



**MINISTRY OF TREASURY AND FINANCE
BOARD OF TREASURY CONTROLLERS**

SUPPORT FOR TRANSITION TO LABOR MARKET

**Implemented by
MINISTRY OF LABOR AND SOCIAL SECURITY
DIRECTORATE GENERAL OF INTERNATIONAL LABOR FORCE**

**Financed Under International Bank of Reconstruction and Development Grant
Agreement Numbered TF-B7815**

As of December 31, 2024 and For the Year Then Ended

Prepared by

**Engin YAŞAR
Treasury Controller**

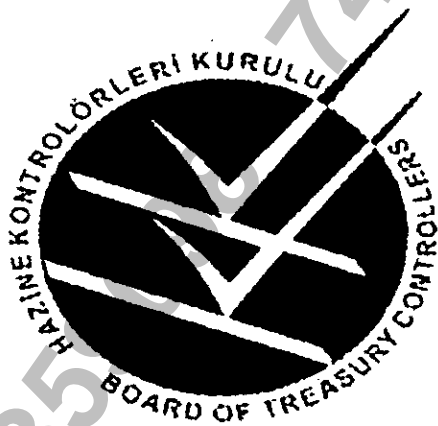
**Melda Nur NOGAY KURT
Treasury Controller**

**Yavuz Selim BAYRAKÇI
Treasury Controller**

**Anıl Edip ASLAN
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Report's Number

81/10- 69/14- 49/13- 38/7



INDEPENDENT AUDITOR'S REPORT

June 19, 2025

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REPUBLIC OF TÜRKİYE
MINISTRY OF TREASURY AND FINANCE
The Board of Treasury Controllers

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

A. Project Summary

Grant Agreement numbered TF-B7815 of "Support for Transition to Labor Market Project" was signed between Ministry of Labor and Social Security of the Republic of Türkiye and International Bank of Reconstruction and Development (IBRD) on May 5, 2022.

Support for Transition to Labor Market Project (Project) is implemented by the Ministry of Labor and Social Security (MoLSS), the Turkish Employment Agency (İŞKUR), and the Turkish Red Crescent (TRC) under the European Union Facility for Refugees in Türkiye (FRIT-2) to increase the employability and support the transition to the labor market of Syrians under Temporary Protection (SuTPs), International Protection Status holders and applicants (IPSHA), and Turkish citizens.

Grant Agreement's amount, numbered TF-B7815, signed between IBRD and Ministry of Labor and Social Security of the Republic of Türkiye (MoLSS) is € 61.000.000,00 (sixty one million Euro).

In terms of project, in 2024 € 692.617,25 was disbursed from MoLSS' portion.

B. Objectives of Audit

The objective of the audit is to express an opinion on the Financial Statements of the Support for Transition to Labor Market Project for the period ended 31 December 2024. The audit includes but not limited to the following tasks.

In evidencing compliance with agreed project financing arrangements, we are expected to carry out tests to confirm that:

- (a) All funds have been used in accordance with the conditions of the Grant agreement, with due attention to economy and efficiency, and only for the purposes for which the financing was provided.
- (b) Goods, works, and services financed have been procured in accordance with Grant agreement, including specific provisions of the World Bank Procurement Guidelines.
- (c) All necessary supporting documents, records, and accounts have been maintained in respect of all project activities, including expenditures reported using Statements of Expenditure (SOE).



- (d) Respective reports issued during the period were in agreement with the underlying books of account.

C. Scope of Audit

The audit was conducted in accordance with International Standards on Auditing. Those Standards require that the auditor plans and performs the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

There was no limitation in our scope for the Project's audit.

D. Audit Methodology

Financial Statements

Verified that the financial statements have been prepared in accordance with International Public Sector Accounting Standards.

Audited all SOE submitted to the IBRD in support of requests for periodic replenishment of the project designated account.

Examined expenditures for eligibility based on criteria defined in the terms of the Grant agreement and detailed in the disbursement letter. In addition, we examined;

- (a) the SOEs have been prepared in accordance with the provisions of the Grant agreement;
- (b) expenditures have been made wholly and necessarily for the realization of project objectives;
- (c) information and explanation necessary for the purpose of the audit have been obtained;
- (d) supporting records and documents necessary for the purpose of the audit have been retained, and
- (e) the SOEs can be relied upon to support the related withdrawal applications.



