3. Support Staff	150,581	546,783	149,404	545,606	1,177	1,177
4.4. Social contribution from employer (SP)	5,844	70,478	12,587	77,221	(6,743)	(6,743)
4.5. Social contribution from employer (CS)	975	12,154	2,171	13,350	(1,196)	(1,196)
4.6. International consulting services & M&E	25,965	96,354	25,772	96,161	193	193
4.7. Audit services	-	416,127	-	416,127	-	-
4.8. Training	11,756	72,103	35,000	95,347	(23,244)	(23,244)
4.9. Goods	41,420	107,093	-	65,673	41,420	41,420
	18,627	25,804	6,460	13,637	12,167	12,167
Total	2,318,095	6,989,405	2,149,300	6,820,610	168,795	168,795

Kydykbek Beyshekeev
Director

Saltanat Djumaeva
Financial Manager

25 March 2019

The notes on pages 9-16 form an integral part of these special purpose financial statements.

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

1. General information

1.1. The Project

According to the Grant Agreement between the Kyrgyz Republic and the International Development Association (IDA) on 17 April 2014, Swiss Grant No. TF016315, the IDA acting as administrator of grant funds under provided by the Swiss Agency for Development and Cooperation under the Kyrgyz Republic National Water Resources Management Project Single-Donor Trust Fund, provided to the Kyrgyz Republic grant in the amount of 7,750,000 United States dollars (USD).

The Grant are provided for implementation of "National Water Resources Management Project - Phase 1" (the Project).

The Grant Agreement became effective on 29 April 2015.

The Closing date of Swiss Grant No. TF016315 is set 30 June 2019 (as updated).

The Grace Period for submitting withdrawal application for expenditures incurred before the Closing date is four months following the Closing dates: 30 October 2019.

1.2. The Project objectives

The purpose of the Project is to improve the Recipient's water resources management capability and irrigation service delivery for the benefit of water users.

The Project comprises of the following parts:

Part 1: Strengthening National Water Management Capacity

Improving the capacity of the Department of Water Resources and Land Improvement (DWR) for water resources planning and management and for implementing key elements of the Water Code through the carrying out of a program of activities.

Part 2: Improving Irrigation Service Delivery to Water Users Associations (WUAs)

Strengthening the Irrigation and Drainage Management Division (IDM Division) to improve the service delivery to water users, increase the level of service fee collected from water users and increase the expenditure on system maintenance.

Part 3: Improving Irrigation Management by WUAs

Strengthening the capacity of the WUAs, the Federation of Water Users Association (FWUAs) to provide better irrigation services to their members and supporting other water users' organizations, including the local water councils and the National Union of WUAs to improve their capacity for coordination and management.

Part 4: Project Management

Carrying out Project management, including, administration, coordination, procurement, financial management and monitoring, management of environmental and social safeguards, and evaluation of the Project.

1.3. Budget

The percentage of expenditures to be financed (inclusive of taxes) from Swiss Grant No. TF016315 is set 100%.

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

The total budget of the project is as follows:

Category	Swiss Grant No. TF016315	Total
	USD	USD
Goods, Training, Operating Costs and Consultants' services	7,750,000	7,750,000
Total	7,750,000	7,750,000

1.4. Project Implementation

The Project is implemented by the Project Implementation Unit under Department of Water Resources and Land Improvement of the Ministry of Agriculture, Food Industry and Melioration of the Kyrgyz Republic (the PIU DWR).

The PIU DWR was established for the purpose of the Project implementation by the Decree #118 dated 1 June 2006 of the Government of the Kyrgyz Republic.

The address of the PIU DWR is 4a Toktonaliev str., Bishkek, 720055, Kyrgyz Republic.

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

2. Summary of significant accounting policies

2.1. Preparation and presentation of financial statements

The special purpose financial statements are prepared in accordance with the International Public Sector Accounting Standard: *Financial Reporting Under the Cash Basis of Accounting* (IPSAS-Cash Basis), issued by the International Public Sector Accounting Standards Board (IPSASB) within the International Federation of Accountants (IFAC), and presented in accordance with Standard Conditions for Grants Made by the World Bank Out of Various Funds (WB Guideliness).

