

**MINISTRY OF AGRICULTURE, ANIMAL HUSBANDRY AND  
FISHERIES (LVV)**

**“SUSTAINABLE AGRICULTURE PRODUCTIVITY PROGRAM”  
IDB Agreement LOAN NO: 4615/OC-SU – L1052**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2021**

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To: The Ministry of Agriculture, Animal Husbandry and Fisheries (LVV)  
Project Executing Unit  
Sustainable Agriculture Productivity Program

## **INDEPENDENT AUDITOR'S REPORT**

### **Report on the audit of the financial statements 2021**

#### **Our opinion**

We have audited the accompanying financial statements 2021 of the Sustainable Agriculture Productivity Program (further refer to as 'The Program'), executed by the Ministry of Agriculture, Animal Husbandry and Fisheries (LVV) and financed with funds from the Inter-American Development Bank Loan Agreement No: 4615/OC-SU – L1052.

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash flows and cumulative disbursements of the Program as of December 31, 2021, in accordance with the accounting policies described in Note 2.

The financial statements comprise:

1. the statement of cash flows for the period January 1, 2021 to December 31, 2021.
2. the statement of cumulative disbursements as at 31 December 2021; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

#### **Basis for our opinion**

We conducted our audit in accordance with International Standards on Auditing and specific requirements of the Inter-American Bank.

Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Program in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Code of Ethics).

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

### **Responsibilities of management for the financial statements**

The project management of the Sustainable Agriculture Productivity Program is responsible for the preparation and fair presentation of the financial statements in accordance with Cash basis accounting and specific requirement of the Inter-American Development Bank.

Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Program's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the Program's ability to continue as a going concern in the financial statements.

### **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or 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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with International Standards on Auditing, ethical requirements and independence requirements.

Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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 Program's internal control;
- evaluating the appropriateness of accounting policies used and related disclosures made by management;
- concluding 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 Program's 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 a company to cease to continue as a going concern.

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

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

**Report on other legal and/or regulatory requirements**

We did not observe any situations suggesting non-compliance with the financial clauses in the Inter-American Development Bank Loan Agreement 4615/OC-SU – L1052 during the period reviewed by us.

**Restriction on use and distribution**

We draw attention to Note 2 to the accompanying financial statements which describes the basis for accounting. The accompanying financial statements are prepared to comply with the specific reporting requirements of the IDB. As a result, the accompanying financial statements may not be suitable for another purpose. Our opinion is not qualified in respect of this matter.

The accompanying financial statements and our auditor's report thereon are intended solely for the Sustainable Agriculture Productivity Program, Ministry of Agriculture, Animal Husbandry and Fisheries of the Republic of Suriname and the Inter-American Development Bank and should not be used for other purposes.

Paramaribo, April 5, 2022

Crowe Burgos Accountants N.V.

Romeo K. Burgos MSc. CA RA  
Managing Partner

**STATEMENT OF CASH FLOWS FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2021** (Expressed in US dollars)

	Notes	2021		
		IDB	Other	Total
<b>CASH RECEIVED</b>				
Accumulated cash at beginning of year		-	-	-
<u>Activity during the period</u>				
Disbursements (advance, reimbursements, direct payments and reimbursements guaranteed by letter of credit)	9	1,133,473	-	1,133,473
Unused advances of PCF 2 – POC Funds	4	-	-	-
Redeposit of unused funds		-	-	-
		1,133,473	-	1,133,473
<b>Total cash received</b>		<b>1,133,473</b>	<b>-</b>	<b>1,133,473</b>
<b>DISBURSEMENTS MADE</b>				
Cumulative cash disbursed at beginning of year		-	-	-
<u>Activity during the year</u>				
Payments for goods and services		-	-	-
Irrigation and Drainage		(536,584)	-	(536,584)
Agriculture Statistics & Information		-	-	-
Program Administration		-	-	-
External Audit		-	-	-
Monitoring And Evaluation		-	-	-
Foreign Exchange Gain or Loss	4	29	-	29
		(536,555)	-	(536,555)
<b>Total cash disbursements</b>		<b>(536,555)</b>	<b>-</b>	<b>(536,555)</b>
<b>CASH AVAILABLE AS AT DECEMBER 31, 2021</b>				
	3	<b>596,918</b>	<b>-</b>	<b>596,918</b>

