



**Letter of Understanding  
between  
The Turkish Court of Accounts  
and  
The Office of the United Nations High Commissioner for Refugees in Turkey**

**Preamble**

This LETTER OF UNDERSTANDING is hereby entered between the Supreme Audit Institution of Turkey – Presidency of the Turkish Court of Accounts (“TCA”) and the Office of the United Nations High Commissioner for Refugees (“UNHCR”) represented by its country office in Turkey, hereinafter individually referred to as “the Party” and collectively as “the Parties”.

RECOGNIZING that UNHCR as subsidiary organ of the UN General Assembly;

RECALLING that the Government of the Republic of Turkey and UNHCR have signed a Host Country Agreement on 1 September 2016, which entered into force on 1 July 2018;

RECOGNIZING that the TCA is an independent institution mandated to conduct audits, produce reports and take final decision on the accounts and transactions with a view to ensure the public administrations to serve efficiently, economically, effectively and in compliance with the laws and the public resources to be acquired, preserved and utilised in accordance with the foreseen purpose, targets, laws and other legal instruments in the Republic of Turkey;

RECOGNIZING that the TCA and UNHCR share common goals of ensuring that the resources provided to government institutions by UNHCR are utilised in the most efficient manner and for the agreed purposes;

NOW THEREFORE, UNHCR and the TCA hereby agree to sign this Letter of Understanding governed by the following principles and provisions:

**Article 1 Purpose and Objectives of the Cooperation:**

This LETTER OF UNDERSTANDING aims to define the partnership between TCA and UNHCR to audit Turkish public institutions supported by UNHCR either financially or in-kind.

**Article 2 Areas of Collaboration**

1. The areas of specific collaboration and coordination between the TCA and UNHCR include the following:
  - a) UNHCR may provide to TCA Project Partnership Agreements (PPA) concluded with Turkish public institutions or other documentation containing information on support provided by UNHCR to Turkish public institutions and any additional supplementary information on the projects being implemented.

- b) Assigned auditors of the TCA for each public institution cooperating with UNHCR will be provided an understanding of the engagement context on the basis of this documentation through meetings and discussions with UNHCR.
  - c) TCA will perform annual audits of projects implemented by Turkish public institutions. The Auditor will perform the audit to obtain reasonable assurance about whether the Project Financial Report (PFR) or other information related to the use of UNHCR provided resources is free from material misstatement and in accordance with agreed standards of financial and performance reporting.
  - d) Upon conclusion of the audit, TCA will provide:
    - i. an Audit Report with an audit opinion, according to international auditing standards and formats;
    - ii. A Management Letter to provide:
    - iii. information on major findings discovered during the audit. In this section, the auditor will report on findings relating to matters identified during the course of the audit and make recommendations to address the deficiencies identified.
    - iv. an evaluation of the Partner's compliance with the terms and conditions of the Agreement. The results of the review of compliance and performance to the terms and conditions of the Partnership Agreement should be reported in a separate section of the Management Letter; and
    - v. an Internal Control Questionnaire (ICQ) as applicable, to assess the level of internal control systems maintained by the partner public institutions vis a vis UNHCR project management.. The ICQ will cover various control areas such as project cash management, procurement, sub-contracting, personnel, managing misconduct, financial and budgetary matters, and compliance with other agreed terms. The area of assessment in a given year may vary as needed.
2. The findings of audit and other compliance monitoring activities will provide useful information on the strengths and weaknesses of the respective internal control environments of the Project(s) that could be used as a means to further enhance the partnership performance between UNHCR and the governmental institution(s), including Partner's capacity and Project management.

### Article 3 Resources and Implementation

1. The present LETTER OF UNDERSTANDING does not imply any legal and / or financial commitments of obligations from either party to the other. As required, UNHCR shall cover costs for TCA auditors including travel and Daily Subsistence Allowance (DSA) for prior agreed travel of auditors as needed for conducting the audit.
2. Any financial expenditures used in the implementation of the joint activities shall be voluntary and managed separately, and in accordance with the policies and procedures of the disbursing party.



3. The implementation of this LETTER OF UNDERSTANDING will be in compliance with the respective administrative and financial rules, regulations and procedures of the Parties.
4. All personal data<sup>1</sup> shared by and with the office of UNHCR in Turkey will be handled in strict compliance with UNHCR's Data Protection Policy as well as Turkish data protection legislation respectively.
5. Auditors and staff of TCA shall maintain confidentiality regarding any information obtained in connection with the audit services undertaken on behalf of UNHCR. All information and materials, including electronically transmitted and digital information that either Party intends to make available publicly or to third parties, containing UNHCR name and logo or other intellectual property that UNHCR may possess must be reviewed and approved by both Parties.
6. UNHCR and TCA shall assign one senior focal person to manage the audit processes and communication between Parties.
7. UNHCR and TCA are each responsible for their own acts or omissions, and those of their employees, contractors or any other personnel engaged by them. Neither Party shall have the authority to act on behalf of, or be liable for the acts of the other party or bind the other Party in any manner.
8. This LETTER OF UNDERSTANDING in no way restricts either Party from participating in similar activities or arrangements with other organizations.

#### Article 4 Final Provisions

1. This LETTER OF UNDERSTANDING shall enter into force upon signature by authorized officials of the Parties and shall continue in full force for an indefinite period of time unless terminated earlier in accordance with Article 4.3 below.
2. This LETTER OF UNDERSTANDING or its attachments may be modified or amended only through mutual written agreement between the parties and a formal exchange of letters duly signed by the authorized representatives of the Parties.
3. This LETTER OF UNDERSTANDING may be terminated by either Party through giving written notice to the other Party. In case of such notification, the LETTER OF UNDERSTANDING shall be terminated sixty (60) days upon receipt of such notice, provided that termination shall not become effective with respect to any ongoing audit of government partners of UNHCR.
4. Any applicable provision of this LETTER OF UNDERSTANDING shall survive termination of this LETTER OF UNDERSTANDING to the extent necessary in order to permit an orderly

---

<sup>1</sup> UNHCR's Policy on the Protection of Personal Data of Persons of Concern to UNHCR

settlement of accounts between TCA and UNHCR and in order to wind-up any outstanding obligations with respect to the audits.

5. Upon termination, both Parties shall take the necessary steps to finalize their respective activities under this LETTER OF UNDERSTANDING in a timely and organized manner for the successful completion of all pending activities of this collaboration.
6. Any dispute arising between the Parties concerning the interpretation or implementation of this MoU shall be settled amicably between them by negotiation or by any other non-judicial means, as agreed by both Parties hereto.
7. Nothing in or relating to this LETTER OF UNDERSTANDING or other subsequent agreement shall be deemed a waiver, expressed or implied, of any of the immunities and privileges which UNHCR enjoys, as an integral part of the United Nations, under the applicable international legal instruments.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the respective Parties, have reviewed and signed this LETTER OF UNDERSTANDING in two originals, in the Turkish and English language. Both language versions shall be equally authoritative. In case of conflict between language versions, the English version shall prevail.

On behalf of the Office of the United Nations High Commissioner for Refugees      On behalf of the Turkish Court of Accounts

Katharina LUMPP  
UNHCR Representative in Turkey

Seyit Ahmet BAŞ  
President of the Turkish Court of Accounts



Date:

Date: