

Special report

The Facility for Refugees in Turkey

Beneficial for refugees and host communities,
but impact and sustainability not yet ensured



EUROPEAN
COURT
OF AUDITORS

Contents

	Paragraph
Executive summary	I-X
Introduction	01-09
Audit scope and approach	10-15
Observations	16-108
The Commission improved the functioning of the FRIT by implementing our 2018 recommendations	16-33
The 2018 needs assessment placed stronger focus on municipal infrastructure and socio-economic support	18
The Commission reduced the number of financing instruments, which streamlined aid and improved coordination	19-20
The Commission is gradually working towards handing over projects to the Turkish authorities	21-24
The Commission significantly improved the efficiency of cash-assistance projects	25-26
The Commission tried to improve the operating environment for (international) NGOs, but results are limited	27-28
The Commission improved the monitoring framework	29-33
Sampled projects addressed beneficiaries' needs, but were delayed, and their costs were not assessed systematically	34-63
Projects were approved in a timely manner and addressed beneficiaries' needs	35-48
Project implementation was significantly delayed for various reasons	49-53
The Commission did not systematically assess whether project costs were reasonable	54-63
Planned outputs have so far been delivered, but their impact and sustainability are not sufficiently addressed	64-108
Although projects delivered outputs, there was limited focus on impact	65-86
The Commission reacted swiftly to address the impact of the earthquakes on FRIT projects	87-97

The Commission ensured the sustainability of infrastructure projects, but not of socio-economic support; the sustainability of its flagship education and health projects is not yet guaranteed **98-108**

Conclusions and recommendations **109-116**

Annexes

Annex I – Breakdown of Syrian refugees and asylum-seekers in Türkiye as of December 2023, by province

Annex II – Facility contributions from the EU, member states and the UK

Annex III – FRIT development projects

Annex IV – Lack of access to data on education

Annex V – Follow-up of previous recommendations of special report SR 27/2018

Annex VI – Audit of the data management system

Annex VII – Delays in implementation

Annex VIII – Projects' assessment

Abbreviations

Glossary

Replies of the Commission

Timeline

Audit team

Executive summary

I The Facility for Refugees in Turkey is the EU response to the European Council's call for significant additional funding to support refugees in Türkiye. It is a mechanism for coordinating and streamlining a contribution of €6 billion from the EU and its member states. The support covers humanitarian and development activities. The Facility is intended to enhance the efficiency and complementarity of support provided to refugees and host communities in Türkiye.

II We examined the Commission's management of the Facility and assessed whether the funds were used efficiently and effectively to support refugees and host communities. We also followed-up on the recommendations made in our special report from 2018, which focused on the humanitarian strand of the FRIT. We chose to audit the Facility as the ongoing displacement of Syrian refugees, and the increasing number of irregular arrivals in Türkiye from Afghanistan, are posing increasing challenges to social cohesion between refugees and their host communities, especially in the context of the economic downturn in Türkiye. This report aims to provide valuable input for the Commission and will contribute to strengthening the Facility's monitoring tools.

III Overall, we found that, in a challenging context, the Facility for Refugees in Turkey provided relevant support to refugees and host communities and the Commission had implemented our 2018 recommendations. The projects examined addressed the needs of the refugees and the host communities in the various priority sectors, but for various reasons their implementation was significantly delayed and project costs were not systematically assessed. Although the planned outputs were delivered, there was insufficient measuring of the Facility's impact and sustainability has so far only been ensured for infrastructure projects, but not for some projects in the education, health and socio-economic support sectors.

IV Financing from the Facility ensured the speedy allocation of financial resources and substantial investment to alleviate the pressure on existing health, education and municipal infrastructure caused by the high influx of refugees. Most projects were approved in a timely manner.

V The Commission implemented the projects through direct and indirect management and through various types of implementing partners. We found weaknesses in the Commission's assessment of project costs, as it did not systematically assess the reasonableness of costs, compare similar costs between different projects or calculate the cost per beneficiary.

VI Overall, the planned outputs were delivered in the various sectors. In the education sector, however, it was not possible to assess the impact of the Facility's funding on the integration and success of refugee children in the Turkish education system. Nor could we assess the impact on beneficiaries of the construction of schools. This was due to the limitations in the data provided by the Turkish Ministry of National Education.

VII The Commission put in place appropriate measures to monitor the projects financed by the Facility. However, reporting and monitoring frameworks were generally designed to measure outputs rather than outcomes. They were therefore unable to measure the impact of projects, particularly those in the socio-economic sector.

VIII The earthquakes of February 2023 had a significant impact on the implementation of projects financed by the Facility. However, the Commission acted quickly and efficiently in analysing this impact.

IX The Commission was able to ensure the sustainability of infrastructure projects. However, projects in other sectors did not include a sustainability strategy, so their sustainability is less certain. Although improvements have been made since 2018, we conclude that the Facility could still have achieved greater value for money and demonstrable impact.

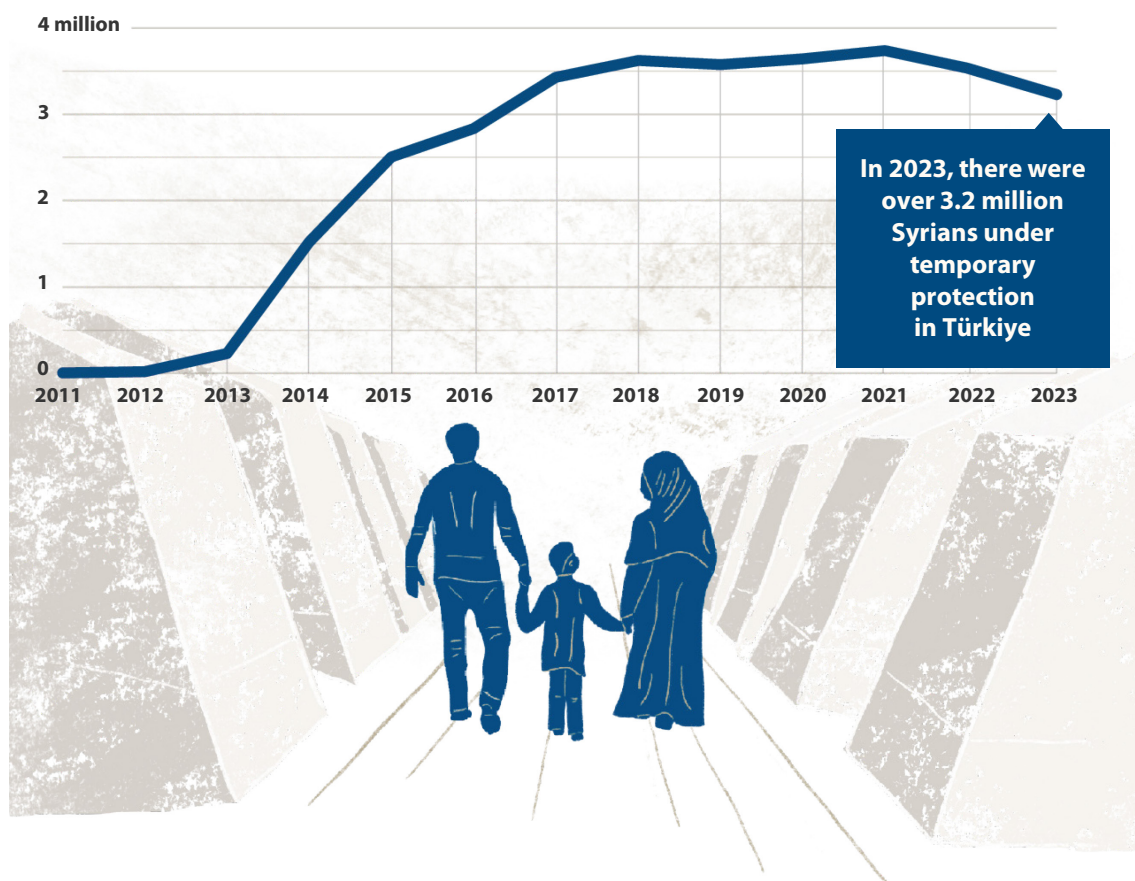
X The report makes four recommendations aimed at improving the efficiency and effectiveness of future actions. The Commission should:

- improve the assessment and monitoring of costs;
- gather data on education from the Turkish authorities regarding refugees and the host communities;
- improve the measurement of the impact of projects;
- strengthen the sustainability of projects.

Introduction

01 Türkiye's geographical location makes it an important country for the reception and transit of refugees bound for Europe. With a total population of about 87 million, it currently hosts more than 4 million registered refugees, including over 3.2 million of Syrian origin (see [Figure 1](#) and [Annex I](#)) and more than 320 000 from Afghanistan, Iraq and Iran. As fewer than 5 % of refugees are living in camps, their presence has a significant impact on local communities, especially in the provinces near the Syrian border and around the main urban centres.

Figure 1 – Distribution of Syrians under temporary protection, by year



Note: The data concerns only registered Syrian refugees.

Source: ECA, based on data from the Presidency of Migration Management, Türkiye.

02 The [EU Facility for Refugees in Turkey \(FRIT\)](#) was established at the end of 2015¹ in response to the member states' call for significant additional funding to support refugees in the country. Its purpose is to provide the EU with a coordination mechanism, funded by the EU budget and member state contributions, for the swift, effective and efficient mobilisation of assistance for refugees in Türkiye. This assistance is conditional on Türkiye's adherence to the EU-Turkey joint action plan, agreed in October 2015², and the 2016 EU-Turkey statement³.

03 The Facility has been implemented in the context of deteriorating EU-Türkiye bilateral relations since 2016. The EU imposed sanctions and restrictions on Türkiye because of the country's backsliding on rule of law and fundamental rights, its deteriorating relations with certain EU member states and its unauthorised drilling activities in the Eastern Mediterranean. Furthermore, no meetings of the EU-Türkiye Association Council have taken place since 2019.

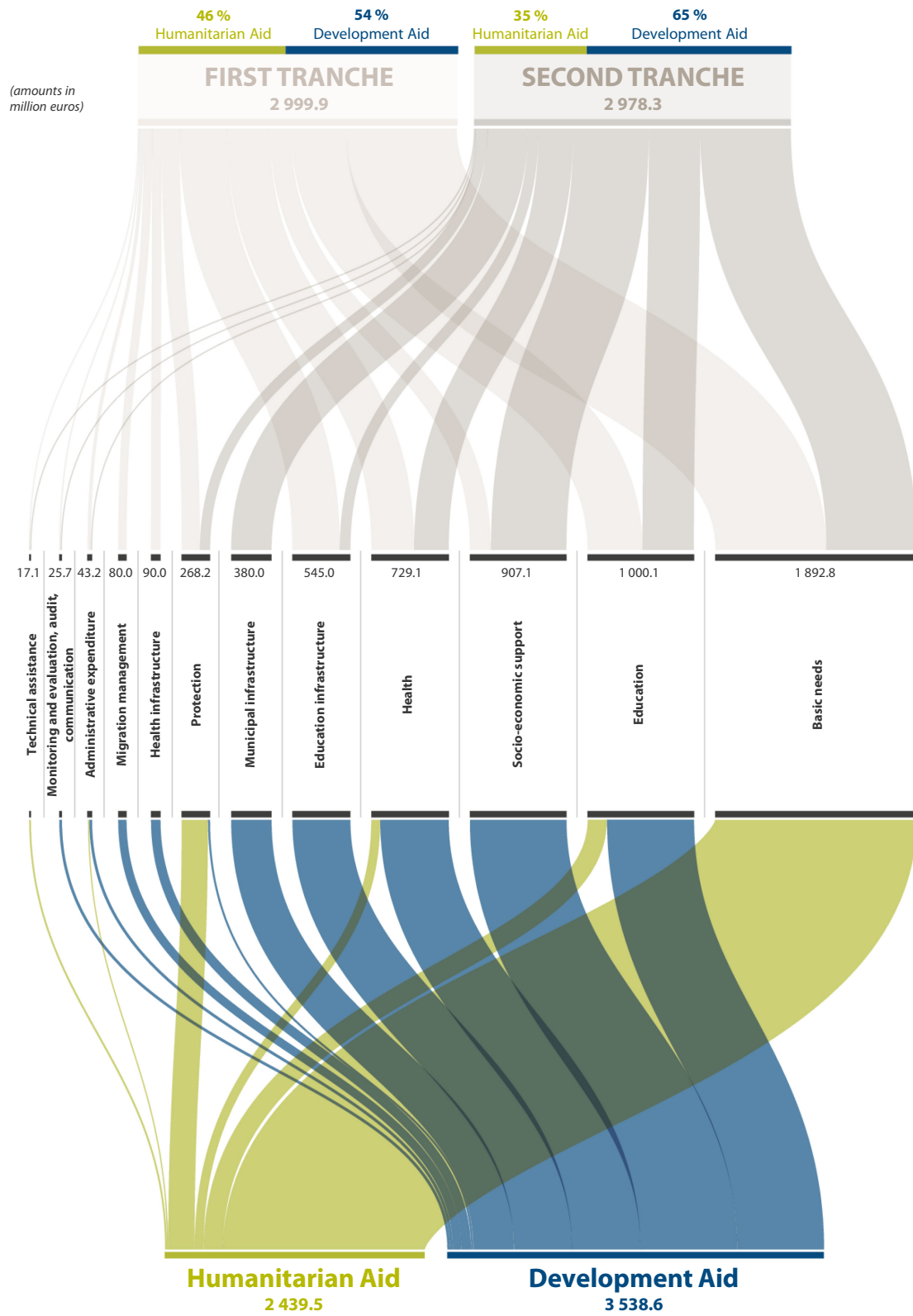
04 The FRIT coordinates a total of €6 billion, made available in two equal tranches in 2016-2017 and 2018-2019 respectively. The operational budget has been fully allocated and contracted, and more than €5 billion has been disbursed (see [Figure 2](#)). Half of the €6 billion comes from the EU budget, and the other half from member state contributions (see [Annex II](#)).

