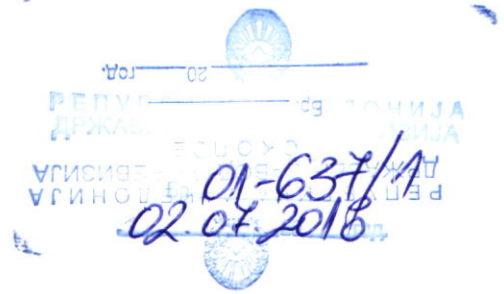




Foreign &
Commonwealth
Office



Memorandum for Cooperation

The Government of the United Kingdom of Great Britain and Northern Ireland (the UK Government) represented by the Foreign and Commonwealth Office (FCO), represented by HMA Charles Garrett.

and

The State Audit Office of the Republic of Macedonia (the beneficiary), represented by the Deputy Auditor General, Naser Ademi, have reached the following cooperation:

1. Purpose

The purpose of this Memorandum is to provide support to the State Audit Office of the Republic of Macedonia to enable them to implement the project "Increase public accountability and transparency in Macedonia through improved implementation of State Audit recommendations" (the Project). The outcome and the outputs of the Project are set out in Annex A (Terms of Reference).

The Project will be implemented by PricewaterhouseCoopers Macedonia, Westminster Foundation for Democracy (WFD) and the Centre for Economic Analysis (CEA). The detailed Terms of Reference between the UK Good Governance Fund and the implementers stipulates the deliverables and indicators within the Project.

The State Audit Office of the Republic of Macedonia will appoint focal persons responsible for coordination of the implementation of the Project in writing.

2. Duration

This Memorandum will come into force upon signature by both signatories and will be in force until 15 March 2019.

3. Amendment of this Memorandum

Any amendment to this Memorandum will be agreed upon by both individual parties to the MoU and will be made in writing.

4. Termination

If any change that, in the opinion of UK Government, significantly impairs the value of the Project occurs, the parties will consult on measures in order to resolve the problem and agree on possible courses of action. In the event that no mutually acceptable solution is possible, the UK Government reserves the right to modify or terminate its contribution to the Project.

5. Dispute settlement

Any dispute that may arise regarding to the interpretation or application of this Memorandum will be settled by consultations between the parties.

6. Other

All correspondence arising from this Memorandum and from the Project will be addressed to the assigned representative from the State Audit Office of the Republic of Macedonia and copied to the Good Governance Fund Programme Manager at the British Embassy in Skopje, Irena Stevcevska.

7. Liability

The Beneficiary will provide adequate supervision of and care for its staff, agents and visitors, and accepts that in no circumstances will the UK Government be responsible for the acts or omissions of the Beneficiary's staff, agents or visitors or for any loss or liability arising as a result of the Project, which remains the entire responsibility of the Beneficiary.

8. Copies

This Memorandum is signed in four original copies, two in the English language, and two in Macedonian.

In a case of a different interpretation of the English and the Macedonian version of this Memorandum, the only valid version will be the English version.

Signed on behalf of the UK Government:

Signature:

[Handwritten signature]



.....
HM Ambassador

Date:

27/6/18

Signed on behalf of the State Audit Office:

Signature:



.....
Deputy General Auditor

Date:

27.06.2018

Annex A: Terms of Reference

Project title: Increase public accountability and transparency in Macedonia through improved implementation of State Audit Office recommendations

Project budget: £ 240,825

Project Purpose:

This project aims to improve implementation of SAO's recommendations by assessing and enhancing institutional follow-up mechanisms, through both increased visibility and better public understanding of the work of the SAO by institutional stakeholders and the public.

The Project will be delivered with SAO as the primary beneficiary, and the Ministry of Finance, Parliament, and Public Prosecutor's Office (PPO) will be considered as secondary beneficiaries. Selected media and civil society will also be stakeholders in the delivery of the project outputs.

The outcome of the project is improved transparency and accountability of public spending, through improved capacity of the SAO to follow-up on audit recommendations.

Project Outputs:

Output 1: Overall auditing process assessed (pre-and post-audit) and gaps in wider auditing process addressed by an improvement plan that includes both regulatory and procedural initiatives.

Output 2: Improved capacity for the SAO to address post-audit process recommendations

Output 3: The SAO communication strategy embedded within work plans of the institution, including outreach strategy for presentation of simplified audit reports by the SAO.