The principal accounting policies applied in the preparation of these special purpose financial statements are set out below.

2.2 Cash basis of accounting

Project financing is recognised as a source of project funds when the cash is received. Project expenditures are recognised as a use of project funds when the payments are made.

2.3 Reporting currency

The reporting currency of these special purpose financial statements is United States dollars (USD). Project expenditures, other incomes and expenditures made denominated in KGS are translated into USD at the exchange rate determined by the account holder bank, OJSC "Commercial Bank Kyrgyzstan" (CBKG), on the date of transaction.

Cash balances held in KGS at the reporting date are translated into USD at the exchange rate determined by the CBKG on that date.

The effect of exchange rate changes on cash held on foreign currency is reported as separate line item in the statement of cash receipts and payments.

The exchange rate defined by the CBKG as at 31 December 2017 is USD 1 = 68.8395 KGS.

The exchange rate defined by the CBKG as at 31 December 2018 is USD 1 = 69.8500 KGS.

2.4. Taxes

The taxes are paid in accordance with the tax regulation of the Kyrgyz Republic.

2.5. Budget

Annual budgets for funding and expenditures are based on approved budget of the project agreement.

Expenditure budget is created based on actual accumulated expenditures for the last period, if any, plus the updated procurement plans for the period.

Financing budget is created based on actual accumulated expenditures for the last period, if any, plus funding for the coming period budgeted expenditures.

2.6. Petty cash

Petty cash is cash held at authorized staff of the Project, to carry out cash expenditures for the Project purposes. The expenditures from the petty cash are recorded in the financial reports based on the expenditure reports submitted by the authorized staff.

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

3. Summary of Summary Reports and SOEs

Withdrawal application No	Withdrawal application value date	Payment categories	Total
		(1) Goods, Training, Operating Costs and Consultants' services	
21	18.Jan.2018	515,585.58	515,585.58
22	27.Feb.2018	152,121.67	152,121.67
23	16.Mar.2018	138,844.41	138,844.41
24	25.Apr.2018	148,729.16	148,729.16
25	04.Jun.2018	225,371.53	225,371.53
26	11.Jul.2018	181,062.54	181,062.54
28	05.Sep.2018	183,680.37	183,680.37
29	13.Sep.2018	155,610.25	155,610.25
30	18.Oct.2018	328,272.83	328,272.83
31	19.Nov.2018	146,204.19	146,204.19
32	19.Nov.2018	226,046.77	226,046.77
33	17.Dec.2018	311,865.46	311,865.46
Total		2,713,394.76	2,713,394.76

4. Statement of Designated Account

Designated account number	1030120800005714
Bank	OJSC "Commercial Bank Kyrgyzstan"
Bank location	54a, Togolok Moldo St., Bishkek, Kyrgyz Republic
Account currency	USD

	Swiss Grant No. TF016315
1. Opening balance as at 01.01.2018	106,186
2. Add: opening discrepancy	28,228
3. IDA advance/replenishment	2,713,395
4. Less: Refund to IDA from DA	-
5. Present outstanding amount advanced to DA	2,847,809
6. DA closing balance as at 31.12.2018	506,522
7. Add: Amount of eligible expenditures paid	2,318,095
8. Less: interest earned (if credited to DA)	-
9. Total advance accounted for	2,824,617
10. Closing discrepancy (5)-(9) *	23,192

*Discrepancy consists as follows:

	31.12.2017 USD	31.12.2018 USD
Petty cash (in KGS)	27,223	22,470
Foreign exchange loss	1,005	722
Total	28,228	23,192

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

5. Statement of Financial Position

The Statement of Financial Position discloses assets, liabilities and net assets of the Projects as at reporting date. It is prepared in accrual basis that is transactions are recognized when they occur (and not only when cash is received or paid).