*The accompanying notes on pages 7 to 15 form an integral part of the financial statements.*

Ministry of Agriculture, Animal Husbandry and Fisheries (LVV)  
Sustainable Agriculture Productivity Program-IDB loan no.: 4615/OC-SU – L1052

**STATEMENT OF CUMULATIVE INVESTMENTS AS AT DECEMBER 31, 2021** (Expressed in US dollars)

Nr.	CATEGORY OF INVESTMENT	CUMULATIVE AT JANUARI 1, 2021			MOVEMENT DURING YEAR			CUMULATIVE AT DECEMBER 31, 2021		
		IDB	Other	TOTAL	IDB	Other	TOTAL	IDB	Other	TOTAL
1	Irrigation and Drainage	-	-	-	536,584	-	536,584	536,584	-	536,584
2	Agriculture Statistics & Information	-	-	-	-	-	-	-	-	-
3	Program Administration	-	-	-	-	-	-	-	-	-
4	External Audit	-	-	-	-	-	-	-	-	-
5	Monitoring and Evaluation	-	-	-	-	-	-	-	-	-
7700	Foreign Exchange Gain or Loss	-	-	-	(29)	-	(29)	(29)	-	(29)
	<b>Total</b>	-	-	-	<b>536,555</b>	-	<b>536,555</b>	<b>536,555</b>	-	<b>536,555</b>

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1, 2021 TO DECEMBER 31, 2021**

### **NOTE 1 – PROGRAM DESCRIPTION**

On June 23, 2017 the Republic of Suriname and Inter-American Development Bank entered into a Loan Agreement No. 4615/OC-SU – L1052 to cooperate in the execution of the Sustainable Agricultural Productivity Program (SAPP). The program was effective on November 13, 2018 and became eligible on January 4, 2021. The SAPP loan will be referred to as “the Program”.

### **PROGRAM SCOPE AND OBJECTIVES**

#### **Objectives IDB Loan**

The objective of the Program is to contribute to increasing agriculture productivity in Suriname through concrete investments in infrastructure and management of Irrigation and Drainage (I&D) systems, and actions aimed at improving the quality of the country’s available agriculture statistics.

Specifically, the Program aims at: (a) increasing agricultural productivity in I&D areas; (b) improving water management systems and administration within I&D areas; (c) supporting the operations of Water Boards (WBs) so as to effectively contribute to the Operations and Management (O&M) of the I&D infrastructure; and (d) improving the reach and quality of agriculture statistics and the corresponding information systems.

### **PROGRAM COMPONENTS**

In order to achieve the above-mentioned objectives, the Program will encompass the following components:

- Component 1. Irrigation and Drainage
- Component 2. Agricultural Statistics and Information
- Component 3. Program Administrations.

#### **Component 1 – Irrigation and Drainage**

This component aims to improve the operation and management of I&D systems in Suriname, particularly in Nickerie District, by addressing current failings in infrastructure and transferring key management and maintenance responsibilities to farmers organized in WBs. This component is expected to contribute to increasing productivity among producers of irrigated areas and at the same time improve water management and use within I&D areas while reducing government expenditure by having secondary irrigation systems whose maintenance transfers gradually to WBs. The program will finance the following sub-components:

##### *Sub-component 1.1 - I&D infrastructure*

In order to improve the management of water in the Nickerie irrigation system two new structures were identified. These structures, that will be located in parts of the existing canals network, are the Nanni Weir and related structures, as well as the Maratakka Spillway. These structures will contribute to reducing water loss from the I&D system into the Nanni swamp in the dry season and provide additional means to evacuate excess water in the wet season (and reduce the risk of flooding).

##### *Sub-component 1.2 - Rehabilitation of main infrastructure*

The project will finance the rehabilitation of 15 structures that were identified as most critical affecting efficient water use in the irrigation system. These structures include the repair of gates, drain sluices and inlet gates, spillways and distribution structures, as well enlargement of the drainage capacity of canals.

##### *Sub-component 1.3 - Rehabilitation of secondary systems operated by Water Boards and its O&M*

As part of the project’s support to the effective establishment of WBs, the project will finance the rehabilitation of selected infrastructure in eligible WBs and partially fund its O&M costs in the years following rehabilitation (to allow for farmers to be able to incrementally contribute to cover costs while the benefits of the investments are materialized in time).