Review of designated accounts

During the audit of the project financial statements, we reviewed the activities of the project's designated account such as deposits received, payments made, interest earned, and reconciliation of period-end balances.

Internal controls

Evaluated significant internal controls to obtain a sufficient understanding of the design of relevant controls, policies and procedures and whether they have been in operation during the period under review.

Compliance with agreement terms and applicable laws and regulations

Reviewed, assessed and reported on compliance with the terms and conditions of the grant agreement.

Representations by implementing agency

Obtained specific written representations from management.

E. Audit Results

For the financial statements of Project; our audit resulted with unmodified opinion. In addition, other reporting responsibilities about the project is included under the Report on Other Legal and Regulatory Requirements heading of the report.

F. Management Recommendation

Since we have not identified any material deficiencies in internal control during our audit, we have not issued a Management Letter.

**INDEPENDENT AUDITOR'S REPORT &
FINANCIAL STATEMENTS OF THE PROJECT**



INDEPENDENT AUDITOR'S REPORT

TO MINISTRY OF LABOR AND SOCIAL SECURITY

Directorate General of International Labor Force

ANKARA

Opinion

We have audited the Withdrawal Application Summary, Statement of Sources and Uses of Funds, Statement of the Comparison of Budget and Actual Amount, Special Account Statement of the "Support for Transition to Labor Market Project" as of December 31, 2024, and for the period then ended, and notes to the financial statements including a summary of significant accounting policies. The financial statements have been prepared by Ministry of Labor and Social Security (MoLSS) in accordance with cash basis International Public Sector Accounting Standards and financial reporting provisions outlined in Grant Agreement Numbered TF-B7815.

In our opinion;

The accompanying financial statements present fairly, in all material respects, the financial position and cash flows of the "Support for Transition to Labor Market Project" as of December 31, 2024 and for the period then ended in accordance with cash basis International Public Sector Accounting Standards and financial reporting provisions outlined in Grant Agreement Numbered TF-B7815.

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 this report. We are independent of the MoLSS within the meaning of "IFAC Code of Ethics for Professional Accountants" and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

¹ *Journal of Management Education* 24(1): 10-20.

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2000

Figure 1.1

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Emphasis of Matter in the Financial Statement

The financial statements are prepared to assist MoLSS to comply with the financial reporting provisions of the contract referred to above. As a result, the financial statements may not be suitable for another purpose.

Going Concern

The Projects financial statements have not been prepared using the going concern basis of accounting. The closing date for this Project is November 30, 2025.

Responsibilities of Management and Those Charged with Governance or Other Appropriate Terms for the Financial Statements

MoLSS is responsible for the preparation and fair presentation of these financial statements in accordance with Grant Agreement Numbered TF-B7815, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 ISAs will always detect a material misstatement when it exists. 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.

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

1. The first step in the process of identifying a problem is to define the problem. This involves identifying the symptoms of the problem and determining the scope of the problem. Once the problem has been defined, the next step is to identify the causes of the problem. This involves identifying the factors that are contributing to the problem and determining the underlying causes. Once the causes have been identified, the next step is to develop a plan to address the problem. This involves identifying the actions that need to be taken to address the problem and determining the resources that will be needed to implement the plan. Finally, the last step in the process is to implement the plan and monitor the results. This involves putting the plan into action and tracking the progress of the plan to ensure that the problem is being addressed effectively.

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1. The first of these is the fact that the Commission has not yet received any information from the Government of the United Kingdom regarding the proposed amendments to the Bill. It is therefore not possible for the Commission to make any recommendations on this point at the present time.

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific information required.

1. The first of these is the fact that the Government has been unable to secure the necessary funds to carry out its policy of non-interference. This is due to the fact that the Government has been unable to secure the necessary funds to carry out its policy of non-interference.



REPUBLIC OF TÜRKİYE
MINISTRY OF TREASURY AND FINANCE
The Board of Treasury Controllers

- 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 entity's 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are required to 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 are also required to 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.



