

The Annual Work Plan (AWP) Monitoring Tool – End-year report  
December

Year: 2011 / January-

UNDAF Outcome: Development of Economical and Social Politics and Plans  
Project title: Support to Social Protection System Development # 00044866  
Implementing Partner: The Ministry of Labour and Social Protection of Turkmenistan

EXPECTED CP OUTPUTS AND INDICATORS INCLUDING ANNUAL TARGETS	PLANNED ACTIVITIES <i>List all the activities including monitoring and evaluation activities to be undertaken during the year towards stated CP outputs</i>	EXPENDITURES <i>List actual expenditures against activities completed</i>	RESULTS OF ACTIVITIES <i>For each activity, state the results of the activity</i>	PROGRESS TOWARDS ACHIEVING CP OUTPUTS Using data on annual indicator targets, state progress towards achieving the CP outputs. Where relevant, comment on factors that facilitated and/or constrained achievement of results including: - <i>Whether risks and assumptions as identified in the CP M&amp;E Framework materialized or whether new risks emerged</i> - <i>Internal factors such as timing of inputs and activities, quality of products and services, coordination and/or other management issues</i>
<p><b>OUTPUT 1:</b></p> <p>Government structures will improve legal and institutional frameworks for social protection</p> <p><b>INDICATORS:</b></p> <p><u>1.1</u></p>	<p><b>Activity #1:</b> <b>Project Management</b></p>	<p><b>\$67.78</b></p>	<p>Terms of Reference developed and vacancy announced, selection process was conducted in accordance with UNDP rules and procedures (01.01-31.03.2011).</p>	<p>As a result of Project Board decision, vacancy for the position of Project Manager has been announced. Selection process was organized in accordance with UNDP rules and procedures. Bibi Hudaykuliyeva was selected as</p>

<u>1.2</u>	Recruitment of National Coordinator on Pension Fund establishment issues in terms: 22.02.2011		Terms of Reference developed and vacancy announced, selection process was conducted in accordance with UNDP rules and procedures.	Project Manager who assumed duties starting from 13.07.2011. As a result of Project Board decision, vacancy for the position of National Consultant on PF issues has been announced. Selection process was organized in accordance with UNDP rules and procedures. Serdar Bazarov was selected for short term position from 2 May to 31 December, 2011.
<u>1.3</u>	Annual Work Plan was updated for term: June-December, 2011 (AWP was developed on 20 June, 2011). Organization of two Project Board Meetings		Project Manager and Technical Advisor updated AWP for June-December 2011.  Project Board Meetings were organized on 11 July and 28 December 2011	On 20.06.2011 the project's work plan was for submitted to NPC for further consideration.  AWP was discussed and confirmed on the Project Board meeting on 11 July 2011.
<u>1.4</u>	Project Manager	<b>\$4,311.74</b> (PM salary for 13 June - 31 December, 2011)	Project implementation	Project implementation is done in compliance with UNDP policies and procedures in collaboration with TA and supervision of NPC and designated UNDP staff.
<u>1.5</u>	Reimbursement for medical check to Project Manager	<b>\$62.84</b>	Medical check was completed	Requested entry medical check was done in accordance to UNDP HR rules.
<u>1.6</u>	Printing of business card for PM	<b>\$11.37</b>	PM provided with business card	
<u>1.7</u>	Project Assistance	<b>\$ 518</b> (PA salary for January 2011)	Project Assistance provided logistic work within the project for term of January 2011.	Project Assistance supported the project's ongoing activity