##### *Sub-component 1.4 - Incentive mechanism and capacity building*

The government’s objective is to transfer responsibility of the O&M maintenance to the WBs, for which members of the WBs will be required to pay an annual fee. The contribution will be determined by the costs identified in the WBs annual O&M plans. To incentivize producers to pay their contribution, the project will include a mechanism by which O&M costs initially will be financed entirely by the project, diminishing gradually over three years so that producers are paying 100% of the O&M costs by the fourth year. During this period, the infrastructure, management, and services provided to farmers will be improved. Moreover,



the Water Controllers, to be hired as part of the institutional strengthening activities, will work directly to assist WBs in the preparation and enforcement of the O&M plans and in general management issues related to the functioning of the WBs (advice in engagement with government authorities, impose fines for contraventions to the By-Laws, maintain and update the list of WBs members, training of WBs in the technical and administrative procedures for O&M in the I&D system, etc.). Finally, the project will finance offices and equipment for WBs and training activities (including activities especially oriented to women in WBs).

#### *Sub-component 1.5 - Promotion of sustainable practices in I&D*

To promote a more sustainable and cost-efficient production, two key aspects of support to farmers have been identified: land leveling and input management. The project will offer to farmers belonging to WBs and are up to date with the payment of their O&M fees an incentive equal to 85% of the cost of leveling. Besides promoting the sustainable practice of land leveling, the subsidy will be an incentive mechanism to further encourage producers to pay their WBs O&M fees. In addition, the project will finance pesticide and fertilizer management training for farmers. Since producers are not used to working on level fields, the training is necessary to ensure that they adapt to the new conditions and make an efficient use of inputs.

#### *Sub-component 1.6 - Institutional strengthening for I&D and water resource management*

The project will work to enhance the capacity of government institutions in charge of irrigation, water distribution and resource administration (LVV and OWMCP) by including measures to improve the sustainable management of water resources for its different uses (irrigation, environmental and human), particularly taking into account CC impacts (i.e., in regard to water supply and demand) and considering adaptation measures. This will be done by:

- i. financing the preparation of a national, as well as, district action plans in I&D management; strengthening of the IMICWG;
- ii. the assignment of Water Controllers and their assistants as well as providing them with training and support to properly advise and assist the WBs;
- iii. a network of hydrometric stations and data processing;
- iv. establishment of a water resources monitoring system to assess the available water resources for management of water for irrigation and to monitor and access the requirements for drainage and outflow of water and flood control;
- v. the proposal of irrigation scheduling for Nickerie WBs;
- vi. design and implementation of a sustainable and Integrated Water Resource Management Plan, including a pesticide survey and water/sediment quality study. In addition, a study on the environmental characterization of the Nanni swamp will be undertaken.

#### *Sub-component 1.7 - A gender action plan*

The following activities will be financed: gender awareness training, gender sensitive communications, capacity building and training especially targeting women, and promotion of women participation in WBs.

### **Component 2 - Agricultural Statistics and Information**

The objective of this component is to improve Suriname's AIS by improving the quality and availability of data, and by strengthening LVV's DAS operational and analytical capabilities. It is expected that this component will increase the relevance, and therefore the use, of agricultural statistics in public policy and private investment decisions, as well as by the academia, and hence help to provide improved services for the entire agricultural sector. This component will finance the following:

#### *Sub-component 2.1 - Agricultural census*

The project will finance the costs to conduct the census, technical assistance to LVV, analysis of the data and dissemination of results. The new agricultural census will be a cornerstone for the development of the country's AIS. The census methodology will follow FAO 2020 Census Programme, which includes as one of its themes: Intrahousehold distribution of managerial decisions and ownership on holding, with which key gender aspects of the management of the farm are included in the questionnaire. Technical assistance for the census will include gender sensitive methodologies for data collection and a gender study will be included among the analysis of its results.