Report on Other Legal and Regulatory Requirements

The conclusions drawn from audits conducted within the scope of other reporting requirements are as follows:

a) The Ministry of Labor and Social Security of the Republic of Türkiye, as of December 31, 2024 has complied with, in all material respects, the requirements of the Grant Agreement numbered TF-B7815.

b) With respect to SOEs, adequate supporting documentation has been maintained to support claims to the IBRD for reimbursement of expenditures incurred, and these expenditures are eligible for financing under the Grant Agreement numbered TF-B7815.

Okan SÜLER
Chairman of
The Board of Treasury Controllers

Akif Bülent BOYACIOĞLU
(Audit Partner)
Vice Chairman

Engin YAŞAR
Treasury Controller

Melda Nur NOGAY KURT
Treasury Controller

Yavuz Selim BAYRAKÇI
Treasury Controller

Anıl Edip ASLAN
Treasury Controller

Date: 19/06/2025

Address: Ministry of Treasury and Finance

The Board of Treasury Controllers, ANKARA/TÜRKİYE

THE UNITED STATES OF AMERICA
DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

MEMORANDUM FOR THE DIRECTOR, FBI

SUBJECT: [Illegible]

1. [Illegible]

2. [Illegible]

[Illegible Signature]

Very truly yours,
[Illegible Signature]

[Illegible Signature]
[Illegible Title]

3. [Illegible]

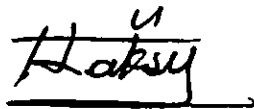
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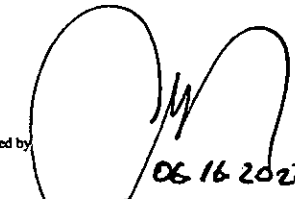
ANNEX I: FINANCIAL STATEMENTS

MINISTRY OF LABOR AND SOCIAL SECURITY DIRECTORATE GENERAL OF INTERNATIONAL LABOUR FORCE
SUPPORT FOR TRANSITION TO LABOR MARKET PROJECTS-MOLSS
LOAN/GRANT NO:TF0B7815
Withdrawal Application Summary
For the Period: 01.01.2024-31.12.2024

Withdrawal application number	Date	Category 1 Goods	Category 2 Consulting Services	Category 3 Non-Consulting Services	Category 4 Operating Costs	Category 5 Small Works	Total	Requested Advance	Value date	Rejected by	Net reimbursed
In Designated Account currency - Euro											
Section A: Payment method - Advance/Replenishment											
Approved withdrawals											
DGILF-009 (Documentation of Prior Advance (SoE))	14.02.2024	42.386,24	108.748,84	0,00	3.772,54	29.927,65	184.835,27	0,00	14.02.2024	0,00	0,00
DGILF-010 (Advance)	15.02.2024	-	-	-	-	-	0,00	334.835,37	21.02.2024	0,00	334.835,37
DGILF-011 (Replenishment (SOE))	10.07.2024	125.879,16	145.594,60	0,00	6.307,91	0,00	277.781,67	0,00	16.07.2024	0,00	277.781,67
DGILF-012 (Replenishment (SOE))	11.12.2024	146.123,69	138.535,22	29.882,55	14.429,67	0,00	328.971,13	0,00	17.12.2024	0,00	328.971,13
Pending Submission											
Sub-Total (A)		314.389,09	392.878,66	29.882,55	24.510,12	29.927,65	791.588,07	334.835,37		0,00	941.588,17
Section B: Payment method - Reimbursement											
Approved withdrawals											
Pending Submission											
Sub-Total (B)		0,00	0,00	0,00	0,00	0,00	0,00	0,00			0,00
Section C: Payment method - Direct Payment											
Approved withdrawals											
Pending submission											
Sub-Total (c)		0,00	0,00	0,00	0,00	0,00	0,00	0,00			0,00
TOTAL (A+B+C)		314.389,09	392.878,66	29.882,55	24.510,12	29.927,65	791.588,07	334.835,37			941.588,17


 Prepared by
 Date 06.16.2025
 Name Haksu AKSU
 Title Financial Management Analyst


 Controlled by
 Date 16/06/2025
 Name Mahmut KARA AHMETOĞLU
 Title Project Coordinator


 Approved by
 Date 06.16.2025
 Name Yunus FZ
 Title General Director

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MINISTRY OF LABOR AND SOCIAL SECURITY DIRECTORATE GENERAL OF INTERNATIONAL LABOR FORCE