<p><u>1.8</u></p>	<p>Procurement of office supplies (purchases were made on 22.02.2011 for payment of \$991.23 and 04.10.2011 for payment of \$339.23; Purchasing Binding machine for \$84.21; Refilling of cartridge for "Canon 3110" printer for payment of \$19.30 and purchasing new cartridge HP cartridge for \$85.26) E-mail Services payment</p>	<p><b>\$1,519.23</b></p>	<p>Office supplies and stationeries are procured to provide appropriate conditions for project team's work.</p>	<p>E-mail services are provided under the project.</p>
<p><u>1.9</u></p>	<p><b>Activity #2: Pension Reform Design</b></p>	<p><b>\$726</b></p>	<p>Providing necessary e-mail services under the project</p>	
<p><b>OUTPUT 2.</b> Based on studying of foreign countries' experience selection of NDC model acceptable for pension system's financial sustainability</p> <p><u>Indicators:</u> <u>2.1</u></p>	<p>Technical Advisor assisted in the project implementation, providing advice and recommendations on planned project activities, supervised the work and prepared relevant regulations on NDC</p>	<p><b>\$12,300</b> (TA salary for 1 January-31 December, 2011)</p>	<p>Assistance in the project implementation, providing advice and recommendations on planned project activities.  Supervising a work on preparation of Code of Turkmenistan "On Social Security" and the Law of Turkmenistan "On Pension Insurance".  Supervised work and preparing regulations on NDC pension scheme and Pension Fund for submitting the docs to the Cabinet of Ministry of Turkmenistan.  Developed TOR for international experts on information technology and Pension Fund operation.  Developed regulatory decree of President of Turkmenistan on structural changes in labor and social protection's management.</p>	<p>The draft law "On Compulsory Pension Insurance" was submitted to the Cabinet of Ministers' consideration on 20.09.2011. (note № 1 / 193).  In the work group set up by the Medjlis of Turkmenistan TA actively participated in the consideration of draft amendments to Social Security Code of Turkmenistan and draft law "On Pension Insurance".  Due to adopted amendments to Turkmenistan's Code on Social Security the amount of social benefit payments provided to vulnerable groups of populations</p>

			<p>Developed calculations of NDC financial stability for submission to the Government of Turkmenistan</p> <p>Prepared draft of Decree the President of Turkmenistan on establishment standards for the rate of pension insurance</p>	<p>is increased up to 60%.</p> <p>Prepared drafts of decrees on Pension Fund establishment, including Pension Fund regulations and procedure for registration on insured (pension) are submitted to the Government for consideration.</p>
<p><b>OUTPUT 3:</b></p> <p>Raising public awareness on the basic principles of NDC and the expected results in reimbursement of lost income because of retirement age</p>	<p><b>Activity 3:</b></p> <p><b>Information Campaign</b></p>		<p>Developed scheme for information materials' distribution among ministries, agencies and public organizations</p>	<p>Scheme of information materials' distribution, including titles and number of publications provided to NPC and the Ministry of Culture and Broadcasting of Turkmenistan for consideration.</p>
<p><b>Indicators:</b></p> <p><u>3.1</u></p>	<p>Develop a plan for activities to support of the new pension system</p>		<p>Prepared RFQ for design, photo and printing services. The RFQ was confirmed by the MLSP. Bid announcement started on 2 November with first deadline on 16 November. As within the tender was received only 1 offer the bid announcement was extended till 1 December.</p>	<p>The planned work within information campaign activity on preparation of short advertisement videos and radio announcements arising population awareness on new pension reform will be implemented by the MLSP out of the project information component activity.</p> <ul style="list-style-type: none"> <li>▪ As was agreed, the MLSP will provide the regulatory documents to prepare text of information materials.</li> </ul>
<p><u>3.2</u></p>	<p>Designing of information materials (brochure, poster, wall/desktop calendars, videos)</p>			

<p><u>3.3</u></p>	<p>Publication of information materials (brochure, poster, wall/desktop calendars, videos)</p>		<p>2 commercial offers were received within the tender conducted in the term of 16 November- 1 December 2011. The commercial offers included providing the following services:</p> <ul style="list-style-type: none"> <li>▪ design service - "Sundesign" company</li> <li>▪ design and photo services - "Gundogar Yyldyzy" company</li> </ul> <p>Received commercial offers did not included services on information materials' printing. In this circumstance, in compliance with UNDP rules and procedures on selection process the tender was closed.</p>	<p>New bid announcement on information materials printing will be announced.</p>
<p><b>OUTPUT 4:</b> Establishing information system for NDC and Pension Fund's administration</p>	<p><b>Activity #4:</b> <b>Information Technologies Development</b></p>		<p>Terms of Reference for NDC developed.</p>	
<p><b>Indicators:</b> <u>4.1</u></p>	<p>Development of Terms of Reference for software of NDC (payment in 2011).</p>	<p><b>2,000</b></p>	<p>Terms of Reference developed and vacancy was re-advertised (01.01.-31.03.2011)</p> <p>As a result of selection, organized in compliance with UNDP rules and procedures D.Jonathan Tomar (U.S.) was selected. Selection of International Expert was agreed and approved by NPC. Short-term contract under the project was signed with the expert selected.</p>	<p>National consultant presented: TOR for software and hardware specifications for the NDC; Report on prepared TOR.</p>
<p><u>4.2</u></p>	<p>International expertise on software development / International Expert on Development of Information &amp; Communication Technology (ICT) Plan for Operation of a New Notional Defined Contribution Pension Scheme</p>	<p><b>\$ 12,259.34</b></p>	<p>D.Jonathan Tomar had short-term work mission in Ashgabat on 29 August - 3 September 2011. During the mission, he conducted workshop for project staff, heads of departments and specialists of the MLSPP to review IT issues for the NDC Pension Funds. Also, D. Jonathan Tomar, met with national experts from the MLSPP, the Ministry of Economy and Development of Turkmenistan to discuss IT related issues for NDC.</p>	<p>The report was provided to the MLSPP for following submission of the report's brief content to the Cabinet of Ministers of Turkmenistan. The report contained recommendations on following issues:</p> <ul style="list-style-type: none"> <li>- Development and purchase of software. Additionally it was emphasized that preliminary selected bid under international tender conducted by the Ministry in 2011, Lithuania company ERP offered proposal to use SAP that is too complex and sophisticated for the IT environment in Turkmenistan and do not address the critical issue of data</li> </ul>