### *Sub-component 2.2 - Probabilistic-sample agricultural production surveys*

Taking the updated sample frame provided by the census as a basis, the project will finance two nationally representative agricultural production surveys containing essential variables. These surveys will be collected in parallel with the data currently being collected by the country - subjective information reported by field staff which, although lacking statistical validity, offers a quick view at a higher level of disaggregation. This data collection plan combines the benefits of Suriname's current system (promptness and disaggregation) with the benefits of objective data with computable sampling errors that can be used to validate the former. This advantage, plus the fact that the program will finance the survey in two consecutive years, will contribute to the institutionalization of the probabilistic-sample surveys and of the AIS as a whole.

### *Sub-component 2.3 - Institutional strengthening*

In order to address weaknesses identified in the GS's country assessment, the project will finance training in statistics to refresh and enhance key technical staff's analytical capacities. It will also provide office and transportation equipment that are essential for the DAS to carry out its core activities in headquarters and in the field.

## **Component 3 – Program Administration**

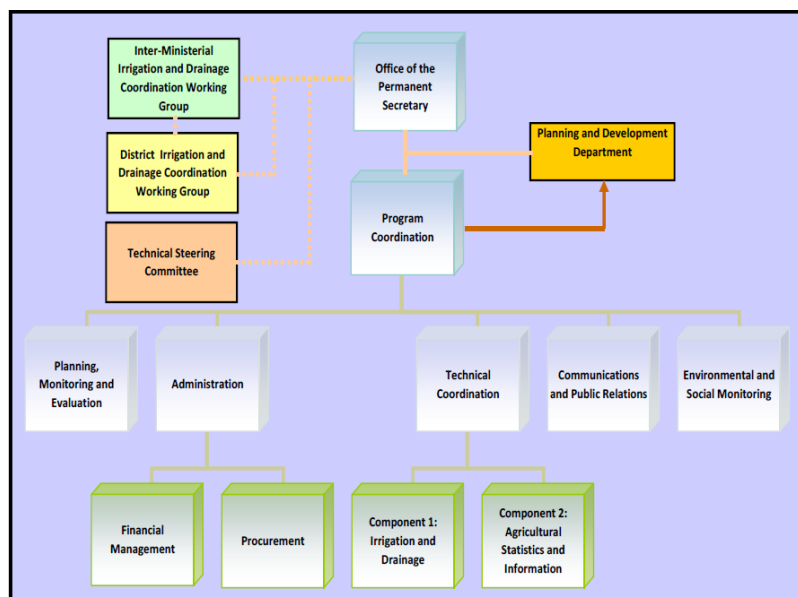
The component includes sub-components such as personnel, equipment & furniture operation cost, financial cost and project administration.

### **PROGRAM COSTS AND FINANCING STRUCTURE**

The total cost of this operation is thirty million US dollars (US\$ 30,000,000), which is financed by the IDB with no counterpart from the GOS. The following is the financial plan of the Program:

<b>CATEGORY OF INVESTMENT</b>	<b>AMOUNT</b>	<b>%</b>
<b>COMPONENT 1. IRRIGATION AND DRAINAGE</b>	<b>26,520,000</b>	<b>88.40</b>
1.1: Main System Rehabilitation	13,480,000	44.93
1.2: Rehabilitation WB Secondary System	10,670,000	35.57
1.3: Support for WB Transfer O&M	740,000	2.47
1.4: Capacity Building, I&D Management	100,000	0.33
1.5: Improved Water Management	226,845	0.76
1.6: Conduct Hydrology Water resource monitoring for Irrigation and Flood control	763,155	2.54
1.7: Perform Environmental control and integrated water resources management	500,000	1.67
1.8: Gender Action Plan	40,000	0.13
<b>COMPONENT 2: AGRICULTURAL STATISTICS AND INFORMATION</b>	<b>1,670,000</b>	<b>5.57</b>
2.1: Agriculture census	1,050,000	3.50
2.2: Probabilistic surveys	40,000	0.13
2.3: Institutional Strengthening	580,000	1.93
<b>COMPONENT 3: PROGRAM ADMINISTRATION</b>	<b>1,440,000</b>	<b>4.80</b>
<b>COMPONENT 4: EXTERNAL AUDIT</b>	<b>120,000</b>	<b>0.40</b>
<b>COMPONENT 5: MONITORING AND EVALUATION</b>	<b>250,000</b>	<b>0.83</b>
<b>T O T A L</b>	<b><u>30,000,000</u></b>	<b><u>100.00</u></b>

Figure 1: Structure of the Program Executing Unit.