¹ C (2015) 9500, 24.11.2015.

² EU-Turkey joint action plan, October 2015.

³ EU-Turkey statement of 18 March 2016.

Figure 2 – Split in humanitarian aid and development aid per tranche (committed amounts as at December 2023)



Note: Minor differences in totals are due to rounding.

Source: ECA, based on Commission data.

05 The first tranche of funding supported projects in the priority areas of humanitarian assistance (basic needs), education, health, municipal infrastructure and socio-economic support, which were initially expected to run no later than mid-2021. However, the deadline for this tranche was subsequently extended to June 2025 (see [Annex III](#)). Given the protracted nature of the Syrian crisis, projects under the second tranche have increasingly focused on socio-economic support activities and the creation of livelihood opportunities, but without neglecting persisting humanitarian needs. The implementation of FRIT projects was also significantly affected by the earthquakes of February 2023.

06 The EU also continues to support refugees in Türkiye by means other than the FRIT. Over the 2017-2023 period, the EU allocated about €2 billion in regular Instrument for Pre-accession Assistance (IPA) funding and €535 million through humanitarian aid (see [Figure 3](#)). Moreover, the Commission has ensured the continuation of key FRIT interventions through an additional allocation of €3 billion for the 2021-2023 period (under IPA III, the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe), the Humanitarian Aid Instrument (HUMA) and the instruments managed by the Directorate-General for Migration and Home Affairs (HOME)).

Figure 3 – EU funding to support refugees in Türkiye 2017-2023



Source: ECA, based on Commission data.

07 According to the Commission⁴, the key principles guiding the FRIT's implementation are speed, efficiency and effectiveness, while ensuring sound financial management. The sustainability of FRIT interventions and co-ownership by the Turkish authorities are also of paramount importance.

⁴ Sixth Annual Report on the Facility for Refugees in Turkey, p. 7.

08 The FRIT is governed by a steering committee, which provides strategic guidance; sets overall priorities; determines the types of action to be supported and the instruments to be used; endorses projects; and coordinates, monitors and assesses the implementation of actions. The committee is chaired by the Commission's Directorates-General for Neighbourhood and Enlargement Negotiations (DG NEAR) and European Civil Protection and Humanitarian Aid Operations (DG ECHO) and includes representatives from the EU member states and the UK.

09 Türkiye attends meetings in an advisory capacity. Individual projects are selected by the Commission, after a needs assessment, in accordance with the procedures applicable to the financing instruments to be mobilised. They may be implemented, under indirect management, by UN agencies, non-governmental organisations (NGOs), EU member states' development agencies, international organisations or financial institutions. The Turkish authorities implement non-humanitarian projects under the Commission's direct management.

Audit scope and approach

10 We examined the Commission's management of the FRIT, with the aim of assessing whether the funds were used to efficiently and effectively support refugees and host communities. More specifically, we assessed whether:

- (a) The Commission had implemented the six recommendations we made in our [special report 27/2018](#) (focused on the humanitarian strand of the FRIT) and whether, in doing so, it had improved the FRIT's management.
- (b) The Commission had implemented the development actions efficiently. We assessed whether the Commission had implemented development projects in a timely manner and analysed the reasons for delays, as well as the corrective actions taken. We also examined whether the development projects addressed the needs of beneficiaries, and whether the project costs were reasonable.
- (c) FRIT development actions had achieved their objectives. We assessed whether the projects had achieved their expected outputs and results and how they would be sustained. In addition, we assessed the consequences of the earthquakes of February 2023 on FRIT projects, and the Commission's response.

11 We chose to audit the FRIT as the ongoing displacement of Syrian refugees, and the increasing number of irregular arrivals in Türkiye from Afghanistan, are posing increasing challenges to social cohesion between refugees and their host communities, especially in the context of the economic downturn in Türkiye. Following the earthquakes of February 2023, the challenges and tensions surrounding refugees in Türkiye have been increasing even further. In this context, our report aims to provide valuable input for the Commission to improve the effectiveness and efficiency of projects still being supported by FRIT funding or the additional allocation of €3 billion. Moreover, it will contribute strengthening the Facility's monitoring tools.

12 We carried out the audit between December 2022 and July 2023. We selected 14 (of 47) development projects based on their materiality, and with the aim of covering the FRIT's main priority areas and different types of implementing partners. The sample ([Annex III](#)) included ongoing and completed projects. This allowed us to assess the achievement of outputs and outcomes and to identify the reasons for delays and shortcomings, and assess any corrective action taken by the Commission, including action to ensure the sustainability of results.

13 The €3 billion (see paragraph [06](#)) in post-FRIT funding was not directly included in our audit scope. However, we did consider these funds when examining the sustainability of FRIT projects financed under the second tranche and the impact of the February 2023 earthquakes on FRIT projects.

14 The audit included desk reviews and interviews with various Commission departments, the EU delegation in Ankara, some EU member states' representatives to the steering committee, the Turkish authorities, implementing partners, civil society organisations (selected based on their involvement in EU projects in Türkiye) and final beneficiaries. We visited 13 out of the 14 projects in our sample during our on-the-spot mission in June 2023.

15 The Turkish Ministry of National Education did not provide us with data on the number of Syrian children and children from host communities per school (see paragraphs [69](#) to [71](#)). It also did not provide us with access to the list of schools included under the “Promoting Integration of Syrian Children into the Turkish Education System” (PICTES) project, nor to data on the refugees' pass rate compared to that of the host communities or the number of out-of-school children who had been re-integrated into the education system thanks to PICTES support (see [Annex IV](#)). This represents a significant limitation for our audit, as it means we cannot conclude on the impact of the sampled FRIT education projects.

Observations

The Commission improved the functioning of the FRIT by implementing our 2018 recommendations

16 We assessed whether the Commission had implemented the recommendations we made in special report 27/2018 and whether, in doing so, it had improved the FRIT's management. We had recommended that the Commission:

- (a) better address refugees' needs for municipal infrastructure and socio-economic support;
- (b) improve the streamlining and the complementarity of assistance;
- (c) implement a strategy for the transition from humanitarian to development assistance;
- (d) improve the efficiency of cash-assistance projects;
- (e) address with the Turkish authorities the need to improve the operating environment for (international) non-governmental organisations;
- (f) scale up monitoring and reporting.

17 In the following paragraphs, we report on the progress made by the Commission in implementing the above recommendations (see also [Annex V](#)).

The 2018 needs assessment placed stronger focus on municipal infrastructure and socio-economic support

18 Compared to the needs assessment for the first tranche, the FRIT's updated needs assessment (of November 2018) better addressed the needs identified in the "municipal infrastructure" and "socio-economic support" priority areas and specified in more detail the course of action to be taken. As recommended by us, the Commission set an indicative fund allocation for each priority area, which was agreed between DG NEAR and DG ECHO. The Commission also removed migration management as one of the FRIT's priority areas in the second tranche, mainly because IPA funding covers this area outside the FRIT.

The Commission reduced the number of financing instruments, which streamlined aid and improved coordination

19 The second FRIT tranche is being implemented through two instruments, as opposed to five instruments during the first tranche. This has helped to streamline the aid and resulted in better coordination. There is a clear division of funding and responsibilities between DG NEAR and DG ECHO, which is documented in a joint implementation plan and a note on sustainable development.

20 The EU delegation is responsible for the implementation of FRIT development projects in Türkiye, whereas the DG ECHO Field Office is responsible for the implementation of FRIT humanitarian projects. Both coordinate with other donors to this end. There are recurrent coordination meetings with EU member states' embassies and development agencies. Moreover, sector group meetings are held in Türkiye for each area of intervention.

The Commission is gradually working towards handing over projects to the Turkish authorities

21 The shift in focus between the first and second tranches from humanitarian aid to development assistance was reflected in the additional investments in municipal infrastructure, socio-economic development and cohesion activities. Furthermore, FRIT projects under the second tranche have been programmed and implemented with the aim of supporting the Turkish authorities' humanitarian and development activities on a long-term basis, with an emphasis on the sustainable integration of refugees.

22 The Commission prepared a note on sustainable transition (May 2019), which correctly identified that addressing future needs will require further investment from the Turkish national budget and from other donors. However, the Turkish delegation in the steering committee objected to the term "sustainable transition", arguing that the focus should instead be on fair burden sharing with the EU.

23 At the Association Council meeting of March 2019, Türkiye asked for additional EU financial support once the second tranche ended. The Commission agreed, in early 2020, to an additional tranche of humanitarian funding amounting to €535 million, which extended the Emergency Social Safety Net (ESSN) FRIT flagship project. Moreover, following the European Council conclusions of June 2021, the EU allocated €3 billion to refugees in Türkiye for 2021-2023. This additional funding ensures the continuation of key FRIT interventions.

24 In parallel, and despite Turkish reluctance, DG NEAR intensified efforts to commit the Turkish authorities to continuing to support refugees after the FRIT ends. The Conditional Cash Transfer for Education (CCTE) and ESN humanitarian projects were transferred from DG ECHO to DG NEAR respectively in 2022 and in July 2023. By becoming development projects, these projects can be gradually handed over to the Turkish authorities and integrated into their national systems. Moreover, the Commission imposed stricter eligibility criteria for beneficiaries of cash assistance, with the aim of better prioritising those most in need.

The Commission significantly improved the efficiency of cash-assistance projects

25 The Commission improved the efficiency of cash-assistance projects by reducing the percentage of total project costs claimable as indirect costs (maximum 7 %), discontinuing the payment of a cash transfer fee to the local implementing partner, and aligning pre-financing payments with project needs. These efforts increased the projects' efficiency and led to savings of about €65 million (see [Figure 4](#)).