	Note	31 Dec 2018 USD	31 Dec 2017 USD
ASSETS			
Cash	6	533,939	139,447
Prepayments		-	-
Total assets		533,939	139,447
LIABILITIES			
Payables		-	-
Total liabilities		-	-
NET ASSETS			
Cumulative income			
Swiss Grant No. TF016315	8	7,519,119	4,805,724
Other income	9	23,679	17,991
		7,542,798	4,823,715
Cumulative expenses			
Project expenses		6,989,405	4,671,310
Other expenses	10	18,763	12,023
		7,008,168	4,683,333
Foreign exchange gain/(loss)		(692)	(935)
Total net assets		533,939	139,447

6. Cash

	Account held at	Underlying Currency	31 Dec 2018 USD	31 Dec 2017 USD
Swiss Grant No. TF016315				
Designated Account	CBK*	USD	506,522	106,186
Petty cash		KGS	22,470	27,223
			528,992	133,409
Other				
Interest account	CBK	KGS	2,592	3,682
Tender account	CBK	USD	2,255	2,255
Tender account	CBK	KGS	100	101
			4,947	6,038
			533,939	139,447

(*) OJSC "Commercial Bank Kyrgyzstan".

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

7. Project expenditure

Project Activity	Cumulative Expenditures as at 31 Dec 2018	Total budget	Implementation
	USD	USD	%
Strengthening national water management capacity	2,495,022	2,670,000	93%
Improving irrigation service delivery to Water Users Associations	1,198,825	1,960,000	61%
Improving irrigation management by Water Users Associations	1,797,383	1,660,000	108%
Project Management	1,498,175	1,460,000	103%
Total	6,989,405	7,750,000	90%

8. Financing

8.1. Swiss Grant No. TF016315

	Reporting period USD	Cumulative as at 31 Dec 2018 USD
Advances/ (advance recovery)	-	650,000
SOE and Summary Report	2,713,395	6,869,119
Total	2,713,395	7,519,119
Total financing budget		7,750,000
Percentage of finance provided as at 31 Dec 2018		97%

9. Other income

	Reporting period USD	Cumulative as at 31 Dec 2018 USD
Interest accrued	5,688	21,323
Tender fees	-	2,356
Total	5,688	23,679

10. Other outflow

	Reporting year USD	Cumulative as at 31 Dec 2018 USD
Transfer of interest to state budget (a)	1,952	3,453
Other expenditures (bank charges)	4,787	15,310
Total	6,739	18,763

(a) From interest account 1,952 USD equivalent amount was transferred to state budget on 14 Aug 2018 in accordance with letter dated 8 Aug 2018 of the Ministry of Finance of Kyrgyz Republic.

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

Notes to the special purpose financial statements

For the year ended 31 December 2018

(Amounts are shown in US dollars)

11. Event after reporting date

11.1. Swiss Grant No. TF016315

The application N 34 with total amount of 120,285.65 USD consisting of expenditures relating to the reporting year was submitted on 9 January 2019.

12. Litigations

There are no pending litigations related to the Project as at reporting date and as at approval date of these financial statements.

National Water Resources Management Project – Phase 1
Swiss Grant No. TF016315-KG

**ANNEX 1. RECONCILIATION BETWEEN THE AMOUNTS SUBMITTED BY THE PIU DWR AND
DISBURSED BY THE WORLD BANK**
For the year ended 31 December 2018
(Amounts are shown in US dollars)

Swiss Grant No. TF016315

Expenditure Category	Application N	PIU DWR	WB	Difference
		USD	USD	USD
Goods, Training, Operating Costs and Consultants' services	21	515,585.58	515,585.58	-
	22	152,121.67	152,121.67	-
	23	138,844.41	138,844.41	-
	24	148,729.16	148,729.16	-
	25	225,371.53	225,371.53	-
	26	181,062.54	181,062.54	-
	27	183,680.37	-	(183,680.37)*
	28	183,680.37	183,680.37	-
	29	155,610.25	155,610.25	-
	30	328,272.83	328,272.83	-
	31	146,204.19	146,204.19	-
	32	226,046.77	226,046.77	-
	33	311,865.46	311,865.46	-
		2,897,075.13	2,713,394.76	
Total		2,897,075.13	2,713,394.76	

(*) The SOE application N 27 was not conformed due to IT technical issue related to installation of WB Client Connection new platform. The same expenditures were submitted again under SOE N 28 and conformed by WB.