				<p>conversion adequately.</p> <p>- Indicated the needs and detailed steps on reorganization and expansion of the Ministry's IT department</p>
			<p>On 12 September, 2011, upon completion of the work mission in Ashgabat, Jonathan Tomar submitted final report: "IT issues for introduction of NDC Pension system in Turkmenistan".</p> <p>On 23 September, 2011 final report of Jonathan Tomar was translated into Russian and submitted to MLSPP with the report brief summary.</p>	
<u>4.2</u>		<p>The driver was invited under the project for providing demanded driving services</p>	\$143.00	<p>Transportation services arranged during the mission of Jonathan Tomar from 29 August to 3 September 2011</p>
<u>4.2</u>		<p>Interpretation and written services (for payment of \$1,033.80) were provided during the mission of D. Jonathan Tomar</p>	\$ 1,033.80	<p>Interpretation and written services arranged during the work mission of Jonathan Tomar</p>
<u>4.3</u>		<p>Tender on development and purchase of software</p>		<p>On the basis of conducted tender the following 3 companies were selected: "Hanson.Net" (Polish Republic), "Datakom" (Latvia), "ERP" (Lithuania).</p> <p>For a detailed offers' analysis at the Tender Commission meeting "Datakom" and "ERP" proposals' presentations were introduced.</p> <p>After detailed analysis of received bids it was decided to close the conducted international tender without final selection of the company, as commercial offers did not satisfy Turkmenistan's IT needs and conditions.</p>
<b>OUTPUT 5:</b> Development of regulatory documents and tools (methods, regulations, instructions, classification) for Pension Fund's operation		<b>Activity #5:</b> <b>Pension Fund Establishment</b>		
<b>Indicators:</b>				
				<p>The MLSPP announced new tender on development and purchase of software among local IT companies (September, 2011).</p>