Figure 4 – Indirect costs and savings of cash-assistance projects

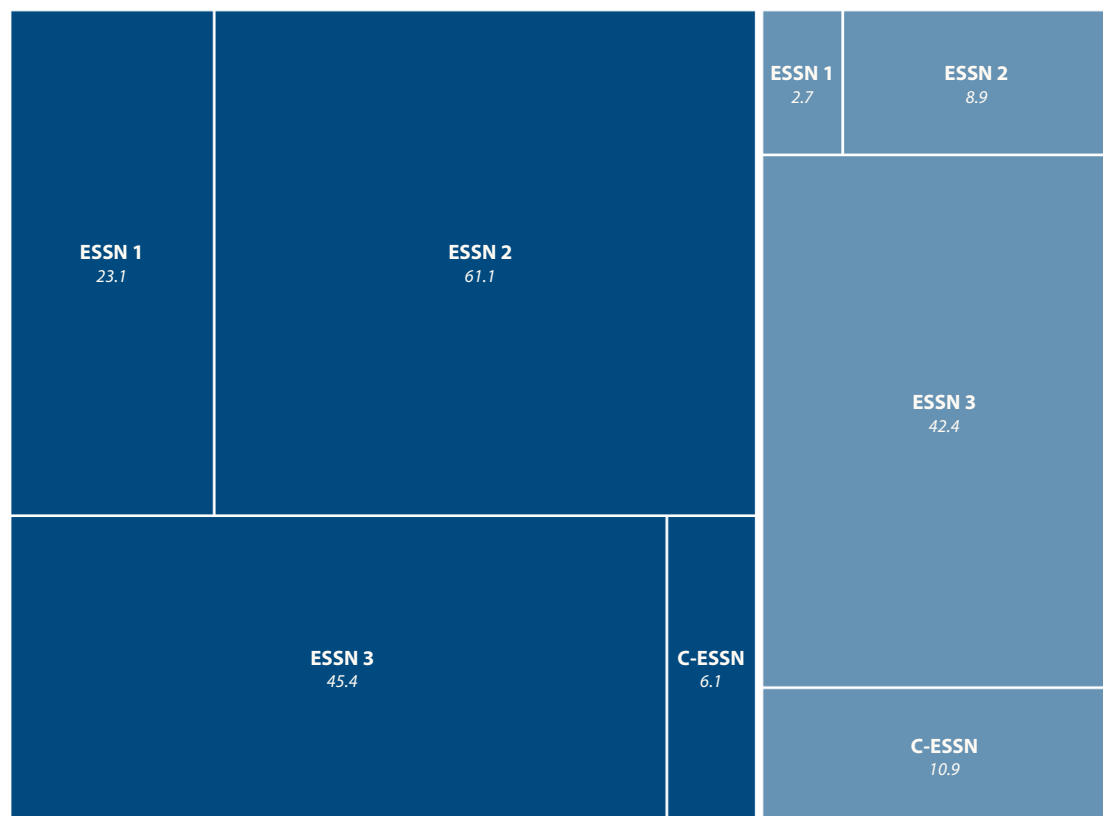
Implementing Partner	ESSN 1	ESSN 2	ESSN 3	C-ESSN	
	Humanitarian aid	Humanitarian aid	Humanitarian aid	Development aid	
	World Food Programme	World Food Programme	The International Federation of Red Cross and Red Crescent	Ministry of Family, Labour and Social Services	
Implementation costs	329 393 590	940 219 285	1 179 844 231	231 919 727	
Theoretical Indirect costs (7 % ESSN 1 and 6.5 % for ESSN 2 and 3 and C-ESSN)	23 057 551	61 114 253	76 689 875	15 074 782	
Indirect rate (actual)	7.00 %	6.50 %	3.85 %	2.64 %	
Actual Indirect cost	23 057 551	61 114 253	45 405 769	6 122 681	135 700 254
Indirect Cost Savings (Theoretical – Actual)	-	-	31 284 106	8 952 101	40 236 207
Cash Transfer Fee Savings	2 666 827	8 884 958	11 135 892	1 966 971	24 654 648
Total Savings	2 666 827	8 884 958	42 419 998	10 919 072	64 890 855

Legend:

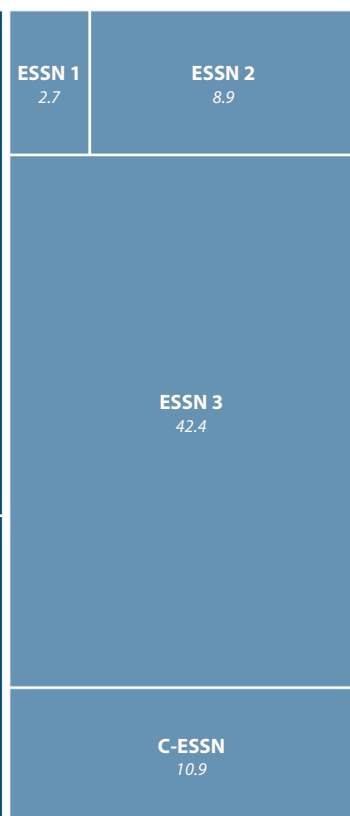
Actual costs (in euros)
Budgeted costs (in euros)

(amounts in million euros)

Actual indirect costs incurred
€135.7 million



Savings achieved
€64.9 million



Source: ECA, based on Commission data.

26 Given the projects' total value, indirect costs remained significant in absolute terms. We nevertheless acknowledge the Commission's efforts, which achieved concrete results in terms of savings (see [Box 1](#) and paragraph [61](#)).

Box 1**Reduction of the limit on indirect costs for the second tranche**

The provisions of the Financial and Administrative Framework Agreement between the EU and the UN set a maximum of 7 % of indirect costs. To improve the efficiency of its assistance, the Commission launched calls for proposals in December 2018 with a limit of 4 % on indirect costs.

Following this, several UN agencies did not apply for development projects under the second FRIT tranche, or decided to apply with indirect costs of 7 %, meaning their applications were deemed ineligible.

The limit of 4 % was, however, applied transparently and equally to all potential partners. The Commission was thus able to contract all FRIT projects (under the second tranche) with various implementing partners at this lower limit.

The Commission tried to improve the operating environment for (international) NGOs, but results are limited

27 According to the Commission's [country](#) report on Türkiye⁵, the operating environment for (international) NGOs has deteriorated since 2018. Requirements introduced in the [2020 law](#)⁶ against financing the proliferation of weapons of mass destruction have been used repeatedly by the Turkish authorities to target independent human rights organisations. Furthermore, in October 2021, the Ministry of Interior issued a circular amending the [law on associations](#). Consequently, many human rights NGOs have been subjected to audits, including those receiving international funds. The report expresses the view that the current law on associations is therefore a regression from the original 2004 law and provides many avenues for the Ministry of Interior to target NGOs.

28 The issue of the functioning of NGOs has been addressed several times in steering committee meetings, Council meetings and high-level political dialogues, as well as during visits by the Commission to Türkiye. However, this has not led to a positive outcome.

⁵ European Commission, SWD(2023) 696, Türkiye 2023 Report, p. 39.

⁶ Articles 4, 9 and 13.

The Commission improved the monitoring framework

29 The Ministry of Family and Social Services has provided us with access to data on beneficiaries of cash-assistance projects in the context of our statement of assurance audit work. However, access restrictions remain for implementing partners, which restricts their monitoring options.

30 The revised results framework, which the Commission developed in consultation with implementing partners including the Turkish authorities, became operational in July 2020. Our review of the framework and the biannual reports confirm the improvements made since 2018. The reporting framework monitors the progress made towards achieving 43 targets in the FRIT's seven priority areas, using 123 indicators in total.

31 The results framework is managed by the "Support to the Monitoring of Actions Financed under the Facility for Refugees in Turkey" (SUMAF) project. SUMAF gathers and reports data on the FRIT's performance, including on milestones and targets. It obtains this data from its stakeholders: DG ECHO, DG NEAR, the EU delegation and the implementing partners.

32 SUMAF has developed tools for reporting on the FRIT's progress and on results for milestones and targets. Firstly, the Data Management System supports SUMAF in managing and reporting data on the FRIT's results framework, in planning and undertaking missions to monitor FRIT actions, and in monitoring the implementation of recommendations arising from these missions. Secondly, the Data Collection and Management System tracks the status of the quarterly reporting process and produces indicator progress reports. Additionally, there is a data-checking tool that performs automated checks on the completeness and relevance of data received from implementing partners prior to reporting.

33 We audited SUMAF's information system to obtain assurance regarding the reliability and completeness of the information reported through SUMAF. In particular, we assessed the system's general controls and the integrity, availability and confidentiality of the data the system contains. We conclude that SUMAF has adequate controls in most areas examined. However, weaknesses exist in relation to user access management, information security and application controls, giving rise to the risks of data tampering, data leakage, unauthorised access to the system, malicious changes to data and system unavailability. The weaknesses identified, and the measures already taken by the Commission to remedy them, are summarised in [Annex VI](#).

Sampled projects addressed beneficiaries' needs, but were delayed, and their costs were not assessed systematically

34 We assessed whether the Commission implemented FRIT projects in a timely manner, whether projects addressed beneficiaries' needs, and whether project costs were reasonable (i.e. in line with market conditions or comparable with similar or previous projects). In the paragraphs below, we examine whether:

- (a) when programming support, the Commission took into account the needs of beneficiaries and prioritised projects accordingly;
- (b) projects were approved in a timely manner;
- (c) project were implemented as planned;
- (d) the Commission systematically assessed the reasonableness of project and administrative costs, including cost comparisons with similar or previous projects when feasible.

Projects were approved in a timely manner and addressed beneficiaries' needs

Programming and project approval

35 The provinces in the south and south-east of Türkiye were prone to a high influx of Syrian refugees (see [Annex I](#)). This generated substantial pressure on existing health, education and municipal infrastructure, leading to shortages of healthcare workers, medical equipment, hospital beds, schools and teachers for the entire population – both host communities and refugees. The high influx of refugees therefore required speedy and substantial investment to avoid tensions in the health and education systems, and on the labour market. FRIT-funded projects addressed this need.

36 The Commission based its programming of FRIT support on the 2016 and 2018 needs assessments. The Commission considered the objectives listed for each priority sector and used a clear methodology with objective and transparent criteria.

37 All projects examined were endorsed by the steering committee as planned. They were all in line with the priorities identified by the 2016 and 2018 needs assessments. All projects are financed under the IPA and form part of the instrument's special

measures. The projects' start dates and initially estimated end dates were intended to ensure that beneficiaries' needs would be addressed in good time.

Needs addressed in each priority sector

38 All sampled projects were selected to address the needs of beneficiaries in the various sectors. However, given the scale of the refugee challenges, the projects could not accommodate the needs of all beneficiaries.

Education

39 For the PICTES project, the schools to be supported were selected based on a needs assessment carried out by the Turkish Ministry of National Education. However, the list of schools selected was not communicated to the Commission, and we could therefore not determine whether the refugees' needs were met adequately. Moreover, schools were selected at the beginning of the project, meaning any secondary movements of refugees were not taken into consideration during the project's implementation. These issues were rectified in the subsequent generation of PIKTES projects.

40 In addition, the project is not large enough to cover all beneficiaries' needs. There are an insufficient number of teachers and schools in Türkiye to integrate 1 million refugee children into the Turkish education system. According to data obtained from the World Bank, only 65 % of Syrian pupils in need of formal education were in school as of January 2023.

Health

41 The migrant health centres financed under the Supporting Migrant Health Services in Turkey (SIHHAT I) project were chosen based on a needs assessment carried out by the Turkish Ministry of Health. This assessment specified that one migrant health unit (MHU) was required per 4 000 refugees. This is the same standard as is used for Turkish family health centres.

42 Data gathered by the Ministry indicates that Turkish nationals prefer to go directly to hospitals and therefore use health centres about half as much as Syrians. Syrians, by contrast, prefer to go to the health centres in the first instance because of the language barrier they encounter at the hospitals. Therefore, Syrians' actual need for the health centres is greater than that of the host communities. However, the government decided to apply the same standard rather than differentiating between people of Syrian and Turkish nationality.

43 During the implementation of the SIHHAT project, the needs of the Syrian population were not always fully addressed due to the continuous increase in this population across provinces. Based on the data of consultations over the 2017-2022 period, we noted that actual capacity was sufficient in 2017, except in the province of Kilis. However, the capacity was insufficient in various provinces in 2018 and 2019. In 2020 and 2021, the number of MHUs was sufficient, mostly due to the low level of consultations as a result of COVID-19 restrictions. As from 2022, actual capacity once again became insufficient in 25 out of the 30 targeted provinces.

44 Under the *Strengthening Health Infrastructure for All* (SHIFA) project, we noted that family health centres for the host communities are also financed. The vast majority of (extended) migrant health centres to be constructed include space reserved for sole use by the host communities. The Ministry's intention is that these should serve as family health centres for both host communities and refugees, but with physically separate facilities. The construction of the Turkish-only parts of the health centres amounts to €26 million (29 % of the project budget).

Socio-economic support

45 For socio-economic support projects, the number of beneficiaries was based on the available budgets, which only allowed a limited number of possible beneficiaries to be supported. For project 6 (see *Annex III* for project reference numbers), more than 20 % of the students supported even pursued a bachelor course in areas that were not in line with the labour market analysis commissioned by the implementing partner and therefore less likely to lead to subsequent employment. In addition, project 7 was not on a scale that matched beneficiaries' needs, as its activities started before the labour market analysis was completed.

46 The budget for the "*Support to transition to labour market*" project lacked a detailed breakdown of the costs and activities. Therefore, the Commission had limited means of assessing the extent to which the project focused on refugees' needs and whether the ratio between refugees and members of the host communities receiving support was appropriate. Similarly, the Commission did not question the low target set (20 % of the beneficiaries to be employed after completing an active labour market program) for the integration of Syrians into the formal labour market.

Municipal infrastructure

47 The two municipal infrastructure projects are complementary as their geographical coverage differs. The projects relate to the installation of sewage pipes and the construction of wastewater treatment plants. The locations covered by project 10 were chosen on the basis of vulnerability studies to identify the municipalities and beneficiaries most in need. The studies included recommendations to improve the project's design and implementation. The capacity of the project is therefore in line with that of the refugee and host communities' population.

