

CARIBBEAN EXPORT DEVELOPMENT AGENCY

(Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379)

Financial Statements

(With Independent Auditors Report)

For the periods ended as of October 2023 and December 2022

CARIBBEAN EXPORT DEVELOPMENT AGENCY

(Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379)

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INDEPENDENT AUDITORS REPORT

To the board of Directors of
Caribbean Export Development Agency
Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component,
under the 11th European Development Fund (EDF), implemented by Caribbean Export under the
delegation agreement FED 2018/399-379

Opinion

We have audited the financial statements of Caribbean Export Development Agency, Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379, which comprise the statement of financial position as at October 31st, 2023 and December 31st, 2022, and the statements of activities, income and expenditure report and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of, the financial position of Caribbean Export Development Agency, Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379, at October 31st, 2023 and December 31st, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Dominican Republic, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Management is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the project to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.
- 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.

- We also provide Management with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.
- From the matters communicated with Management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

Baker Tilly RD.
Baker Tilly República Dominicana
Fernando Escobar Hurtado St. N°. 8-A
Santo Domingo, Dominican Republic
SIB: A-106-0101
ICPARD: 99280

November 29, 2023



CARIBBEAN EXPORT DEVELOPMENT AGENCY

(Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379)

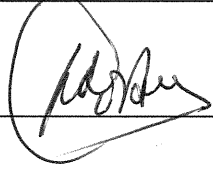
**STATEMENTS OF FINANCIAL POSITION
As of October 31, 2023 and December 31, 2022
(Values expressed in EUR)**

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
ASSETS			
Current assets			
Cash	3	427,054	1,640,125
Accounts receivable	4	-	814
Deferred expenses		-	3,632
Total current assets		<u>427,054</u>	<u>1,644,571</u>
Total assets		<u>427,054</u>	<u>1,644,571</u>
LIABILITY AND NET ASSETS			
Current liabilities			
Accounts payable	5	<u>13,060</u>	<u>128,081</u>
Total current liabilities		<u>13,060</u>	<u>128,081</u>
Non current liabilities			
Deferred income	6	<u>413,228</u>	<u>1,515,796</u>
Total noncurrent liabilities		<u>413,228</u>	<u>1,515,796</u>
Total Liabilities		<u>426,288</u>	<u>1,643,877</u>
Net Assets			
General fund		<u>766</u>	<u>694</u>
Total Liabilities and Net Assets		<u>427,054</u>	<u>1,644,571</u>

Approved by the Board of Directors on:

Jan. 12, 2024

Signed on its behalf by:



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STATEMENTS OF COMPREHENSIVE INCOME For the year ended October 31, 2023 and December 31, 2022 (Values expressed in EUR)

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
Revenue			
Funding revenue	6	1,125,069	1,207,023
Interest income on short term deposits		<u>72</u>	<u>150</u>
Total revenue		1,125,141	1,207,173
Expenses per component			
Initiatives to support Trade Formalization	7	-	(1,408)
Quality and Private Sector Development		(839,244)	(676,828)
Public Institutional Support and Dialogue		(74,999)	(100,877)
Administration/Programme implementation		(138,266)	(257,458)
Administrative/Management fee	8	<u>(72,560)</u>	<u>(170,452)</u>
Total expenses		<u>(1,125,069)</u>	<u>(1,207,023)</u>
Surplus for the year		<u>72</u>	<u>150</u>

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STATEMENTS OF CASH FLOWS
For the year ended October 31, 2023 and December 31, 2022
(Values expressed in EUR)

	<u>2023</u>	<u>2022</u>
Cash from operating activities:		
Surplus for the year	<u>72</u>	<u>150</u>
Adjustment for non-cash expenses:		
Deferred income	(1,102,567)	988,056
Net changes in operating assets and current liabilities:		
Accounts receivable	814	11,705
Accounts payable	(115,022)	(41,381)
Deferred expenses	<u>3,632</u>	<u>(221)</u>
Net increase (decrease) in operating activities	<u>(1,213,071)</u>	<u>958,309</u>
Net increase (decrease) in cash and cash equivalents	(1,213,071)	958,309
Cash and cash equivalents, beginning of period	<u>1,640,125</u>	<u>681,816</u>
Cash at the end of the year	<u><u>427,054</u></u>	<u><u>1,640,125</u></u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

1. Project overview

Caribbean Export is the only regional trade and investment promotion agency in the African, Caribbean and Pacific (ACP) group. They were established in 1996 by an Inter-Governmental Agreement as the trade promotion Agency of the 15 Member States of CARIFORUM.