SUPPORT FOR TRANSITION TO LABOR MARKET PROJECTS-MOLSS

STATEMENT OF SOURCES and USES of FUNDS
As of December 31, 2024 and For The Year Then Ended.
(In EURO)

	Notes	Current Period 2024	Previous Period 2023	Cumulative
I-SOURCES OF FUNDS				
A- IBRD Grant (World Bank)		941.588,17	862.790,00	1.974.378,17
1. Special Account	8	941.588,17	862.790,00	1.974.378,17
a)Advance (Net)		150.000,10	129.999,90	450.000,00
a.1) Advance (Gross)		334.835,37	271.858,00	776.693,37
a.2) Recovery of Advance (-)	5	(184.835,27)	(141.858,1)	(326.693,37)
b) SOE Procedures	5	791.588,07	732.790,10	1.524.378,17
Total Funds Received		941.588,17	862.790,00	1.974.378,17
II-A USES OF FUNDS by COMPONENT				
I-Investment Costs				
A- 2b-1 Strengthening of MOFLSS administrative and project management capacity		111.979,67	177.031,33	297.553,73
B- 2b-2 Strengthening the work permit application and monitoring systems		513.107,94	575.397,25	1.088.505,19
C- 2b-3 Strengthening of MOFLSS's capacity for outreach and dissemination		37.601,99	699,37	108.886,74
D- 2b-4 Provision of Small Works for the renovation and refurbishment		29.927,65	0,00	29.927,65
Total Investment Costs		692.617,25	753.127,95	1.524.873,31
II-Recurring Costs				
A- Front-End-Fee		0,00	0,00	0,00
Total Recurring Costs		0,00	0,00	0,00
Total Uses of Funds by Component		692.617,25	753.127,95	1.524.873,31
II-B USES OF FUNDS by CATEGORY				
Goods		272.002,85	349.159,86	621.162,71
Consulting Services		338.853,66	284.715,15	623.568,81
Non-consulting Services		29.882,55	72.835,69	173.303,62
Operating Costs		21.950,54	46.417,25	76.910,52
Small Works		29.927,65	0,00	29.927,65
Total Uses of Funds by Category		692.617,25	753.127,95	1.524.873,31
Cash at the beginning of the period 01.01.2024		200.533,94		
Cash at the end of the period 31.12.2024		449.504,86		

H. Akay

Prepared by
Date : 06.16.2025
Name : Hatice AKSU
Financial Management Analyst

M. Karahmetoglu

Controlled by
Date : 16/06/2025
Name : Mahmut KARAAHMETOĞLU
Project Coordinator

M. Yanus Öz

Approved by
Date :
Name : Yanus ÖZ
General Director

06.16.2025

STATEMENT of COMPARISON BUDGET AND ACTUAL AMOUNT Ministry of Labor and Social Security Directorate General of International Labor Force Grant No : TF087815 Support For Transition To Labor Market Projects - Moiss 01.01.2024-31.12.2024 Reporting Rate (Euro)								
		Current Period				Cumulative		
	NOTES	Actual	Final Budget	Original Budget	Progress %	Actual	Planned	Progress %
		1	2		3=1/2	4	5	6=4/5
Sources of Funds								
World Bank Grant		941.588,17	3.000.000,00	3.000.000,00	0,31	1.974.378,17	3.000.000,00	0,66
Total Sources of Funds		941.588,17	3.000.000,00	3.000.000,00	0,31	1.974.378,17	3.000.000,00	
Uses of Funds								
1 By components								
2b-1 Strengthening of MOFLSS administrative and project management capacity		111.979,67	162.537,42	370.000,00	0,69	297.553,73	288.849,73	1,03
2b-2 Strengthening the work permit application and monitoring systems		513.107,94	1.229.733,56	2.180.000,00	0,42	1.088.505,19	1.822.886,93	0,60
2b-3 Strengthening of MOFLSS's capacity for outreach and dissemination		37.601,99	570.000,00	450.000,00	0,07	108.886,74	708.335,69	0,15
2b-4 Provision of Small Works for the renovation and refurbishment		29.927,65	179.927,65	0,00	0,17	29.927,65	179.927,65	0,17
Total		692.617,25	2.142.198,63	3.000.000,00	0,32	1.524.873,31	3.000.000,00	
2 By expenditure category								
Goods		272.002,85	420.620,96	1.400.000,00	0,65	621.162,71	769.780,82	0,81
Consulting Services		338.853,66	421.276,26	1.000.000,00	0,80	623.568,81	731.164,83	0,85
Non-consulting Services		29.882,55	1.074.616,36	300.000,00	0,03	173.303,62	1.212.952,05	0,14
Operating Costs		21.950,34	45.757,40	300.000,00	0,48	76.910,52	106.174,65	0,72
Small Works		29.927,65	179.927,65	0,00	0,17	29.927,65	179.927,65	0,17
Total		692.617,25	2.142.198,63	3.000.000,00	0,32	1.524.873,31	3.000.000,00	