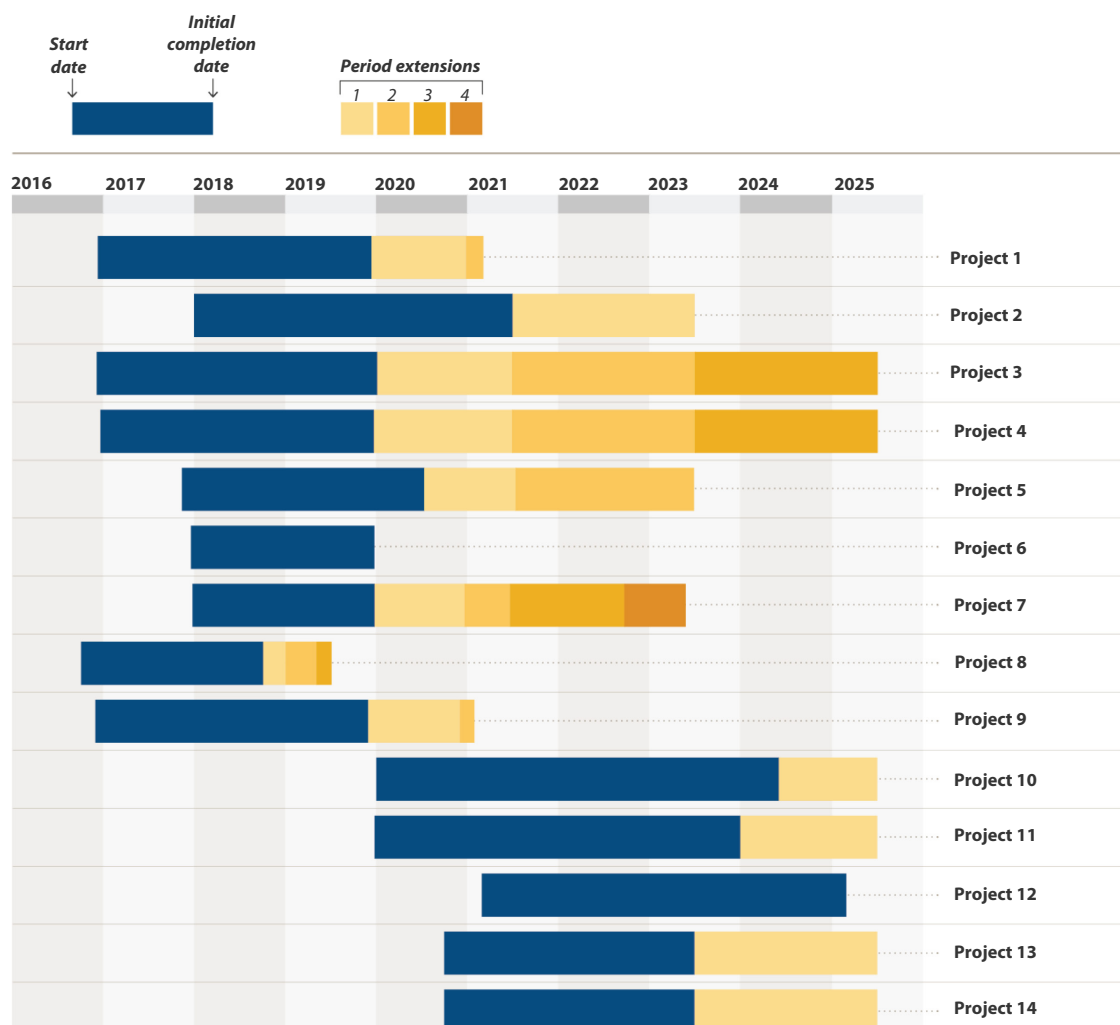
48 However, the implementing partner for project 13 did not carry out any vulnerability studies for the municipal infrastructure projects it implemented. A national development and investment bank decided the infrastructure investment priorities, in consultation with the municipalities, based on the increased population due to the refugee influx.

Project implementation was significantly delayed for various reasons

Implementation

49 As explained further below, all projects in our sample, except one, encountered significant delays during their implementation (see [Figure 5](#)). The implementation of many projects under the second tranche (which was meant to start in 2018-2019) did not even start until 2021. Similarly, some projects funded under the first tranche ran beyond the end of 2023. Due to the earthquakes in February 2023, some projects (mainly municipal infrastructure projects) will not be finished by mid-2025 as initially envisaged. An overview of the reasons for delays can be found, project by project, in [Annex VII](#).

Figure 5 – Delays in project implementation



Source: ECA, based on Commission data.

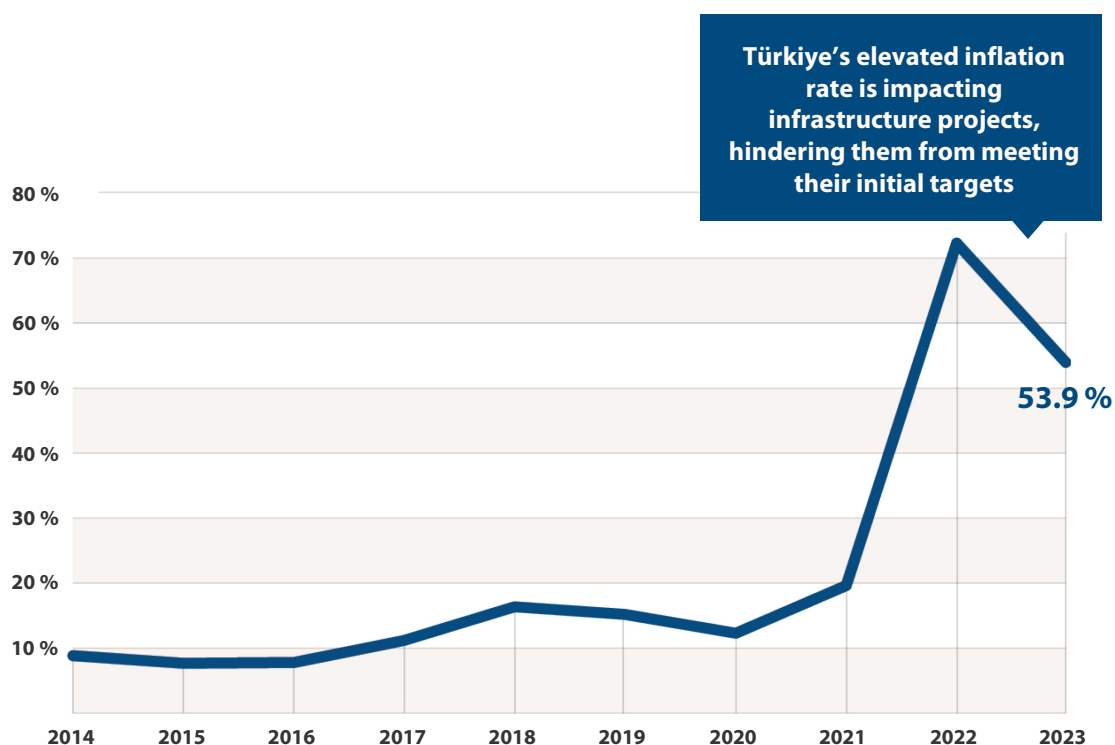
50 For infrastructure projects, the most common reasons for delays were changes in design (due to the new Turkish earthquake regulation of 2018), the 2018 devaluation of the Turkish lira versus the euro (which meant project budgets went further, leading to larger projects that took longer to implement), structural problems during excavations, the COVID-19 pandemic, and new tender procedures having to be carried out. In the case of projects 2 and 5 to construct hospitals in Hatay and Kilis, this delay could have been partially avoided if the implementing partner had performed a more thorough review (e.g. a geological survey) of the initial design.

51 For socio-economic support projects (projects 6, 7, 11 and 14), the delays were mainly due to recruitment problems during the inception phase, the COVID-19 pandemic, lack of buy-in from the Turkish government and the economic crisis.

Budgetary execution

52 Given the high inflation in Türkiye (see [Figure 6](#)), several infrastructure projects currently lack the budget needed to achieve their objectives. The projects concerned are the two municipal infrastructure projects, the SHIFA project and the school construction projects. It is not yet clear whether the scope of these projects will be reduced or whether additional funding can be found through remaining FRIT funds or an increase in the loan component from the implementing partners.

Figure 6 – Inflation in Türkiye 2014-2023



Source: ECA, based on data from the Turkish Statistical Institute.

Corrective action

53 When delays occurred, the Commission investigated their causes and took the necessary corrective action. In several cases, delays were caused by issues that could not be addressed at short notice: the new earthquake regulation, the devaluation of the Turkish lira, COVID-19 and the economic crisis. It was also not possible to predict the 2023 earthquakes. However, for some projects ([projects 6 and 12](#)), the Commission could have intervened more effectively in a timely manner.

The Commission did not systematically assess whether project costs were reasonable

Selection of implementing partners

54 The Commission uses two management modes for project implementation:

- (a) indirect management, where projects are implemented by UN agencies, NGOs and civil society organisations; and
- (b) direct management, where projects are implemented by the Turkish government.

55 For projects implemented under indirect management, the Commission launched calls for proposals and assessed applicants' administrative, technical and financial capacity. As a further eligibility criterion, the Commission also considered the percentage of indirect costs quoted in project applications. Significant efforts to reduce indirect costs were made during the second FRIT tranche (see paragraphs [25](#) and [26](#)). This allowed more funds to go directly to the final beneficiaries.

56 For the PICTES and SIHHAT projects, the Turkish Ministries were the only possible implementing partners. We found that the Ministries had sufficient operational and financial capacity to implement the projects examined. The Commission considers that transferring more tasks to the Turkish government could improve cost efficiency. However, this is not feasible in the current political context (see paragraph [24](#)).

57 We found that all implementing partners had the necessary administrative, operational, and financial capacity to implement the projects examined. However, in case of [project 4](#), on education infrastructure, the implementing partner's procurement procedures had not been pillar-assessed by the time the administrative agreement was signed, or even by the time tendering itself started.

Assessment of project costs

58 For infrastructure projects (schools, municipal infrastructure, and hospitals), the EU delegation performed a detailed check on the budget proposed by the implementing partner, based on the reference prices per square metre as published in the Turkish Official Gazette.

59 However, the Commission did not systematically assess the reasonableness of project costs (initial budget plus addenda) in the other priority sectors. For several projects ([projects 1, 6, 8, 9 and 14](#)), there is no documentary evidence of the

Commission or the EU delegation having analysed the project budget in detail (e.g. requesting supporting documents from the implementing partners to substantiate costs). Furthermore, the EU delegation did not analyse the costs of activities in detail. It merely relied on the explanations provided by the implementing partners (projects 6, 7, 8 and 11). Moreover, the Commission did not compare similar costs between different projects or calculate the cost per beneficiary. This puts the efficiency of projects at risk.

60 The Commission also did not carry out checks to verify the actual reasonableness of costs during project implementation. For most projects, except for two, an external audit firm was contracted to perform expenditure verifications. However, the EU delegation project managers did not systematically request or check the verification reports.

Assessment of administrative costs

61 There is no evidence that the Commission assessed the reasonableness of administrative costs. Although the Commission reduced the limit on indirect costs in the second tranche, from 7 % to 4 % of total project costs (see *Box 1*), it still has no selection criteria to assess whether this is an appropriate limit for each individual project. Indirect costs decreased under the second tranche of the FRIT and, overall, seem reasonable in relation to the activities to be carried out by the implementing partners.

62 Despite already charging nearly 7 % indirect costs, the PICTES budget also financed other costs, which were considered ineligible by the external auditor performing expenditure verification. Such costs included overtime, per diems and transportation allowances for Ministry staff, amounting to €1.7 million. The Commission was, however, able to recover this expenditure.

63 Moreover, the continuation of PICTES funding was ensured through PIKTES II and PIKTES+. However, several teachers' contracts were not prolonged but terminated, and they were paid severance allowances. The same teachers then immediately received "new" contracts – covering the same activities – once PIKTES II and PIKTES+ started. There was no gap in between the various PICTES projects. These severance allowances amounted to €8.4 million (for the transition from PICTES to PIKTES II) and €11.2 million (from PIKTES II to PIKTES+). This practice is prohibited under Turkish labour law. Based on our findings, the Commission made attempts to recover the amounts from the Ministry. The Commission sent a letter in August 2023 requesting the repayment of the €8.4 million from the Ministry, which rejected the request. It is

not yet clear how (or if) the Commission is going to recover the total of €19.6 million paid in unlawful severance allowances.

