



MEMORANDUM OF COOPERATION

BETWEEN

STATE AUDIT OFFICE OF THE REPUBLIC OF NORTH MACEDONIA

AND

STATE AUDIT INSTITUTION OF MONTENEGRO

Preamble

The State Audit Office of the Republic of North Macedonia

and

the State Audit Institution of Montenegro,

hereinafter collectively referred to as "the Parties" or individually "the Party",

confirming the willingness to strengthen and advance cooperation between the Parties in line with good practice and the auditing principles of EUROSAI and INTOSAI; and following the principles of equality and partnership between Supreme Audit Institutions aimed at strengthening professional capacities and promoting accountable and effective external audit,

have agreed, in compliance with the above, to sign this Memorandum of Cooperation (hereinafter referred to as "the Memorandum").

ARTICLE 1

Objective

The objective of this Memorandum is:

- I. To create formal basis for continuous professional and technical cooperation on activities jointly agreed for conducting high-quality public finance management audit founded on the principles and standards of INTOSAI and EUROSAI community where both Parties are members.
- II. To ensure benefit for the Parties in their efforts for developing professional capacities in areas of mutual interest including, but not limited to:
 - i. exchange of experience and good practice and organization of activities on areas of common interest through consultations, seminars, roundtables, conferences, etc.
 - ii. professional trainings for improving knowledge and skills of employees and building institutions' capacities,
 - iii. advancement of digital skills through implementation of innovative approaches, tools and software solutions in the audit process and in the presentation of audit results (use of IT in audit, graphic design, infographics, interactive dashboard, data analysis, etc.)
 - iv. exchange of information and professional literature related to the activities of the Parties, including auditing standards and external audit methodology developments,
 - v. conducting parallel, coordinated or joint audits on topics of common interest, value for money audits, audits of the implementation of UN Sustainable Development Goals, IT audits, real-time audits, investigative (forensic) audits, use of artificial intelligence in audit, prevention of corruption and fraud, and
 - vi. other mutually acceptable areas and forms of cooperation.

ARTICLE 2

General principles of cooperation

The Parties express their intention to develop mutual collaboration aimed at improving professional capacities and developing auditing skills through exchange of experience and practice in line with INTOSAI auditing standards (ISSAIs).

The Parties shall seek the most appropriate ways for strengthening mutual cooperation. The partnership between the Parties shall reflect the complementarity of their mandates, activities, and programs.

If deemed appropriate, the Parties shall participate in or inform each other of activities that may be of benefit to the other Party.

The Parties shall periodically consult, exchange information, and explore common goals for capacity development to further improve the extent and scope of the cooperation.

ARTICLE 3

Form of cooperation and communication between the Parties

The Parties agree to use the cooperation contribution efficiently, effectively, and only for mutually agreed purposes.

The Parties agree to make all necessary preparations for successful implementation of activities, i.e., to identify contact persons for coordinating Parties' activities in the implementation of this Memorandum, as well as to allocate time and necessary resources.

The Parties agree to maintain open and effective communication on all matters pertaining to the activities.

ARTICLE 4

Financial Arrangements

All cooperative activities under this Memorandum shall be carried out subject to the availability of funds of the Parties.

Each Party shall cover the expenses related to the participation of its representatives unless otherwise agreed by the Parties.

ARTICLE 5

Confidentiality

Each Party shall undertake to observe the confidentiality and secrecy of documents, information and other data received by or provided to the other Party or generated under this Memorandum or any other arrangements made pursuant to this Memorandum.

The provisions of this Article shall continue to apply notwithstanding the termination of this Memorandum.

The provisions of this Article shall not prejudice the prevailing laws and regulations of the Parties.

The provisions of this Article shall not be applied to public relations activities and communication with the stakeholders and the society on the existence of this Memorandum and activities resulting from this cooperation that do not involve confidential documents, information or other data received by or provided to the other Party or generated under this Memorandum or any other arrangements made pursuant to this Memorandum (including providing general information on meetings, visits, cooperation activities etc.).

ARTICLE 6

Amendments to the Memorandum

This Memorandum may be amended at any time by mutual agreement and consent of the Parties in writing.

ARTICLE 7

Duration and termination of the Memorandum

This Memorandum shall remain in force until cancelled by either Party by providing written notice.

ARTICLE 8

Release of liability

The contents of this Memorandum do not constitute international treaty or agreement and do not create any rights and obligations regulated by the international law.

ARTICLE 9

Entry into force

This Memorandum shall enter into force upon its signing by both Parties.

Signed in duplicate in two (2) original texts, each in Macedonian, Montenegrin and English language, all texts being equally authentic. In case of any dispute regarding the provisions of this Memorandum, the English version shall be binding.

Signed in Budva on 28.02.2024.

**For the State Audit Office
of the Republic of North Macedonia**



No: 03-355/1
Date: 28.02.2024

**For the State Audit Institution
of Montenegro**



No: 06-053/24-643
Date: 28.02.2024r.