Then in July 2005 they assumed an investment promotion mandate after the 14th CARIFORUM Council of Ministers meeting. They have also established collaborative links with the French Caribbean Outermost Regions (FCORs), as well as, with the English and Dutch Overseas Countries and Territories (OCTs).

Caribbean Export has evolved over the past 27 years from an Implementing Management Unit of the CARICOM Regional Trade Development Programme (CRTDP) as established in 1988, to the CARICOM Export Development Project (CEDP), which in 1996 became the Caribbean Export Development Agency.

The 11th EDF Haiti-DR Bi-National Cooperation Programme Trade and Private Sector Component, under the Delegation Agreement FED2018/399-379 is to: Strengthen the economic and commercial cooperation between Haiti and the Dominican Republic in a sustainable manner by supporting initiatives that can reduce the current imbalances in the long term and reduce poverty levels.

The implementation period of this Delegation Agreement, will commence from May 7th 2018, as indicated in article 2, paragraphs 2.1 and 2.2 of the Special Conditions of such signed Agreement for a period of 45 months. An addendum of an additional one year extension for the implementation of the program was signed between the parties in September 2021. Therefore, the implementation period was extended to 57 months. The total project cost is estimated at EUR 5,765,306, with a maximum contribution of EUR5,650,000 by the European Union with an end date on February 7, 2023. However, a second addendum was signed in February 2023, extending the implementation of the program for an additional five (5) months, with end date on July 7, 2023. Additionally, costs were approved by the European Union for payment of technical personnel and other costs related to the closure of the Program and its final report, until the October 9th, 2023 and with a maximum amount of EUR40,000, without changing the total amount that will be contributed by the European Union under the 11th EDF Caribbean Regional Indicative Programme Agreement. The programme will be implemented by the Caribbean Export Development Agency through its Sub-Regional Office in the Dominican Republic using its own rules and procedures via a delegation agreement.

This Trade and Private Sector component is executed by Caribbean Export through its Subregional Office in the Dominican Republic, supported by a Programme Office in Port-au-Prince, Haiti.

The Agency carries out numerous work programme activities within the context of Bi-National programmes such as study tours, export promotion activities to meet the objectives as follows:

- The promotion of a more balanced and formal binational trade between Haiti and the Dominican Republic.
- The quality of goods produced in both countries and the competitiveness of enterprises is enhanced with special attention to three (3) value chains: Cocoa/Chocolate; Essential Oils/Cosmetics; and Handicraft/Fashion/Accessories/Jewelry.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

1. Project overview- *cont.*

- The institutional cooperation, between the Ministries working in trade related issues and the Customs Administrations, as well as the public-private and private-private dialogue is reinforced.

The effective period of implementation of the program ended on July 7, 2023. All activities included in this report were executed during the implementation period, even though some payments were made after such date. The exception to the previous mention are the short-term contracts DRBI-23-07-001, 002 & 003, which correspond to three persons within the personnel approved by the European Union for a maximum sum of EUR40,000 as part of the final expenses for the closure of the program, and their execution was extended beyond said date in the understanding that the objective of these services is produce the final report, which will highlight the results and impacts of the Program. In that same sense and for obvious reasons, the contract for the audit service also concluded after the indicated implementation period and its balance at the date of this report is reflected in the expenditure statement as a legal commitment, as mentioned in note 7.

2. Basis of presentation and principles of accounting policies

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Accounting policies have been consistently applied in the financial statements of Caribbean Export Development Agency.

The financial statements have been prepared to reasonable values from their historic cost, except by certain assets and liabilities that are presented to their reasonable value with other method.

Functional currency and presentation

The financial statements are presented in Euro (EUR), currency used by the Organization for the presentation of their financial statements, as established in the delegation agreement signed with the European Union.

Transactions in foreign currencies

Since May 2018, the contributions for the development of the Program are received and registered in Euros by the Organization, this being the functional currency of the Program. However, part of the funds are sporadically converted and transferred to other accounts of the Organization in pesos (RD\$) in the DR, as well as in dollars (US\$) in Haiti, to facilitate local payments related to the implementation of the Program. The transactions in these different currencies are converted to the functional currency for reporting purposes, using the exchange rate equivalent to the funds transferred from the Euros account to each of the aforementioned bank accounts, to cover the transactions of a particular period. In the year 2023, the Organization will not recognize gains or losses from exchange, resulting from conversion.