Planned outputs have so far been delivered, but their impact and sustainability are not sufficiently addressed

64 We assessed whether the planned outputs and outcomes had been achieved and whether the Commission had ensured their sustainability. Moreover, we examined the Commission's management of FRIT projects following the February 2023 earthquakes and assessed the actions taken to mitigate the impact of the earthquake on the projects. In the following paragraphs, we examine whether:

- (a) the sampled projects achieved (or are likely to achieve) the expected results (outputs and outcomes);
- (b) the monitoring framework captured reliable quantitative and qualitative information;
- (c) the Commission intervened effectively following the 2023 earthquakes; and
- (d) the Commission ensured the sustainability of the projects.

Although projects delivered outputs, there was limited focus on impact Results

65 *Annex VIII* sets out our assessment of the projects in terms of needs addressed, timeliness, cost-effectiveness, monitoring, results and sustainability. Overall, the planned outputs were delivered, but the impact of projects was not measured sufficiently. Where possible, the Commission and the implementing partners took corrective action to minimise or mitigate delays. Generally, a causal link exists between project activities and results achieved.

Education

66 Most outputs were achieved in the education sector: prefab and solid schools were constructed and are partially operational. The completed schools constructed (projects 3 and 4) were integrated into the Turkish national education system. Under the PICTES project, pupils were provided with school equipment and materials and sufficient teachers were found to ensure quality education for both Syrians and host

communities. The temporary education centres were closed, and children were transferred to the Turkish state schools.

67 We visited seven PICTES schools (*Picture 1*) during our audit mission and noted that all schools had the required number of Syrians enrolled to be eligible for PICTES funding. However, some activities created tension among the students, for example due to the fact that stationery and free transport were initially provided to Syrian pupils only. Hence, two schools had taken the initiative of starting social cohesion activities (such as the organisation of a science fair and an art exhibition). On a negative note, in five schools the board games and sports equipment purchased for this purpose were hardly used or still stored in their original packaging (*Picture 2*).

Picture 1 – PICTES schools Adana (left) and Izmir (right)



Source: ECA.

Picture 2 – PICTES school – table tennis equipment still stored in its original packaging



Source: ECA.

68 We visited nine schools newly constructed under the FRIT-financed school projects (of which seven were already operational) and noted a high level of satisfaction among both teachers and pupils. Three schools were not well maintained, despite only having been opened in 2019 or 2020. All schools were equipped with new heating systems, central ventilation and air conditioning systems, sound systems and security systems. However, the technical equipment was not functioning properly in any of the schools, due to a lack of knowledgeable technical staff. Nor were the selective waste collectors ([Picture 3](#)) being used frequently, as waste was not automatically collected by the municipality.

Picture 3 – Selective waste collector provided to all newly constructed schools



Source: ECA.

69 We were not able to determine the impact or value for money of the sampled FRIT projects in the education sector. There was no data available on schools funded through FRIT under PICTES I. The most recent data concerned PIKTES II. This means the Commission had no information on where funding was spent geographically or what results had been achieved.

70 In addition, despite our repeated requests, the Turkish Ministry of National Education did not provide data (see paragraph [15](#)) on:

- the number of Syrian and other refugee pupils per school compared to the number of pupils from the host communities;
- the pass rate of such pupils compared to those from the host communities;
- the number of out-of-school children who had been re-integrated into the education system thanks to PICTES support;

- o the split in PICTES support between type of schools; or
- o the number of refugees who had finished primary school or secondary school or gone to university.

71 We were therefore unable to assess the impact of PICTES on the integration and success of supported refugee children in the Turkish education system. Nor could we assess the impact of the construction of the schools on the beneficiaries. We did, however, note that out of the nine schools visited (see paragraph 68), only two were included in PICTES. In order to be eligible for PICTES funding, a school needs to have at least 40 refugee children enrolled. This implies that the newly constructed schools mainly benefitted the host communities rather than refugees, who should be the main recipients.

Health

72 The two FRIT-financed hospitals were successfully completed and compliant with the earthquake regulation. Patient data indicated that both hospitals were used by both Turkish and Syrian people, at high capacity. We noted that all equipment was delivered, and the Ministry provided sufficient staff. There was a clear causal link between the construction of the hospitals and the increased physical healthcare capacity in Hatay and in Kilis (*Picture 4*).

Picture 4 – Hatay Hospital (left) and Kilis Hospital (right)



Source: ECA.

73 During SIHHAT II, the number of migrant health units (MHUs) was, until 2021, sufficient to meet refugees' needs. Since 2022, the number of refugees has exceeded MHU capacity. The health centres also gave Syrian people opportunities to work as general practitioners, internal medicine specialists, gynaecologists and paediatricians.

Otherwise, without obtaining Turkish nationality and passing an equivalence exam, they cannot work in the Turkish health system.

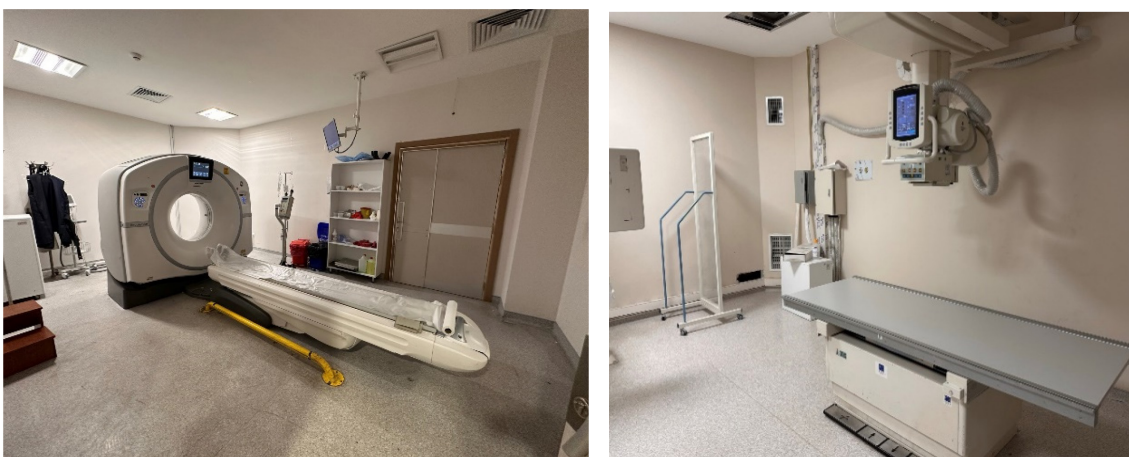
Picture 5 – Waiting area in Ankara Migrant Health Centre (left) and educational therapy room in Adana Community Mental Health Centre (right)



Source: ECA.

74 Our visit confirmed that the buildings and the equipment were well maintained, that sufficient staff were present and that patients (both Turkish and Syrian) were satisfied with the healthcare services provided ([Picture 5](#) and [Picture 6](#)). Based on interviews with patients, we learned that Syrian people felt they were treated equally to Turkish people when it came to receiving healthcare services.

Picture 6 – MRI (Hatay) and CT scan (Kilis)



Source: ECA.

Socio-economic support

75 Socio-economic support is the least developed of the FRIT priority areas. The Turkish government has no transition strategy for refugees. The government therefore pays little attention to the demand side, i.e. to whether jobs are available for refugees and in which sectors. In addition, the Commission's actions to address refugees' socio-economic needs are also mainly supply-driven (e.g. organising training activities for refugees).

76 A labour market analysis was carried out by the implementing partners for two projects. However, it was not used – or at least not used appropriately – as input for training for the target groups (see paragraph 45). Moreover, one of these projects had a duration of only 2 years, whereas a bachelor course lasts 4 years. Two other projects did not focus sufficiently on refugees, and more participants from host communities than Syrians received certification in one of them.

77 Generating employment is meant to provide an exit strategy for the ESSN project. However, no data was available on how many work permits the Turkish government had granted to Syrians since 2021 or how many Syrians had started their own business since FRIT funding started.

78 Overall, due to the lack of follow-up on former students, once the projects had finished, it was not possible to assess whether they had found jobs immediately after or during the projects.

Municipal infrastructure

79 For the two municipal infrastructure projects, construction had only recently started at a few locations (*Picture 7*). It was therefore too soon to assess whether results had been achieved. However, increasing construction material prices, volatile exchange rates and high inflation in Türkiye (see *Figure 6*) have affected and continue to affect project budgets and the organisation of tenders. Reductions in the scope of these projects are expected (unless additional funding is found), which will also affect the achievement of the objectives. Moreover, additional delays of 1-2 years are expected following the earthquakes.

Picture 7 – Osmaniye (left) and Sanliurfa (middle and right) – Sewage works



Source: ECA.

Monitoring

80 The EU delegation, the implementing partners, external audit firms and the SUMAF team undertook visits to monitor FRIT-funded projects. Projects results were measured against the targets set in planning documents known as “logical frameworks”, which formed part of the administrative agreement. However, indicators were mostly quantitative, making it easier to measure outputs than outcomes.

81 The logical frameworks of the socio-economic projects often did not facilitate the measurement of the projects’ impact, as they focused on the number of participants enrolling in courses, not on the number graduating or the number of jobs created.

82 We also noted weaknesses in the SHIFA project’s logical framework, as the indicators did not address the fact that part of the funding was earmarked solely for the host population. All indicators concerned refugees, and none addressed the project’s original aim of reducing rental and running costs for migrant health centres.

In addition, in project 11's logical framework, outputs/outcomes were not aligned with project activities and therefore did not lend themselves to efficient monitoring.

83 In addition to undertaking on-the-spot visits, the EU delegation also reviewed project inception and progress reports and asked the implementing partners for clarifications. SUMAF carried out detailed monitoring visits to implementing partners, made recommendations and generally followed these up adequately. However, one implementing partner objected to monitoring by SUMAF and rejected its recommendations.

84 Except for two projects, external audit firms carried out financial verifications to assess the eligibility of expenditure. For four projects, ineligible expenditure was identified and subsequently recovered.

Visibility

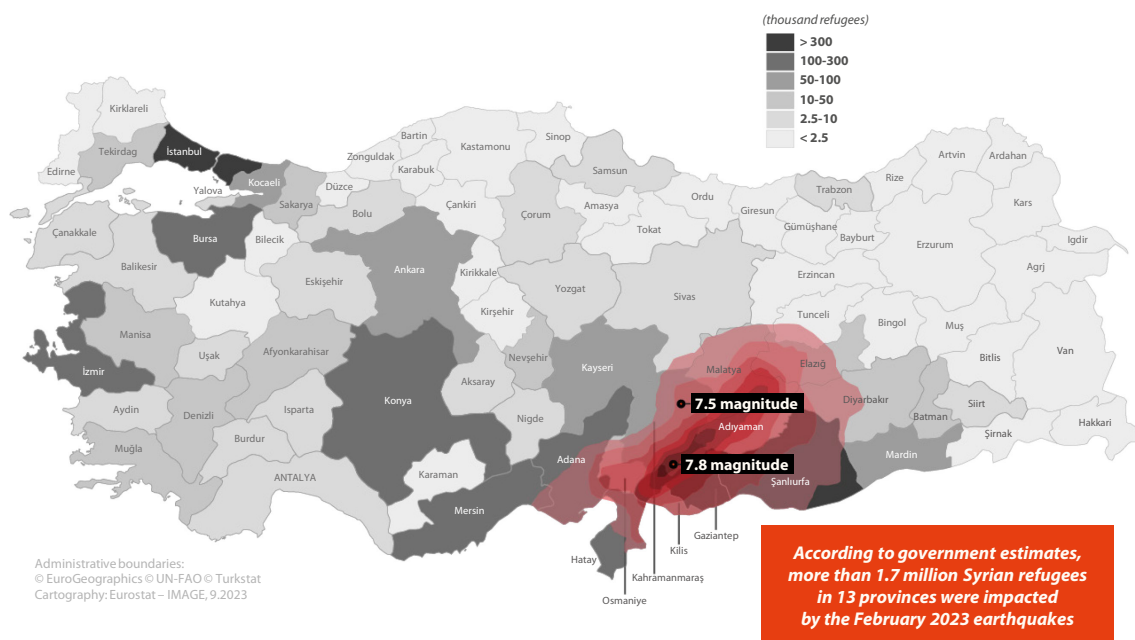
85 For all projects examined, visibility guidelines were contractually agreed. During project implementation, each implementing partner sent the EU delegation a communication and visibility plan. These plans identified target groups and communication activities for each target group, including websites, photos, videos, press articles, promotional items, signage and opening and closing events.