H. aksu

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Date : 06.16.2025
Name : Hatice AKSU
Financial Management Analyst

b. nathan

Controlled by
Date : 16/06/2025
Name : Mahmut KARAAHMETOĞLU
Project Coordinator

Yunus Öz

Approved by
Date :
Name : Yunus Öz
General Director

06.16.2025

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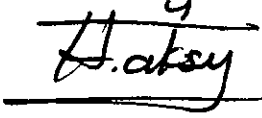
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MINISTRY OF LABOR AND SOCIAL SECURITY
DIRECTORATE GENERAL OF INTERNATIONAL LABOR FORCE
SUPPORT FOR TRANSITION TO LABOR MARKET
PROJECTS- MOLSS
ACCOUNT NO: 940732061
For the year ended. December 31, 2024
(In EURO)

Note

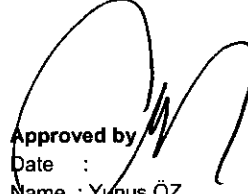
Opening Balance (01.01.2024)		200.533,94
Reimbursements to SA	8	941.588,17
Refunds to SA		0,00
Available Funds		1.142.122,11
Payments Made for Expenditures		692.617,25
Total Project Investments		692.617,25
Closing Balance (31.12.2024)	5	449.504,86



Prepared by
Date : 06.16.2025
Name : Hatice AKSU
Financial Management Analyst



Controlled by
Date : 16/06/2025
Name : Mahmut KARAAHMETOĞLU
Project Coordinator

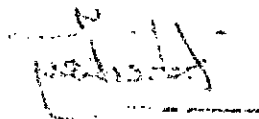


Approved by
Date : 06.16.2025
Name : Yunus ÖZ
General Director

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THE MINISTRY OF LABOR AND SOCIAL SECURITY
DIRECTORATE GENERAL OF INTERNATIONAL LABOR FORCE
SUPPORT FOR TRANSITION TO LABOR MARKET NR. TF-B7815
NOTES REGARDING PROJECT FINANCIAL STATEMENTS AS OF THE PERIOD ENDING ON
DECEMBER 31, 2024

1. OBJECTIVES AND STRUCTURE OF THE PROJECT

Support for Transition to Labor Market Project (Project) is implemented by the Ministry of Labor and Social Security (MoLSS), the Turkish Employment Agency (İŞKUR), and the Turkish Red Crescent (TRC) under the European Union Facility for Refugees in Türkiye (FRIT-2) to increase the employability and support the transition to the labor market of Syrians under Temporary Protection (SuTPs), International Protection Status holders and applicants (IPSHA), and Turkish citizens.

The entire project is funded by a grant of 61 million Euros provided under the Grant Agreement signed between the Republic of Türkiye and the International Bank for Reconstruction and Development (IBRD-the World Bank) on May 5, 2022, which came into effect on August 2, 2022. The official closing date of the project is November 30, 2025, and the processes for its extension are ongoing.

Beneficiaries of the Project

The beneficiaries of the project consist of individuals who are at least 15 years old and meet all the criteria outlined in the Applied Training Program Handbook, including Syrians under Temporary Protection (SuTPs), International Protection Status holders and applicants (IPSHA), and Turkish citizens, with particular attention given to beneficiaries of the Social Cohesion Assistance (SUY-ESSN) program.

The workplaces where the ATP will be organized also constitute indirect beneficiaries of the project. The communities where the project beneficiaries live will indirectly benefit from the project through improvements in İŞKUR services and labor market adaptation programs conducted within the project, leading to enhancements in public services or infrastructure.