<p><u>5.1</u></p>	<p>Development of regulatory documents, guidelines for the Pension Fund and new edition of the Code of Turkmenistan on Social Security</p>	<p><b>\$8,480</b></p>	<p>Terms of Reference developed, recruitment completed and vacancy was re-advertised (01.01-31.03.2011) because of refusal by the successful candidate initially nominated for the position.</p> <p>Selected NC, Serdar Bazarov, accomplished the following works:</p> <ul style="list-style-type: none"> <li>- Expertise of draft regulation on Pension Fund of Turkmenistan (PFT) and regulations of the procedures of generation and usage of PFT (\$1,600);</li> <li>- Draft regulations on the procedure of approval and implementation of the budget of PF (\$800);</li> <li>- Draft procedures and condition of usage temporary available assets of PF and expertise of draft new version of the Code of Turkmenistan on Social Security (\$1,600);</li> <li>- Standard of regulations of departments and their structures (\$1,280);</li> <li>- Guidance on drafting of the budget of PF. Draft clarification of budget revenues and expenditures of PF (\$1,280);</li> <li>- The procedures on Asset entry of PF (\$640);</li> <li>- Draft instruction on accounting of income and usage of assets of PF (\$640);</li> <li>- Draft procedures of preparation and submission of budget report of PF (\$640).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft version of Code of Turkmenistan on Social Security and regulatory documents on PF are submitted to the Cabinet of Ministers for consideration.</li> <li>▪ Currently wok meeting with MLSP and the Cabinet of Minister of Turkmenistan organized on regularly base to discuss the content Pension Fund establishment, as well as PF regulations.</li> </ul>
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<p><u>5.2</u></p>	<p>International Expert on the description of operational processes, functions and organizational structure of the prospective Pension Fund of Turkmenistan</p>	<p><b>\$ 10,330.30</b></p>	<p>TOR was developed and vacancy was re-advertised (01.01-31.03.2011).</p> <p>Greg McTaggart (Australia) who has 35 years of experience on Pension reform issues and PF function and work activity was selected. Selection of International Expert was agreed and approved by NPC. Short-term contract under the project was signed with selected expert.</p> <p>Gregory McTaggart had a work mission in Ashgabat on 8-12 August, 2011. During the mission, he facilitated the workshop at MLSPF to familiarize with best practice and experience of Pension Fund in NDC pension system. He also met with national experts of Tax Service, Ministry of Finance of Turkmenistan to discuss issues of the agencies' cooperation in PF activity.</p> <p>On 19 August, 2011 Gregory McTaggart submitted his final report: "Administrative issues that may impact on the introduction of Turkmenistan's new pension system".</p>	<ul style="list-style-type: none"> <li>▪ On 19 August, 2011 Gregory McTaggart submitted his final report: "Administrative issues that may impact on the introduction of Turkmenistan's new pension system".</li> <li>▪ In the recommendations provided within report, Greg McTaggart fully supported the proposal to move to a notional defined contribution scheme, considered issues of transaction to NDC pension scheme. It was also recommended to invest the assets of fund, invest the assets of the voluntary system, management and administration of the voluntary system.</li> <li>▪ The report's brief summary with recommendations were submitted to Cabinet of Ministers of Turkmenistan in September 2011.</li> </ul>
<p><u>5.2</u></p>	<p>The driver was invited under the project for providing demanded driving services.</p>	<p><b>\$ 117.00</b></p>	<p>The report translated and provided to MLSPF.</p> <p>Transportation services arranged during the mission</p>	<p>Relevant logistical arrangements made to facilitate the mission to Ashgabat of an International Expert</p>
<p><u>5.2</u></p>	<p>Interpretation services (for payment of \$352.00) and written translation services (for payment of \$ 274.26) provided during the mission of Gregory McTaggart.</p>	<p><b>\$ 626.26</b></p>	<p>Interpretation services arranged during the mission</p>	



<p><u>5.2</u></p>	<p>Expenditures for workshop conducted by Gregory McTaggart for 20 heads and specialists of MLSP on 8 August, 2011. (coffee-break – \$84.21; stationary - \$31.58)</p>	<p><b>\$115.79</b></p>	<p>Logistic work for the event was carried out</p>	<p>The best experience on NDC and Pension Fund administration were presented to heads and specialists of MLSP on the workshop conducted.</p>
<p><u>5.3</u></p>	<p>Study visit to Latvia on Pension Fund establishment</p>	<p><b>\$19,126</b></p>	<p>Terms of Reference were developed and study tour was organized (13.03-20.03.2011)  Report on results of a study tour to Latvia is provided to NPC on 04.04.2011</p>	<ul style="list-style-type: none"> <li>▪ Heads of departments of the Ministry got acquainted with the Latvian NDC pension system. Turkmen specialists have studied the principles of organization of pension insurance, establishment and expenditure of Latvian social budget, the management of pension system and social security, methods of coverage of pension insurance of self-employed individuals and persons in the informal sector, methods of coverage by pension insurance of self-employed persons. Turkmen colleagues also studied the methodology of assessment of pension rights during the working period before the introduction of the new NDC, information technology and software serving the NDC, the order of personal record of pension contributions and pension capital, indexation of pension rate and the amount of pension capital</li> <li>▪ Detailed report on the study visit to Latvia was presented to NPC on 02.04.2011 for submitting to the Cabinet of Ministers of Turkmenistan.</li> </ul>

<p>5.4</p>	<p>Study visit to learning Pension Fund activity operational structure and investment policy</p>	<p>TOTAL: \$73,748.45</p>	<p>Based on recommendations of the international expert, and on the detailed research of best operating pension fund systems, Singapore was identified as the potential country to visit. Negotiations with the Ministry of Foreign Affairs of Singapore have started to discuss the possibility of organizing the visit of Turkmen officials to Singapore.</p> <ul style="list-style-type: none"> <li>▪ Singapore officials from Government provided confirmation on the planned study tour on 21 November 2011.</li> <li>▪ In this connection was decided to postpone study visit for late terms. Demanded logistic work on organization of study tour will be carried out.</li> </ul>
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