86 The progress reports provided a detailed overview of progress compared to the visibility plans. During our on-the-spot visit, we noted that visibility rules were well adhered to overall.

The Commission reacted swiftly to address the impact of the earthquakes on FRIT projects

87 In February 2023, two devastating earthquakes occurred in the southern region of Türkiye and northern Syria (see [Figure 7](#)), resulting in many casualties and widespread damage. The EU delegation reacted swiftly to obtain an overview of the damage and losses incurred by FRIT projects by requesting the implementing partners to provide an earthquake impact assessment report. This report provided an overview of the earthquakes' impact on ongoing activities and the targets to be achieved and indicated whether a budget increase or deadline extension would be required.

Figure 7 – The impact of the 6 February 2023 earthquakes



Source: ECA, based on data from Financial Times Limited, 9.2.2023.

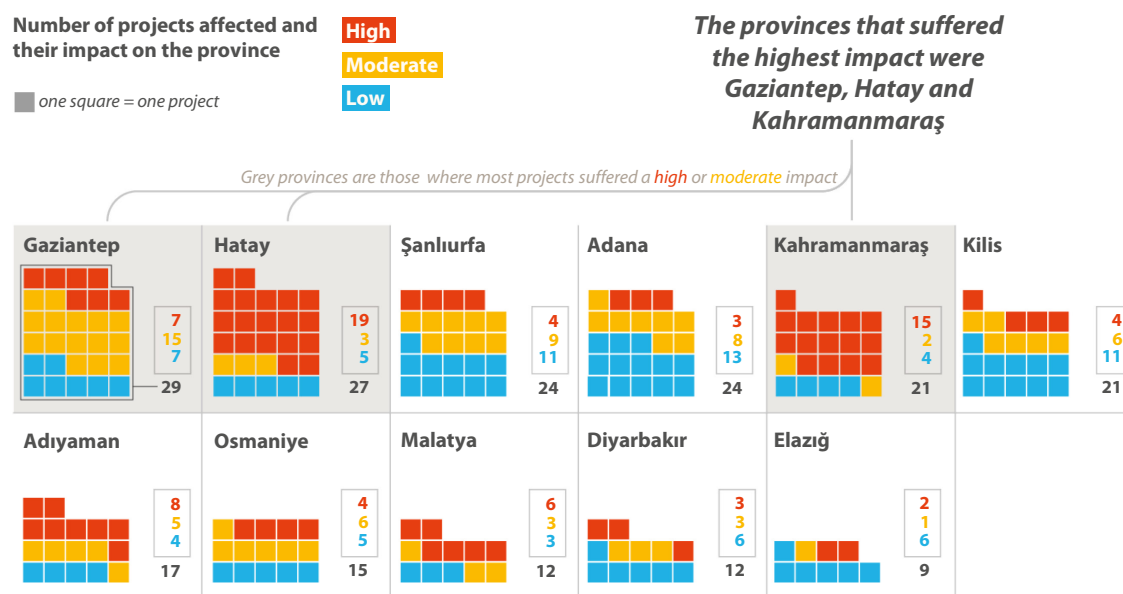
88 The EU delegation analysed these reports by mid-March 2023, from which it became apparent that an additional budget of €632.4 million was required to complete the projects as initially planned. However, the implementing partners had already requested an additional €554 million before the earthquakes to cover the high inflation and the increase in construction prices. These requests mainly concerned infrastructure projects. The projects requiring additional budget following the earthquakes were two cash-assistance programmes (CTE and Complementary Emergency Social Safety Net (C-ESSN)) and a project on agricultural employment support.

89 All FRIT funds (except for administrative expenses) had been contracted already by the time of our audit. However, €350 million out of the additional allocation of €3 billion remained to be contracted (see paragraphs 06 and 23). The Turkish government has proposed allocating these funds to seven projects. However, two of these projects have a 50/50 focus on Syrians and the host communities, whereas FRIT funding is meant to be allocated mostly to refugees. The Commission adopted a final decision on the allocation at the end of 2023.

90 The earthquakes impacted the estimated duration of projects significantly: 20 out of 33 ongoing FRIT projects needed deadline extensions ranging from 1 to 3 years according to the implementing partners. Of the 33 ongoing projects, the earthquakes had a low impact on nine, a moderate impact on 14 and a high impact on 10. The

provinces that suffered the highest impact were Gaziantep, Hatay and Kahramanmaraş (see [Figure 8](#)).

Figure 8 – Projects per province affected by the earthquakes



Source: ECA, based on Commission data.

91 Municipal infrastructure projects were delayed due to the limited availability of officials, construction materials, personnel and equipment. The costs of construction materials, energy and labour had also increased since 2022. In addition, scope and design changes were needed.

92 Education infrastructure projects were delayed due to limited access to relevant authorities and resources following the earthquakes. Construction in the earthquake-affected regions was stopped and tendering for new schools was suspended. Construction costs also increased. Several schools in Türkiye were damaged or destroyed. However, the schools constructed under the FRIT projects had been designed in accordance with Türkiye's most recent earthquake regulation and therefore did not sustain structural damage.

93 Neither the hospital in Kilis nor the one in Hatay sustained any structural damage. This was due to the earthquake mitigation methods used during construction. Their capacities were increased to respond to urgent medical needs.

94 Two thirds of the health centres to be constructed or renovated under the SHIFA project were located in the earthquake-affected provinces. The prioritisation of facilities and locations needed to be reviewed in light of the population movements caused by the earthquakes.

95 Both the PICTES and SIHHAT projects were significantly impacted by the earthquakes. Schools in the earthquake-affected provinces were closed; some were heavily damaged or destroyed and equipment and provisions were lost. In the case of SIHHAT, approximately 45 of the 102 (extended) migrant health centres were damaged. Temporary units were established in non-affected healthcare facilities using SIHHAT staff and resources. As of December 2023, several centres had reopened and 17 remained temporarily closed. Tragically, both projects also lost staff in the earthquakes.

96 Socio-economic support projects were mainly delayed due to the disrupted participation of project beneficiaries, the closure of businesses and the migration of people to other provinces. University courses were changed to an online format. Many project activities relating to skills development were suspended.

97 For the two cash-assistance programmes requiring extra budget due to the earthquakes, CCTE and C-ESSN (see paragraph [88](#)), the Turkish government proposed that the Commission extend this support to host populations rendered vulnerable by the earthquakes. DG ECHO therefore made a one-off payment of €12.25 million to vulnerable Turkish citizens, mainly for the purpose of social cohesion.

The Commission ensured the sustainability of infrastructure projects, but not of socio-economic support; the sustainability of its flagship education and health projects is not yet guaranteed

98 The sustainability of projects varies significantly between sectors. The sustainability of **infrastructure** projects has been ensured. Ownership of the schools and hospitals constructed with FRIT support has been transferred to the relevant Ministries. The Turkish Ministry of Health provided all hospital staff and currently pays for staff salaries, building maintenance, equipment and running costs. The Ministry of National Education has integrated the schools constructed with FRIT-funds into the Turkish national education system. The schools' operational, salary and maintenance costs are covered by the national budget.

99 Our on-the-spot visit confirmed that the buildings had not sustained damage, that equipment and rooms were well maintained, that sufficient staff were present and that patients had noticed a significant improvement in their access to quality healthcare.

100 Furthermore, our on-the-spot visit confirmed that the schools had not sustained structural damage, that sufficient teachers were available and that the funded materials were present in the schools. Both pupils and teachers were very satisfied and had noticed an increase in the quality of the education infrastructure. However, we noted several maintenance issues in relation to the school buildings and the equipment provided.

101 The main FRIT project in the **education** sector is PICTES. PICTES did not include a phasing-out strategy, and funding continued through PIKTES II and PIKTES+. PIKTES+ will run until October 2025 and does not yet include an exit strategy. On a positive note, the project not only increased the Turkish Ministry's ownership, but also meant the project benefitted from the Ministry's existing structures. Moreover, the project contributed to building capacity in the project management team, the provincial coordination teams and the schools. Several teachers paid by the PICTES project became civil servants.

102 The main FRIT project in the **health** sector is SIHHAT. The (extended) migrant health centres built under the project have been gradually integrated into the Turkish national system. However, SIHHAT I could only be sustained because of continued financing through SIHHAT II. This project is currently not sustainable, as the health centres' salary, equipment and rental costs will still need to be covered by IPA (III) under SIHHAT III, which was launched in January 2024. The Turkish authorities are reluctant to assume financial ownership of the project, despite being significantly involved and having the operational and financial capacity to do so.

103 One objective of the SHIFA project is to make the SIHHAT project more sustainable by reducing the number of SIHHAT-funded (extended) migrant health centres rented from private owners. The largest share of SIHHAT project costs, however, is accounted for by salaries (SIHHAT I: 39 % and SIHHAT II: 60 %).

104 FRIT-funded projects in the area of **socio-economic support** have been less successful in achieving sustainability. However, 15 FRIT-financed community centres continued with funding from other partners once FRIT support ended in December 2021, so their activities were not interrupted. We visited the community centres in Ankara and Adana and could confirm that they were still operational and well maintained. Social cohesion activities and vocational training were no longer offered due to insufficient funds. Beneficiaries expressed their overall satisfaction with the services provided by the community centres.

105 However, there was no follow-up, after this project finished, to check the situation of 76 entrepreneurs who had received funding through these community centres to set up businesses. The implementing partner tried contacting these entrepreneurs at our request in preparation for our visit. Fifty-seven stated they were still in business. Of these 57, we visited four, two of which turned out to be no longer in (their initial) business. This raises doubts about the reliability of the information on the remaining 53.

106 Moreover, the Commission did not monitor beneficiaries of socio-economic support to ascertain whether they had found a job, whether they were applying the vocational skills acquired in practice or whether their start-ups were still operational (**Box 2**). Nor did the Commission know how many of the beneficiaries had been formally integrated into the Turkish economy and could therefore be removed from the cash-assistance scheme. Providing training does not generate value for money if the vast majority of participants subsequently remain unemployed.

Box 2

Entrepreneurs' visit (project 6)

We visited two Syrian entrepreneurs who had attended entrepreneurship courses and received financial support to set up their own businesses.

The first was running a home-based baking business. The beneficiary had used the support to purchase baking equipment and products. However, the client base was limited to the Syrian population, and more specifically to those with diabetes and gluten intolerance. Given this limited market niche, the business was not financially sustainable and the beneficiary did not look for opportunities to improve it.

The second entrepreneur was running a successful business supporting students with their applications to private and public universities. The beneficiary had used the financial support to buy office equipment and to register the company officially. The beneficiary was already making a significant profit and had six employees.

We asked the implementing partner to follow up on all start-ups in preparation for our audit visit, as they had not done so as part of the FRIT project. The project supported 42 people in setting up their own business. Barely 10 months after the project end date (December 2019), only 24 of them (57 %) were still in business. As of May 2023, only 11 were still in business. The main reasons given by the implementing partner for the failure of the businesses no longer in operation were COVID-19 and the earthquakes.

107 In Türkiye, Article 4 of the International Labour Force Law 6735⁷ requires employers to have at least five employees with Turkish citizenship for every Syrian refugee for whom they request a work permit. Moreover, Article 8 of Work Permit Regulation 6575⁸ states that the number of foreigners under temporary protection cannot exceed 10 % of Turkish citizens in the workplace. This indicates a favouring of the national labour force and a reluctance to be associated with actions that officially support Syrians in finding jobs. This constitutes a risk to the impact of socio-economic support projects.

108 The two FRIT-funded municipal infrastructure projects are still at a very early stage of construction, so it was too early to conclude on their sustainability. The earthquakes will also lead to additional delays, as design changes needed to be made and project locations needed to be reconsidered.

⁷ International Labour Force Law 6735.

⁸ Work Permit Regulation 6575.

Conclusions and recommendations

109 We found that, in a challenging context, the Facility for Refugees in Turkey (FRIT) provided relevant support to refugees and host communities. The Commission improved the management of the FRIT by implementing our 2018 recommendations. All projects examined addressed beneficiaries' needs, albeit with significant implementation delays for various reasons. However, the Commission did not systematically assess the reasonableness of project costs. Although planned outputs have so far been delivered, we found insufficient measuring of the FRIT's impact. So far, sustainability has only been ensured for infrastructure projects. Although improvements have been made since 2018, we conclude that the FRIT could still have achieved greater value for money and demonstrable impact.