Additionally, institutional capacity development support will be provided to the Ministry of Labor and Social Security (MoLSS), the Turkish Employment Agency (İŞKUR), and the Turkish Red Crescent (TRC) within the scope of the project.

The Project has two main components:

A) Support for Counseling Services and Employment Support; Within the scope of this component, İŞKUR will provide:



a. *In terms of job and vocational counseling services;* (i) registration of Project Beneficiaries by job and vocational counselors and (ii) provision of counseling services aimed at participation in applied training programs and employment.

b. *In terms of Applied Training Programs:* (i) initiation of the applied training program with suitable employers selected according to the criteria specified in the guide; (ii) referral of Project Beneficiaries to the appropriate program by job and vocational counselors, and (iii) execution of the Applied Training Program.

B) Support for Delivery of Employment Services; Within the scope of this component, for *Monitoring and Evaluation, Data Management, Communication, and Project Management*, the following will be generally carried out:

a. *By the Ministry of Labor and Social Security (MoLSS);*

i. Enhancing the capacity of data systems, management, monitoring-evaluation, analysis, data-driven policy development, and inter-institutional cooperation;

ii. Establishing a Steering Committee to monitor Project activities, including project audits, financing of additional operating costs, procurement, payments, communication, and social and environmental protection areas;

iii. Providing assistance and coordination for monitoring and evaluation of the Project activities, including data collection and preparation of reports to support the relevant result framework under the Facility for Refugees in Türkiye, and establishing the MoLSS-PIU.

b. *By İŞKUR;*

i. Enhancing the capacity of data systems, management, and analysis;

ii. Conducting monitoring and evaluation, information activities, and analyses related to the integration of Project Beneficiaries into sustainable livelihoods;

iii. If necessary, conducting evaluations and beneficiary assessments to monitor Project Beneficiaries' feedback on the provided services for better regulation of service delivery;

iv. Developing and implementing a communication strategy targeting the general public, job seekers, and employers to adequately inform them about the existing services provided through the Project;

v. Establishing the İŞKUR-PIU to monitor Project activities, including financial management, project audits, financing of additional operating costs, procurement, payments, and social and environmental protection areas, and providing Project management support to the Steering Committee;

vi. Providing assistance for monitoring and evaluation of the Project activities, including data collection and preparation of reports to support the relevant result framework under the Facility for Refugees in Türkiye.

Budget of the Project and Financing

The components of the project to be carried out by İŞKUR and the Directorate General of International Labor Force (DGILF) are financed by a grant from the European Union under FRIT II, aimed at supporting the Republic of Türkiye in the socioeconomic integration of Syrians under Temporary Protection (SuTPs). The grant in question is managed as a composite Trust Fund with sections administered by both MoLSS (the Recipient) and the World Bank (the Bank).

The trust fund administered by the Recipient (RETF) is 61 million Euros and finances the activities described in the Grant Agreement and the Project Appraisal Document (PAD). Of this amount, 3 million Euros has been allocated to DGILF by the Recipient. The remaining 58 million Euros is allocated to İŞKUR as per the Subsidiary Agreement stipulated in the Grant Agreement.

2. MAIN ACCOUNTING POLICIES

(a) Transactions related to the project are accounted for on a cash basis. According to this basis, funds are recorded as resources when received and as expenditures when used.

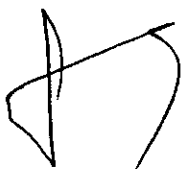
(b) Eligible expenditures can be made through the designated account (advance) in accordance with the disbursement letter. For withdrawals using the advance method, a Designated Account in Euro currency (managed by MoLSS-PIU and with an upper limit of 300,000 Euros, updated to 450,000 Euros as of January 25, 2024) was opened at the Central Bank of the Republic of Türkiye, which is one of the banks acceptable to the World Bank.

(c) Transactions related to the project are recorded and monitored in Euros. Transactions carried out in other currencies are converted to Euros using the exchange rate of the Central Bank of the Republic of Türkiye prevailing on the transaction date.

(d) The fund resources and disbursements related to the project, along with the project financial statements and reports, are monitored and maintained using the LOGO accounting program and the Client Connection system, in accordance with the determined chart of accounts.