Cash and cash equivalents

The Organization considers as cash all the funds deposited in cashier and the banks, as well as small investments in securities with an expiration of less or equal to three months, counted from the acquisition date.

Accounts payable

It is a present obligation of legal character or implied to the date of the financial statements of the Organization, which can be determined reliably and as a result of past events, to its expiration and to cancel it, the Organization expects to rid themselves of resources that include or have included benefits.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

2. Basis of presentations - cont.

Revenue recognition

Revenues are recognized at the time of the transaction. These revenues are generated by cash transfers. The income is recognized as the projects advance, they are not recognized as income until used for the purposes defined. In this case, the contribution will remain in a liability account toward the donor.

Advances from European Union

European Union transfers cash to executing agencies, the transfer is recorded as an advance and the programme expenditure is recorded when incurred.

Advances for travel expenses.

The advances for travel expenses consist in pay out to staff members or contractors for travel related activities.

Deferred income

The Agency recognizes deferred revenues when the advances are received from the European Union and recognizes revenue when the expenses related to the program are recorded. Unspent amounts are classified in the deferred revenue liabilities section of the statement of financial position.

Expenses and components

The Agency classify their expenses in four components, The classification allows the Agency to have a better segregation of their expenditures. The components are also subdivided in subcomponents and they proceed to elaborate the budget based on the subcomponents.

The four components are the following:

1. Initiatives to support Trade Formalization (TF)
2. Quality and Private Sector Development (QP)
3. Public Institutional Support and Dialogue (IS)
4. Administration/Programme implementation (AD)

- Administrative Fee (*)

(*) The budget includes an Administrative fee up the 7% of the total eligible direct costs, which does not need to be justified with accounting documentation, as established in the Delegation Agreement signed with the European Union.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

3. Cash

As of October 31st, 2023 and December 31st, 2022, a detail of cash is as following:

	<u>2023</u>	<u>2022</u>
Banreservas	427,054	1,634,842
Banque Nationalite Credit BNC	-	4,963
Petti cash	-	320
	<u>427,054</u>	<u>1,640,125</u>

4. Accounts receivable

Accounts receivable consists of the following:

	<u>2023</u>	<u>2022</u>
A/R of the Agency's own funds (Counterpart) (a)	-	183
A/R Other- Bi-National (b)	-	631
	<u>-</u>	<u>814</u>

(a) Corresponding to bank charges for the transfer received from the EU, whose expenditure is not eligible to be covered by the Program funds, according to the Delegation Agreement. As of October 31st, 2023 there are no outstanding counterpart funds.

(b) Corresponding to account receivable from Banreservas for errors in overpayment when processing two wire transfers. Reimbursement was received in January and February 2023.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

5. Accounts payable

Accounts payable consists of the following:

	<u>2023</u>	<u>2022</u>
Accounts payable reimbursements (a)	13,060	103,180
Accounts payable trade (b)	-	14,685
Accounts payable others	-	10,216
	<u>13,060</u>	<u>128,081</u>

(a) Between the start of the implementation period of the FED2018/399-379 agreement in May 2018 and the date of receipt of the first financing in November 2018, as well as during the 1st semester of 2019, the Caribbean Export Development Agency made payments for Binational Program expenses. As of October 31st, 2023 and December 31st, 2022, accounts payable of EUR13,060 and EUR103,180, respectively, correspond to balances in favor of the Caribbean Export Agency and it is expected that at the end of each year this account payable will be reduced by a proportion of 2% of the global expenses as established in the regulatory agreement with the European Union.

In addition, considering that as established in the Delegation Agreement, the counterpart contribution by Caribbean Export will be 2% of the total expenses incurred in the execution of the Program, up to the maximum amount of EUR115,306 and that the total of 2% of the expenses from the years 2018 to October 31, 2023 has already been recognized and contributed by the organization, the excess amount of this value that has been paid in advance by Caribbean Export could be reimbursed from Program funds granted by the European Union at any time, at its best convenience, only leaving in the advance account payable the counterpart amount of EUR1,581.48 . This amount would correspond to 2% of both the committed amount of EUR5,045, as well as what is estimated to be pending payment for the administrative fee for the year 2023, which would amount to EUR74,029 after payment of the pending commitment. Therefore, at the closure of the Programme, Caribbean Export may still deduct from the European Union Program funds the amount of EUR11,478.52, as part of the reimbursement of the Account Payable for counterpart overpaid amount.