110 The Commission implemented all our recommendations from special report 27/2018 and hence improved the FRIT's management. It did so by placing stronger focus on municipal infrastructure and socio-economic support, reducing the number of financing instruments and improving its monitoring framework, as well as the efficiency of cash-assistance projects. In a challenging political context, the Commission is aiming to hand over projects to the Turkish authorities and improve the operating environment for (international) non-governmental organisations. However, lack of political will on the part of the national authorities limits the impact of the Commission's actions (paragraphs 16 to 33).

111 All sampled projects addressed the needs of refugees and the host communities in the various sectors. FRIT financing ensured the speedy allocation of financial resources and substantial investment to alleviate the pressure on existing health, education and municipal infrastructure caused by the high influx of refugees (paragraphs 35 to 37). Beneficiaries' needs were addressed adequately during project implementation, but not all beneficiaries' needs could be met due to limitations in project size and available funding (paragraphs 38 to 48). Although most projects were approved in a timely manner, their implementation was delayed significantly for various reasons. For most projects, the Commission intervened effectively and in a timely manner. In several cases, delays were caused by issues that could not be addressed at short notice (paragraphs 49 to 53).

112 The Commission implemented FRIT projects under direct and indirect management and through various types of implementing partners (paragraphs 54 to 57). We found weaknesses in the Commission’s assessment of project budgets and addenda, as it did not systematically assess the reasonableness of project costs, compare similar costs between different projects or calculate the cost per beneficiary (paragraphs 58 to 60). The Commission could not challenge the appropriateness of the limit set for administrative costs (paragraphs 61 to 63).

Recommendation 1 – Improve the assessment and monitoring of costs

To increase the efficiency of its development projects, the Commission should:

- (a) systematically analyse and document the reasonableness of budgeted project costs and ensure that relevant and comparative cost information is available to monitor and demonstrate the efficiency of project implementation;
- (b) take measures which ensure that the monitoring and evaluation of future actions takes better account of cost effectiveness; and
- (c) systematically record and analyse information on the administrative costs of programmes. The Commission should use this information to compare projects and identify best practice, especially for high-value projects.

Target implementation date: 31 December 2024

113 Overall, the planned outputs were delivered in the various sectors (paragraphs 65 to 79). In the education sector, most outputs were achieved but it was not possible to assess the impact of the sampled FRIT funding on the integration and success of refugee children in the Turkish education system. Nor could we assess the impact of the construction of schools on beneficiaries. This was due to the limitations in the data provided by the Turkish Ministry of National Education (paragraphs 15, 69 to 71).

Recommendation 2 – Gather data on education from the Turkish authorities regarding refugees and the host communities

The Commission should obtain access to data from the Turkish authorities on refugees and the host communities in the education sector (e.g. the ratio of refugee to host communities' pupils per type of school, and data on attendance and pass rates), in order to improve accountability and efficiency in its monitoring of education projects and determine the impact of related FRIT funding.

Target implementation date: 31 December 2024

114 The Commission put in place appropriate measures to monitor the implementation of FRIT projects. However, project reporting and monitoring frameworks were generally designed to measure outputs rather than outcomes. This makes it hard to measure the impact of projects, especially in the socio-economic sector (paragraphs [77](#), [80](#) to [84](#)).

Recommendation 3 – Improve the measurement of the impact of projects

To improve the measurement of the impact of its projects, the Commission should work together with the Turkish authorities to:

- (a) further develop logical frameworks for all relevant FRIT-funded projects, including clearly defined indicators using baseline and target values which allow the measurement of impact. This should enable monitoring and evaluation visits to assess project outcomes and impact;
- (b) follow up to check project beneficiaries' situation, where feasible and practical, until one year after the projects have ended.

Target implementation date: 30 June 2026

115 Two devastating earthquakes occurred in February 2023 in southern Türkiye and northern Syria, resulting in many casualties and widespread damage. The earthquakes had a significant impact on the implementation of FRIT projects. However, the Commission acted quickly and efficiently in analysing the possible impact on FRIT projects (paragraphs [87](#) to [97](#)).

116 The Commission was able to ensure sustainability for infrastructure projects. However, the projects in the other sectors did not include a sustainability strategy, so their sustainability was not guaranteed (paragraphs **98** to **108**).

Recommendation 4 – Strengthen the sustainability of projects

To maximise the impact of FRIT funding for beneficiaries, the Commission should:

- (a) initiate a discussion with member states and the Turkish authorities on how to ensure sustainability. This should include a strategy and a clear handover manual for each FRIT project, with corresponding dates. This strategy should cover the future financing of each project activity, implementing partners' technical capacity and adequate maintenance (if applicable);
- (b) include a “lessons learnt” section in all final project reporting, with findings and recommendations to improve the sustainability of future project results.

Target implementation date: 31 December 2027

This report was adopted by Chamber III, headed by Mrs Bettina Jakobsen, Member of the Court of Auditors, in Luxembourg at its meeting of 27 February 2024.

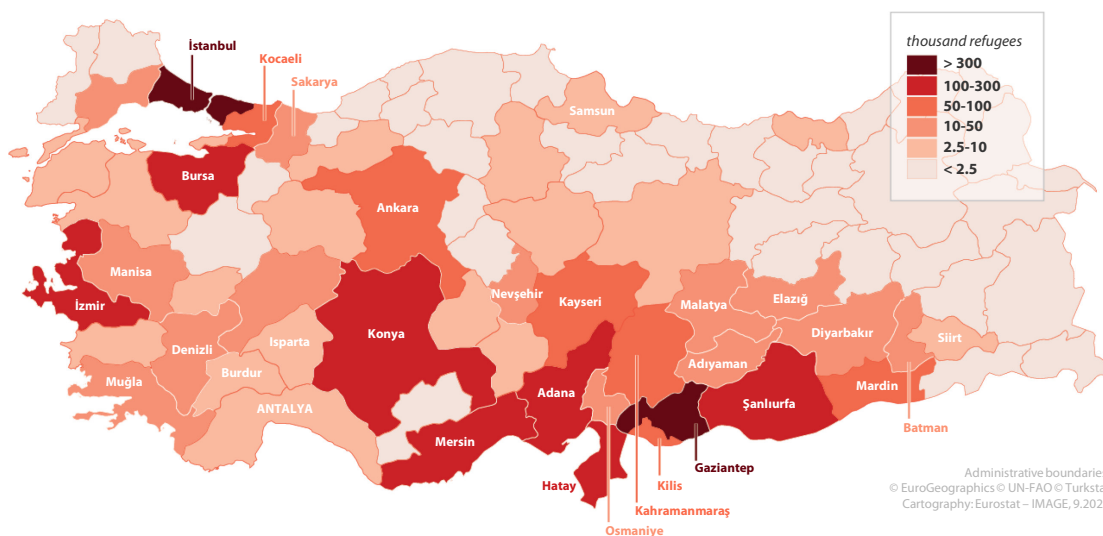
For the Court of Auditors

Tony Murphy
President

Annexes

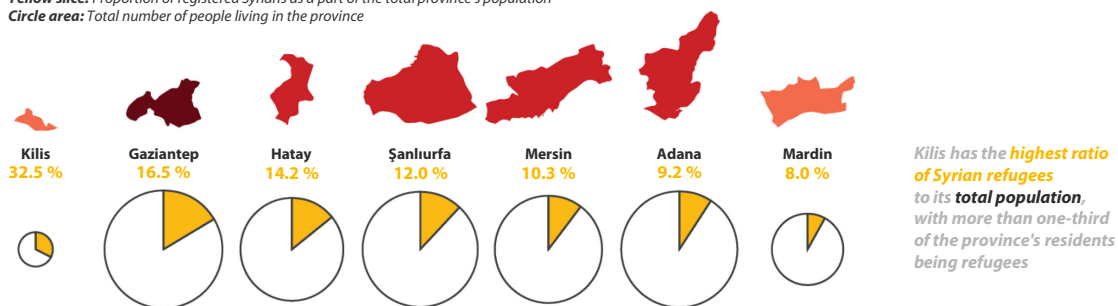
Annex I – Breakdown of Syrian refugees and asylum-seekers in Türkiye as of December 2023, by province

Syrian refugees and asylum-seekers in Türkiye as of December 2023, by province



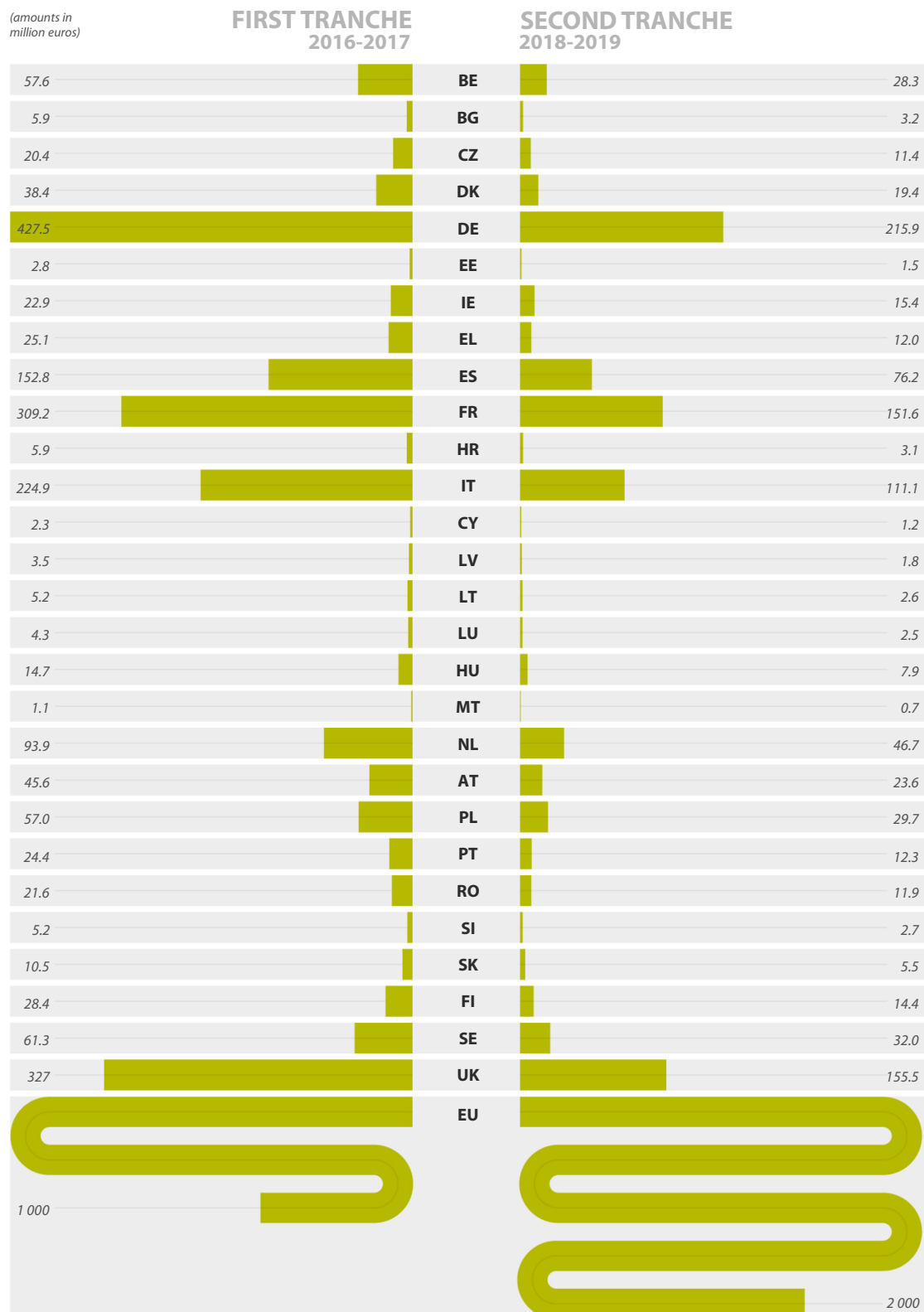
Registered Syrians as a proportion of the total population residing in the province (sorted from highest to lowest rate)

Yellow slice: Proportion of registered Syrians as a part of the total province's population
Circle area: Total number of people living in the province



Source: ECA, based on data from the Presidency of Migration Management, Türkiye.

Annex II – Facility contributions from the EU, member states and the UK



Source: ECA, based on Commission data.