The Executing Agency (EA) is the Ministry of Agriculture, Animal Husbandry and Fisheries (LVV). The EA of the Program will be the LVV, through the PEU under the Planning and Development Department. The PEU will be responsible for all the fiduciary obligations to manage the Program, including:

- i. planning of the technical and fiduciary aspects related to the Program activities;
- ii. procurement of goods, works and services for the Program;
- iii. the oversight and evaluation of Program activities;
- iv. financial and accounting management of the Program, including the submission of disbursement requests and preparation of financial reports; and
- v. risk management, including environmental and social risks.

On April 21, 2020 LVV signed a contract for Consultant's Services "Provision of Consultancy Services for the Project Executing Unit (PEU)" for SU-L1020, SU-L1052 and SU-G1004 with the Inter-American Institute for Cooperation on Agriculture (IICA). The contract with IICA became effective after the advance payment was received on August 5, 2020. The commencement of services by the IICA led PEU was on September 14, 2020, but assumed official control of the project on November 12, 2020 (official handover of the financial administration to the PEU-IICA). For the year 2021 the PEU consisted of the following key personnel comprised of LVV appointed staff and Inter-American Institute for Cooperation on Agriculture (IICA) consultants:

#### LVV Appointed Staff

1. Financial Assistant	: Ms. S. Bisumbhar	Up to September 27, 2021
2. Program Administrative Assistant	: Ms. A. Badloe	Up to February 3, 2021
3. Procurement Assistant	: Ms. K. Kromoreso	Start date September 24, 2019
4. Monitoring & Evaluation Officer	: Ms. S. Wagimin	Up to June 25, 2021

#### IICA Consultants

5. Program Manager	: Ms. G. St. Croix	Start date September 14, 2020
6. Financial Specialist	: Ms. S. Vin	Start date September 14, 2020
7. Financial Assistant	: Ms. M. Smitter	Start date November 23, 2020
8. Procurement Specialist	: Ms. C. Brown	Up to September 14, 2021
9. Procurement Specialist	: Ms. C. Lopez-King	Start date September 1, 2021
10. Procurement Assistant	: Ms. R. Chitoe	Start date November 12, 2019
11. Technical Coordinator	: Mr. Y. Angoelal	Start date January 4, 2021
12. Project Assistant	: Ms. R. Joefield-Stakel	Start date June 21, 2021
13. Project Administrative Assistant	: Ms. Jo-Ann Gaddum	Start date September 27, 2021
14. Stakeholder Engagement & Communication Officer	: Ms. M. Neede	Start date September 14, 2020
15. Environmental Health & Safety Specialist	: Ms. J. Themen	Start date September 14, 2020

## NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

### Cash Basis of Accounting

The financial statements of the Program as of December 31, 2021 have been prepared using the cash basis of accounting, which recognizes transactions and acts only when the cash and or its equivalent is received or disbursed by the Project, and not when they give rise to accrue or originate rights or obligations.

### Currency

The Program's accounting records are maintained in US dollars. The financial statements are also presented in US dollars rounded off to the nearest whole US dollar value. The valid exchange rate as at December 31, 2021 is as follow:

	December 31, 2021 SRD
US\$	20.342

Cash receipts and cash disbursements denominated in the currency other than the US dollars were translated using the applicable rate of the Central Bank of Suriname at the date of the transaction.

## NOTE 3 – AVAILABLE CASH BALANCE

The composition of the available cash balances as at December 31, 2021 is as follows:

	31-Dec-21		
	IDB	Other	Total
	US\$	US\$	US\$
Central Bank of Suriname USD	596,055	-	596,055
Central Bank of Suriname SRD	-	-	-
POC SRD	863	-	863
<b>Total</b>	<b>596,918</b>	<b>-</b>	<b>596,918</b>

### Treasury Single Account

For this Program the Treasury Single Account is utilized. This account is held by the Ministry of Finance, whereby the Executing Agency is primarily responsible for the funds. The program has its own project account, which makes it possible to administrate the cash flow of the project. The process is that the Executing Agency sends a request for direct payment with the necessary information after which Finance makes a request for payment and sends it to the Central Bank. The original bank statements are sent to the Executing Agency.