(b) Corresponds to accounts payable to suppliers for services or purchases for the development of the objectives of the binational program. As of October 31, 2023, there are no outstanding accounts payable to suppliers.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

6. Deferred income

Deferred operating income is recognized at the date of the statement of financial position. Funds relating to program implementation are included as deferred income and are credited to the statement of comprehensive income in the same year as the relevant expenses are incurred.

The programme is funded by the European Union with a counterpart contribution from the implemented Agency. The first pre-financing was EUR1,520,197 received in November 2018, the second pre-financing was EUR1,393,865 received in September 2020 and during the year 2021 no funds were received from the European Union. In May 2022, a third pre-financing of EUR2,170,938 was received from the European Union for Programme implementation. The total amount of European Union contributions at October 31st, 2023 reached the sum of EUR5,085,000. During 2023, no additional funds were received from this organization.

From the start of the program until 2019 EUR942,398 has been recognized as the 98% of programme expenses covered by the EU funds, and the remaining 2% corresponding to EUR19,233 are expenses assumed by the agency according to the EDF agreement 2018/399-379.

During the year 2020 EUR784,009 has been recognized as the 98% of programme expenses covered by the EU funds, and the remaining 2% corresponding to EUR16,000 are expenses assumed by the agency according to the EDF agreement 2018/399-379.

During the year 2021 EUR659,915 has been recognized as the 98% of programme expenses covered by the EU funds, and the remaining 2% corresponding to EUR13,468 are expenses assumed by the agency according to the EDF agreement 2018/399-379.

During the year 2022 EUR1,182,882 has been recognized as the 98% of programme expenses covered by the EU funds, and the remaining 2% corresponding to EUR24,141 are expenses assumed by the agency according to the EDF agreement 2018/399-379.

During the year 2023 EUR1,102,567 has been recognized as the 98% of programme expenses covered by the EU funds, and the remaining 2% corresponding to EUR22,501 are expenses assumed by the agency according to the EDF agreement 2018/399-379.

The balance of EUR413,228 remains in deferred operating income on the statement of financial position at October 31st, 2023. There is not unfulfilled conditions or contingencies attached to this amount. However, there is a balance of commitment for the value of EUR5,045 for the audit for 2023 period under contract No. DR/B123-06-008, which has not been included as part of the total expenses mentioned above and once executed and paid, the 98% would be deducted of the deferred income balance and the 2% from the account payable to Caribbean Export. In the same way, it is recognized that the Administrative fee for 2023 would be deducted from deferred income and account payable counterpart funds in the same proportion previously indicated.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

7. Expenses per component

A detail of the expenses per component as of October 31st, 2023 and December 31st, 2022, is as follows:

	<u>2023</u>	<u>2022</u>
Initiatives to support Trade Formalization		
Studies, surveys and needs analysis	-	1,408
Total, component	<u>-</u>	<u>1,408</u>
Quality and Private Sector Development		
<i>Technical Support</i>		
Salary of Deputy Programme Manager (DPM)	31,896	89,255
Salary of Senior Advisor DR	81,918	71,380
Salary of Senior Advisor Haiti	83,938	71,380
Salary of Project Expert Haiti	-	29,373
Cooperation in Quality	18,869	13,164
Quality and IP certifications	12,855	-
Investment Promotion	31,365	76,002
Support to BDS Services Provided by BSO	36,366	65,301
Purchase of equipment to support the Binational value chain implementation	1,245	2,247
Implementation of strategy of Haiti enter in DR Market	56,452	16,589
Trade Missions and Best Practice Missions	75,315	-
Promotion, Public relations and visibility	9,960	11,492
Monitoring and audit of programme (a)	<u>7,287</u>	<u>7,164</u>
Total sub component	<u>447,466</u>	<u>453,347</u>
<i>Programme assistance to Cacao/Chocolate value chain</i>		
Technical Assistance (short term)	9,740	49,151
Training and workshops	108	19,187
Technical Working Groups	-	5,730
Trade missions and best practice missions	-	67,440
Purchase of equipment	<u>39,058</u>	<u>-</u>
Total sub component	<u>48,906</u>	<u>141,508</u>
<i>Programme of assistance to the Essential Oils/Cosmetic Value Chain</i>		
Technical Assistance (short term)	35,625	-
Purchase of equipment	59,214	36,405
Technical Working Groups	-	<u>7,511</u>
Total sub component	<u>94,839</u>	<u>43,916</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