3. FINANCIAL STATEMENTS

In accordance with the provisions of the relevant Agreement, the utilization of funds provided under the project is limited solely to the project's objectives. Project funds that are not yet used at the end of the project will be returned in accordance with the relevant provisions of the agreement. Unaudited interim financial statements covering each three-month calendar period are prepared and submitted to the World Bank regarding the use of project funds.



4. INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT LOAN/GRANT

On 05.05.2022, a grant agreement (TF0B7845) totaling 61,000,000 Euros—comprising 58,000,000 Euros for İŞKUR and 3,000,000 Euros for the Directorate General for International Labor Force (DGILF)—was signed between the World Bank and the respective parties.

5. SOURCES OF FUNDS

The Euro account with IBAN number TR060000100100000940732061 opened at the Ankara Branch of the Central Bank of the Republic of Türkiye is used as the Designated Account for the project.

The financial information of the project-designated account is as follows:

For the year 2024:

- Opening Balance: 200.533,94 Euros
- Advance Withdrawal: 334.835,37 Euros
- Closing Balance: 449.504,86 Euros
- Total Project Expenditures: 692.617,25 Euros

An amount of 184.835,27 Euros was deducted from the Advance account in 2024.

6. PENDING APPLICATIONS

There is no pending application as of December 31, 2024

7. CASH BALANCES

The funds received under the project are kept in the designated account, and no cash at hand is held.

8. WITHDRAWAL APPLICATION

01.01.2024-31.12.2024 Advance & Recovery of Advance Information

Application Date	Application No	Amount Requested (€)	Amount Paid	Amount Recovery of Advance (€)	Payment Method	Payment or Recovery of Advance Date
14.02.2024	DGILF-009	0,00	0,00	184.835,27	RECOVERY OF ADVANCE	14.02.2024
15.02.2024	DGILF-010	334.835,37	334.835,37	0,00	ADVANCE	21.02.2024
10.07.2024	DGILF-011	277.781,67	277.781,67	0,00	SOE AND ADVANCE	16.07.2024
11.12.2024	DGILF-012	328.971,13	328.971,13	0,00	SOE AND ADVANCE	17.12.2024
Total Amount (€)		941.588,17	941.588,17	184.835,27		

For all withdrawals from the World Bank, an electronic form is filled out through the World Bank Client Connection system, and the application is electronically signed by authorized officials and sent to the World Bank. For withdrawal applications, the form included in the Authorized Signatories Disbursement Letter is completed and submitted to the World Bank. In withdrawals, additional forms bearing the authorized signatures mentioned in the Disbursement Letter, along with specific supporting documents depending on the nature of the withdrawal, are submitted to the World Bank.

To report eligible expenditures paid from the Designated Account:

- i. A Statement of Expenditure is prepared in the given format for expenditures/contracts related to the procurement of goods and services, training, and operating costs,
- ii. The Designated Account reconciliation statement and the relevant bank account statement are submitted.

Within the scope of the project, due to the Ruling dated 23.01.2023 and numbered 6383, and the VAT Exemption Certificate dated 23.01.2023 and numbered KDV.IPA.CERT.2023/35 obtained from the Revenue Administration, invoices or equivalent documents to be issued for payments are arranged without VAT. This certificate has been renewed due to an extension of the project duration:

- Ruling dated 05.09.2022 and numbered 102320, and its annex, the certificate dated 05.09.2022 and numbered KDV.IPA.CERT.2022/686
- Ruling dated 23.01.2023 and numbered 6383, and its annex, the certificate dated 23.01.2023 and numbered KDV.IPA.CERT.2023/35
- Ruling dated 09.01.2025 and numbered 2619, and its annex, the certificate dated 09.01.2025 and numbered KDV.IPA.CERT.2025/08

9. REFUNDS TO THE ACCOUNTS

No refund was made to the special account during the period 01.01.2024-31.12.2024.

10. AMOUNTS WITHDRAWN NOT CLAIMED YET

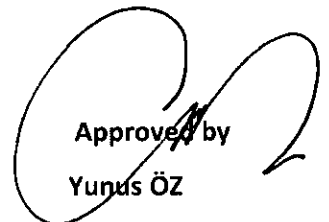
No SOE notification has been submitted for the operating expense of €495.14 incurred on 24.12.2024.



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