The policy prescribes that deposits of project resources in the bank accounts which accrue interest, commissions etc. for the Executing Agency, this income must be contributed to the Program as an integral part of the local or counterpart contribution. These funds may be used for expenses that are similar and/or complementary to eligible project expenses financed by the Bank.

Bank accounts held with the Central Bank do not accrue interest and do not bear monthly fees for maintaining the account. The Program funds are maintained in US\$ only. Payments to local suppliers of goods and services are paid in SRD according to the purchase US\$ rate of the CBvS at the moment of the transaction.

## NOTE 4 – UNUSED ADVANCES OF PCF 2 – POC FUNDS AND REDEPOSIT OF UNUSED FUNDS FINANCED THE IDB LOAN \*)

### Note 4a - Unused advances of PCF 2 - POC funds

The main purpose of the PCF2 - POC funds is to make small purchases of goods and services regarding the project.

As of December 31, 2021 the project has no unused advances.

**Note 4b – Foreign Exchange Gain or Loss**

This regards the Foreign Exchange Gain or Loss due to the devaluation of the Surinamese dollar (SRD). As of June 7, 2021 the GoS changed the policy in establishing the US\$ exchange rate which causes the effective exchange rate to be updated 3 times a day. The rates are published on the Central Bank of Suriname website at 10:00 AM, 12:30 PM and 15:00 PM.

The project administration as of December 31, 2021 reflect the exchange rate of 20.342. Due to the fluctuation in the exchange rate the project has gained a Foreign Exchange Gain of US\$ 29.

**NOTE 5 – ADVANCES PENDING JUSTIFICATION \*)**

As at December 31, 2021 the amount pending justification to the IDB amounted to US\$ 403,111 (Note 11). This amount excludes the US\$ 133,473 which was processed directly via the IDB system to the supplier and therefore does not require to be justified.

**NOTE 6 – ADVANCES AND JUSTIFICATION \*)**

The Project is receiving cash advances of funds from IDB based on a disbursement request. Upon reaching 80% disbursement out of the cash advances, the Project justifies the expenditures and then requests for additional cash advance.

	December 31, 2021
	<u>IDB</u>
	<u>US\$</u>
Opening balance of advances	-
Advances received and recorded during the period	1,133,473
Less: Direct Payments made by the IDB	(133,473)
Less: Justification of advances	-
Closing balance as at December 31, 2021	<u>1,000,000</u>
The advance of funds balance is composed of the following:	
Cash available balance	596,918
Payments to be justified 2021 (Note 11)	403,111
Accumulated Foreign Exchange Gains or Losses (see Note 11)	(29)
Closing balance as at December 31, 2021	<u>1,000,000</u>

## NOTE 7 – PROCUREMENT OF GOODS AND SERVICES

The following list of contracts for procurement of goods and services made by the Program from the beginning of the period until December 31, 2021 is stated here:

No.	Contractor / Supplier	Description of Services	Sign date (mo/year)	IDB no-objection	Reference #	Investment category	PRISM #	Amount
<b>List of contracts for procurement of services funded by the IDB</b>								
1	Pasman Motoren & Aggregaten BV	Procurement of Works- Maintenance and servicing works of the Wakay Pumping System in OWMCP Management Area Nickerie	6-Apr-21	9-Feb-21	CCB/CSU/106/2021	1.1: Main System Rehabilitation	SUB0892	€ 308,000.00
		Addendum to the contract	14-Sep-21	9-Sep-21	CCB/CSU/567/2021	1.1: Main System Rehabilitation	SUB0892	€ 318,512.32
2	Inderdew Jairam	Individual Consultant for the Monitoring, Supervision of the consultancy for the Maintenance and Repairs works of the Wakay pumping system in the OWMCP Area in Nickerie.	6-Oct-21	5-Oct-21	CCB/CSU/641/2021	1.1: Main System Rehabilitation	SUA2080	SRD 66,000.00
3	Crowe Burgos Accountants N.V. (consultant)	Contract for external Audit services	16-Nov-21	1-Nov-21	CCB/CSU/710/2021	4:EXTERNAL AUDIT	SUA2073	SRD 887,040.00
4	Environmental Services and Support N.V. (ESS N.V.)	Consultancy services for the provision of Eco-Hydrological Study of the Nanni Swamp Ecosystem	14-Dec-21	1-Dec-21	CCB/CSU/771/2021	1.7: Perform Environmental control and integrated water resources management	SUA2076	SRD 1,792,169.63
5	Inter-American Institute for Cooperation on Agriculture (IICA)	The provision professional consulting services for Project Execution of Loans Su-L1020 and Su-L1052 and EU-CIF grant Su-G1004	21-Apr-20	21-Apr-22	CCB/CSU/245/2020	3.0.0: Program Administration	SUA2019	US\$ 934,420.00