7. Expenses per component - cont.

	<u>2023</u>	<u>2022</u>
<i>Quality and Private Sector Development - cont</i>		
<i>Programme of assistance to the</i>		
<i>Handicraft/fashion/accessories/ jewelery... Value Chain</i>		
Technical Assistance (short term)	133,625	18,065
Training and workshops	<u>114,408</u>	<u>19,992</u>
Total sub component	<u>248,033</u>	<u>38,057</u>
Total, component	<u>839,244</u>	<u>676,828</u>
 Public Institutional Support and Dialogue		
<i>Support to Trade and Industry Ministries</i>		
Purchase of equipment	12,119	11,076
Technical Assistance (short term)	29,500	-
Promotion, Public relations and visibility	6,344	-
Training and workshops	-	9,000
Technical Working Groups	<u>19,214</u>	<u>1,274</u>
Total sub component	<u>67,177</u>	<u>21,350</u>
 <i>Support to Customs Administrations</i>		
Promotion, Public relations and visibility	209	-
Technical Working Groups	<u>-</u>	<u>918</u>
Total sub component	<u>209</u>	<u>918</u>
 <i>Support to Public-Private / Private-Private Dialogue</i>		
Technical Assistance (short term)	-	19,293
Promotion, Public relations and visibility	4,611	-
Training and workshops	1,705	26,864
Technical Working Groups	<u>1,297</u>	<u>32,452</u>
Total sub component	<u>7,613</u>	<u>78,609</u>
Total, component	<u>74,999</u>	<u>100,877</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

7. Expenses per component - cont.

	<u>2023</u>	<u>2022</u>
Administration/Programme implementation		
<i>Organizational Structuring- Haiti Office</i>		
Operations Advisor Haiti	34,697	47,499
Administrative and Financial Assistant HT	3,234	23,768
Chauffer HT	564	3,516
Vehicle gas, maintenance and insurance Haiti	-	1,358
Office rent and maintenance HT	16,493	49,208
Communications HT	1,274	19,234
Utilities HT	268	1,391
Office Equipment & materials: Purchase and Installation	144	2,393
Offices supplies HT and equipment maintenance	<u>4,230</u>	<u>604</u>
Total sub component	<u>60,904</u>	<u>148,971</u>
<i>Organizational Structuring- Dominican Republic Office</i>		
Financial Officer DR	47,328	41,485
Vehicle gas, maintenance and insurance DR	645	-
Office rent and maintenance DR	20,896	40,797
Communications DR	916	2,992
Other costs operations	3,750	15,000
Utilities DR	3,426	7,275
Office supplies DR and equipment maintenance	<u>401</u>	<u>938</u>
Total sub component	<u>77,362</u>	<u>108,487</u>
Total, component	<u>138,266</u>	<u>257,458</u>
Direct cost	977,510	935,694
Administrative/management fee	<u>72,560</u>	<u>170,452</u>
Total direct cost and administrative/ management fee	<u>1,050,070</u>	<u>1,106,146</u>

- a) This amount of EUR7,286 corresponding to the expense line "Monitoring and audit of programme", does not includes the balance of the contract for the final audit of the programme for EUR5,044.50, which represent a legal commitment for the Organization and for the programme at the date of this report.

CARIBBEAN EXPORT DEVELOPMENT AGENCY

(Haiti-Dominican Republic Bi-national Cooperation Programme Trade & Private Sector component, under the 11th European Development Fund (EDF), implemented by Caribbean Export under the delegation agreement FED 2018/399-379)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended October 31, 2023 and December 31, 2022

(Values expressed in EUR)

8. Administrative/Management fee

As of October 31, 2023, it has been verified that the amount of EUR 72,560 and EUR 170,451 deducted by the implemented Agency as administrative fee, correspond to 7% of the audited eligible direct costs from the beginning of the Programme in May 2018 until December 2022, for a total amount of 3,471,593 euros. Such payments for administrative fee do not need to be justified with accounting documentation, as established in the Delegation Agreement for the implementation of this Programme. Total expenses as of October 31, 2023 amount to EUR1,125,069 and in 2022 they remain at EUR1,207,023 (see note 7).

As of October 31, 2023, the balance of payment commitment of the audit contract is still pending for a value of 5,045 euros, which once the execution of this service is completed and paid, would increase the total direct costs for the year 2023 to the amount of EUR1,057,554. In the same sense, it is indicated that the administrative fee for 7% of the total eligible direct costs for the year 2023 is pending to be reimbursed to the Agency, which is equivalent to the amount of EUR74,029, and would be recovered by the Agency from the Program funds.