N/A: No prism number required for amounts below US\$ 25,000, with the exception of individual consultants.

## NOTE 8 - INVESTMENT CATEGORIES AND DISBURSEMENTS MADE

	Budget			Cumulative Investments		
	IDB	Other	Total	IDB	Other	Total
	US\$	US\$	US\$	US\$	US\$	US\$
1. Irrigation and Drainage	26,520,000	-	26,520,000	536,584	-	536,584
2. Agriculture Statistics & Information	1,670,000	-	1,670,000	-	-	-
3. Program Administration*	1,440,000	-	1,440,000	-	-	-
4. External Audit	120,000	-	120,000	-	-	-
5. Monitoring and Evaluation	250,000	-	250,000	-	-	-
7700. Foreign Exchange Gain or Loss	-	-	-	(29)	-	(29)
<b>TOTAL</b>	<b>30,000,000</b>	<b>-</b>	<b>30,000,000</b>	<b>536,555</b>	<b>-</b>	<b>536,555</b>

The investments made in 2021 included:

- The execution of works at Wakay station, concerning the maintenance and repairs on the 4-unit pumping installation. The work was executed by Pasman Motoren en Aggregaten B.V., whereby a total amount of US\$ 530,089 was invested.
- The execution of the Annual Stakeholder Awareness and Sensitization activities in Nickerie which amounted to US\$ 5,733
- The remaining expenditures included payment to print media, De Ware Tijd and Rudisa Broadcasting, for the advertisement of various procurement notices.

\* No payments were made to IICA for the provision of consultancy services for project execution of the Program. The reasoning is that the Program was not eligible and had not received its 1<sup>st</sup> disbursement at the time the payments for the 1<sup>st</sup> contractual year were processed. All payments for the 1<sup>st</sup> year were made out of Su-L1020.

All the expenditures have proven to be eligible.

## NOTE 9 – DISBURSEMENTS MADE

Disbursement Request (DR) Number	Type	DR Date		Co reception Date	Authorization date	US\$
1	Receipt	27-Apr-21	1)	25-May-21	28-May-21	1,000,000
2	Direct Payment	27-Apr-21	2)	19-May-21	31-May-21	133,473
						<b>1,133,473</b>
						-
						<b>1,133,473</b>

1) First disbursement, request No. 1 dated April 27, 2021.

Pursuant to the terms and conditions of the loan contract, the Executing Agency requested the first Advance of Funds on April 27, 2021 for the amount of US\$ 1,000,000. The Ministry of LVV received the amount of US\$ 1,000,000 on June 2, 2021. The advance was recorded in the contractual currency (US\$).

2) Second disbursement, request No. 2 dated April 27, 2021.

Pursuant to the terms and conditions of the loan contract, the Executing Agency requested the Direct Payment to Pasman Motoren & Aggregaten B.V. on April 27, 2021 for the amount of US\$ 133,473. The payment to the suppliers was authorized by the IDB for the amount of US\$ 133,473 on May 31, 2021. The payment was recorded in the contractual currency (US\$).

Receipt pertains to the amount requested from IDB and subject to justification when 80% of the fund is used.

Direct payment pertains to the amount requested from the IDB for direct payment to a supplier. These payments are recorded directly in the IDB system and are not subject to justification.

Justification pertains to the amount used by the Project out of the advance of funds and reported to the IDB. No Justification were processed as of December 31, 2021.

Total cash received from IDB as at December 31, 2021 amounted to US\$ 1,133,473.



**NOTE 10 – RECONCILIATION BETWEEN THE STATEMENT OF CASH FLOWS AND THE STATEMENT OF CUMULATIVE INVESTMENTS**

	31-Dec-21		
	IDB	Other	Total
	US\$	US\$	US\$
<b>Per Statement of Cash Flow</b>			
- Cumulative cash received as at December 31	1,133,473	-	1,133,473
<b>Per Statement of Cumulative Investments</b>			
- Cumulative investments as at December 31	(536,555)	-	(536,555)
<b>Available cash balance as at December 31</b>	<b>596,918</b>	<b>-</b>	<b>596,918</b>
<b>Cash Received</b>			
		<b>IDB 2021</b>	
		<b>US\$</b>	
<b>Balance as of January 1, 2021</b>		-	
Advance of Funds		1,133,473	
Direct Payments/ unused advances PCF-2 POC/ Redeposit of funds		-	
<b>Total cash received</b>		<b>1,133,473</b>	
<b>Project Disbursements</b>			
Repayments		-	
Payments for goods and services		(536,555)	
<b>Total Project Disbursements Made</b>		<b>(536,555)</b>	
<b>Cumulative Investments</b>			
Irrigation and Drainage		536,584	
Agriculture Statistics & Information		-	
Program Administration		-	
External Audit		-	
Monitoring And Evaluation		-	
Foreign Exchange Gain or Loss		(29)	
<b>Total Cumulative Investments</b>		<b>536,555</b>	
<b>Available cash as of December 31, 2021</b>		<b>596,918</b>	

**NOTE 11 – RECONCILIATION BY INVESTMENT CATEGORIES BETWEEN THE PROGRAM'S RECORDS AND THE IDB'S RECORDS**

This reconciliation clarifies the financials regarding the IDB financing

COI	Category of Investment	Per Program's Records	Per IDB's Records	Difference
1	Irrigation and Drainage	536,584	133,473	403,111
2	Agriculture Statistics & Information	-	-	-
3	Program Administration	-	-	-
4	External Audit	-	-	-
5	Monitoring and Evaluation	-	-	-
7700	Foreign Exchange Gain or Loss	(29)	-	(29)
	<b>Total Cumulative Disbursement</b>	<b>536,555</b>	<b>133,473</b>	<b>403,082</b>

Details are as follows:

		Unjustified Expenditures 2021 (*)
Description		
1	Irrigation and Drainage	403,111
2	Agriculture Statistics & Information	-
3	Program Administration	-
4	External Audit	-
5	Monitoring and Evaluation	-
7700	Foreign Exchange Gain or Loss	(29)
<b>Total</b>		<b><u>403,082</u></b>

#### Explanation of the difference

\* The expenditures listed in column "*Unjustified Expenditures 2021*" were not yet justified to the Inter-American Development Bank as of December 31, 2021

#### NOTE 12 – SUBSEQUENT EVENTS

Subsequent events are events or transactions sometimes occur after the end of the period date, but before the issue of the financial statements and auditor's report, that has a material effect on the financial statements, and therefore may require adjustment or disclosure in the statements.

For this report no subsequent events are noted.

#### 12.1. Accounts payable as at December

The list of outstanding payables as at December 31, 2021 is as follows:

Supplier/Consultant	Description of Services	Amount in US\$
IICA	Provision Project Management Services	230,280
Bosroko	Payment promotional services	535
Crowe Burgos Accountants NV	1 <sup>st</sup> Payment for Execution of External Audit Services for the financial year 2021	2,907
<b>Total</b>		<b><u>233,722</u></b>

#### NOTE 13 - FINANCIAL COSTS GOVERNMENT

The interest and commitment fee regarding the loan is an obligation for the government as agreed in the loan agreement regarding IDB financing. These are paid by "Bureau voor de Staatsschuld". The amounts regarding interest and commitment fee for 2021 is US\$ 152,849.

		31-Dec-21
	IDB	Total
	US\$	US\$
Commitment fee	147,804	147,804
Interest paid	5,045	5,045
<b>Total</b>	<b><u>152,849</u></b>	<b><u>152,849</u></b>

#### 13.1. Approval of the financial statements

The financial statements of the Sustainable Agriculture Productivity Program as at and for the year ended were approved by the Executing Agency on April 4, 2022.