Annex III – FRIT development projects

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR	
1	First tranche	International NGO	Education	<i>Access to Higher Education for Syrian Refugees and IDPs to prepare for post-conflict reconstruction of Syria and integration in host communities</i>	15.8.2016	14.1.2021	5 969 655	5 969 655
		International NGO	Health, Socio-economic support	<i>Addressing Vulnerabilities of Refugees and Host Communities in Five Countries Affected by the Syria Crisis</i>	15.12.2016	28.2.2021	32 399 356	32 399 356
		International NGO	Education, Socio-economic support	<i>Building Tomorrow (BT) – Quality Education and Livelihoods Support for Syrians under Temporary Protection in Turkey</i>	15.12.2017	31.12.2021	17 280 000	16 910 166
		International Financial Institution	Education infrastructure	<i>Clean Energy and Energy Efficiency Measures for host communities in Turkey with Syrians under Temporary Protection</i>	1.3.2018	30.6.2024	40 000 000	39 800 000

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
2	International Financial Institution	Health infrastructure	<i>Construction of a State Hospital in Hatay</i>	1.1.2018	30.6.2023	40 000 000	40 000 000
	UN agency	Education	<i>Education and protection programme for vulnerable Syrian and host community children, in Lebanon, Jordan and Turkey</i>	1.1.2018	30.4.2019	31 382 891	31 382 891
3	International Financial Institution	Education infrastructure	<i>Education for all in times of crisis II</i>	5.12.2016	30.6.2025	255 000 000	231 200 000
4	International Financial Institution	Education infrastructure	<i>Education infrastructure for Resilience Activities in Turkey</i>	22.12.2016	30.6.2025	150 000 000	150 000 000
	International Financial Institution	Socio-economic support	<i>Employment Support for Syrians under Temporary Protection and Host Communities</i>	16.6.2017	31.12.2022	50 000 000	50 000 000
	Local NGO	Socio-economic support	<i>Enhanced Support to Asylum Seekers Affected by the Syrian and Iraqi Crises in Turkey</i>	6.12.2019	5.4.2020	9 937 867	9 937 867
	UN agency	Migration management	<i>Enhancing the capacity of the Turkish Coast Guard to carry out search and rescue operations</i>	22.8.2016	21.2.2018	20 000 000	20 000 000
	UN agency	Education	<i>Generation Found: EU Syria Trust Fund – UNICEF Partnership (reference 12)</i>	1.12.2015	31.12.2017	36 950 286	36 950 286
	5	International Financial Institution	Health infrastructure	<i>Health infrastructure in Kilis</i>	13.11.2017	30.6.2023	50 000 000

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
6	International NGO	Education	<i>Higher Education for Syrians under Temporary Protection and Disadvantaged Host Communities in Turkey</i>	31.12.2017	30.12.2019	4 860 615	4 860 615
	International NGO	Higher Education	<i>HOPES – Higher and further education opportunities and perspectives for Syrians</i>	26.4.2016	25.8.2020	2 700 000	2 700 000
	UN agency	Health	<i>Improved access to health services for Syrian refugees in Turkey</i>	1.4.2018	30.6.2021	11 204 202	11 204 202
	UN agency	Socio-economic support	<i>Job Creation and Entrepreneurship Opportunities for Syrians under Temporary Protection and Host Communities in Turkey</i>	1.2.2018	31.1.2023	11 610 000	11 591 158
7	National Organisation	Socio-economic support	<i>Living and Working Together: Integrating SuTPs to Turkish Economy</i>	26.12.2018	25.5.2023	15 000 000	13 352 965
8	Public Body	Education	<i>PICTES I – Promoting Integration of Syrian Children into Turkish Education System</i>	4.10.2016	3.7.2019	300 000 000	297 838 560
	International NGO	Education, Socio-economic support	<i>Qudra – Resilience for Syrian Refugees, IDPs and host communities in response to the Syrian and Iraqi crises</i>	15.6.2016	31.8.2019	18 207 812	18 207 812

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
9	Public Body	Health	<i>SIHHAT I – Improving the health status of the Syrian population under temporary protection and related services provided by Turkish Authorities</i>	1.12.2016	31.1.2021	300 000 000	297 484 706
	International Financial Institution	Socio-economic support	<i>Social and Economic Cohesion through Vocational Education</i>	16.11.2017	15.8.2023	50 000 000	48 550 000
	International Financial Institution	Socio-economic support	<i>Strengthening Economic Opportunities for Syrians Under Temporary Protection and Host Communities in Selected Provinces</i>	1.1.2018	31.12.2023	5 000 000	5 000 000
	UN agency	Socio-economic support	<i>Strengthening the Resilience of Syrian Women and Girls and Host Communities in Iraq, Jordan and Turkey</i>	1.2.2018	31.1.2021	5 529 078	5 529 078
	Public Body	Migration management	<i>Support to the Implementation of the EU-Turkey Statement of 18 March 2016</i>	4.4.2016	3.12.2019	60 000 000	60 000 000
	UN agency	Socio-economic support	<i>TRP – UNDP Turkey Resilience Project in response to the Syria Crisis</i>	1.2.2018	30.6.2023	50 000 000	50 000 000

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
10	International Financial Institution	Socio-economic support	<i>Agricultural employment support for refugees and Turkish citizens through enhanced market linkages project</i>	29.9.2020	30.6.2025	50 217 751	33 480 000
	International Financial Institution	Municipal infrastructure	<i>Construction and rehabilitation of water supply and waste water systems and related soft measures to improve water management efficiency</i>	1.1.2020	30.6.2025	214 821 680	87 708 218
11	International Financial Institution	Education infrastructure	<i>Education for all in times of crisis III</i>	10.8.2019	31.12.2025	100 000 000	40 000 000
	International Financial Institution	Socio-economic support	<i>Empowering the private sector to foster social and economic cohesion in Turkey</i>	21.12.2020	20.12.2025	75 000 000	30 276 200
	International Organisation	Socio-economic support	<i>ENHANCER – Enhancement of Entrepreneurship Capacities for Sustainable Socio-economic Integration</i>	1.1.2020	30.6.2025	32 502 249	19 147 377
12	International Financial Institution	Socio-economic support	<i>Formal Employment creation project</i>	29.9.2020	30.6.2025	80 000 000	20 000 000
	International Financial Institution	Health	<i>Health infrastructure – equipment</i>	1.3.2021	28.2.2025	90 000 000	33 256 945
	Public Body	Socio-economic support	<i>Improving the living standards of the most vulnerable refugees through basic needs support (C-ESSN)</i>	18.12.2020	9.12.2024	245 000 000	216 727 472

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
13	Public Body	Protection	<i>Increase Accessibility of the Social Services by the Most Vulnerable Segments of the Turkish Citizens and Persons under Temporary Protection (PuTPs) and Persons under International Protection (PuIPs)</i>	18.12.2020	17.12.2023	20 000 000	15 874 875
	International Financial Institution	Municipal infrastructure	<i>Municipal services improvement project</i>	29.9.2020	30.6.2025	140 178 320	90 000 000
	Public Body	Education	<i>PIKTES II – Promoting Integration of Syrian Kids into Turkish Education System</i>	21.12.2018	20.1.2023	400 000 000	355 035 342
	Public Body	Health	<i>SIHHAT 2 – direct grant to the Ministry of Health</i>	15.12.2020	14.12.2023	210 000 000	185 975 803
	International Financial Institution	Socio-economic support	<i>Social and Economic Cohesion through Vocational Education in Turkey – II</i>	9.12.2020	9.12.2024	75 000 000	26 500 000
	International Financial Institution	Socio-economic support	<i>Social Entrepreneurship, empowerment and cohesion in refugee and host communities in Turkey project</i>	29.9.2020	30.6.2025	42 280 000	42 280 000
	International Financial Institution	Municipal infrastructure	<i>Strengthening the vulnerable young by better and inclusive sport and youth infrastructure</i>	11.7.2020	10.7.2024	25 000 000	25 000 000

Projects in our audit sample

Tranche	Type of Implementing partner	Priority area	Description	Start date	End date	Committed EUR	Disbursed EUR
14	International Financial Institution	Socio-economic support	<i>Support to transition to labour market project</i>	29.9.2020	30.6.2025	80 000 000	43 000 000
	International Financial Institution	Socio-economic support	<i>VET4JOB – Improving the employment prospects for the Syrian refugees and host communities by high-quality VET and apprenticeship in Turkey</i>	1.1.2020	31.12.2023	30 000 000	24 120 294
TOTAL						3 483 031 762	2 829 251 843

Source: European Commission.

Annex IV – Lack of access to data on education

The Commission and the Turkish Ministry of National Education signed a grant contract for the PICTES project at the end of September 2016. Under Article 16.7 of the general conditions applicable to EU-financed grant contracts for external action, the Ministry must keep all documents relating to the contract for five years following the payment of the balance. The Commission paid the balance on 27 December 2019, meaning the Ministry must keep all documents until 26 December 2024.



During our audit, the Ministry unfortunately did not grant us access to education data on refugees and the host communities, despite our repeated requests. However, as the table below shows, various PIKTES projects either monitor this data or include related indicators. This data would have allowed us to assess the impact of PIKTES education projects.



Data requested from the Ministry of Education by the ECA	Available for PICTES	Available for PIKTES II	Monitored under PIKTES +	Data available at the Ministry of National Education	Related indicators under PICTES, PIKTES II or PIKTES +
List of schools supported and split between the different types of school	No	Yes	Yes	Yes	Yes
Number of Syrian and other refugee pupils per school supported	No	Yes	Yes	Yes	Yes
Number of out-of-school children reintegrated into the school system thanks to the project	No	No	No	Yes	Yes
Number of refugees who have finished primary and secondary school	No	No	Yes	Yes	Yes
Number of refugees who have gone to university	No	No	No	Unclear	No
Refugee vs host communities pass rates in schools supported	No	No	No	Yes	Yes



Source: ECA, based on Commission data.

Annex V – Follow-up of previous recommendations of special report SR 27/2018

Level of implementation:  fully;  in most respects;  in some respects;  not implemented.

ECA recommendation	ECA analysis of progress made in implementing recommendation	
	Level of implementation	Remarks
<p>Recommendation 1:</p> <p>Better address refugees' needs for municipal infrastructure and socio-economic support.</p> <p>Target implementation date: by 31.12.2019.</p> <p>Actual achievement: before the deadline.</p>		
<p>Recommendation 2:</p> <p>Improve the streamlining and the complementarity of assistance.</p> <p>Target implementation date: by 31.12.2019.</p> <p>Actual achievement: before the deadline.</p>		

ECA recommendation	ECA analysis of progress made in implementing recommendation	
	Level of implementation	Remarks
<p>Recommendation 3:</p> <p>Implement a strategy for the transition from humanitarian to development assistance.</p> <p>Target implementation date: by 31.12.2021.</p> <p>Actual achievement: partially still in progress.</p>		<p>The implementation of this recommendation has been affected by the deterioration in EU-Türkiye bilateral relations since 2018.</p> <p>The Commission prepared a note on sustainable transition. However, the Turkish delegation objected to the term “sustainable transition”, arguing that the focus should instead be on fair burden sharing with the EU.</p> <p>The EU allocated an additional €3 billion to refugees in Türkiye for 2021-2023. This additional funding ensures the continuation of key FRIT interventions. In parallel, and despite Turkish reluctance, DG NEAR intensified efforts to commit the Turkish authorities to continuing to support refugees after the FRIT ends.</p> <p>Unfortunately, according to the Syrian barometer 2021, there is a growing consensus in Türkiye that refugees are a burden on the country and that their return should be accelerated. This has had a negative impact on the Commission’s handover of FRIT projects to the Turkish authorities.</p>
<p>Recommendation 4:</p> <p>Improve the efficiency of cash-assistance projects.</p> <p>Target implementation date: by 31.12.2020.</p> <p>Actual achievement: before the deadline.</p>		

ECA recommendation	ECA analysis of progress made in implementing recommendation	
	Level of implementation	Remarks
<p>Recommendation 5:</p> <p>Address with the Turkish authorities the need to improve the operating environment for (international) NGOs.</p> <p>Target implementation date: by 31.12.2019.</p>		<p>The operating environment for (international) NGOs has deteriorated since 2018. The current law on associations is therefore a regression from the original 2004 law and provides many avenues for the Ministry of Interior to target NGOs.</p> <p>The Commission has addressed the issue of the functioning of NGOs several times in steering committee meetings, Council meetings and high-level political dialogues. However, lack of political will on the part of the national authorities limits the impact of the Commission's actions.</p>
<p>Recommendation 6:</p> <p>Scale up monitoring and reporting of the Facility for Refugees in Turkey.</p> <p>Target implementation date: by 31.12.2019.</p> <p>Actual achievement: 30.6.2020.</p>		<p>Although the Turkish authorities have now granted access, e.g. for the ECA's statement-of-assurance audits in 2021-2022, access restrictions remain for implementing partners.</p>

Source: ECA.

Annex VI – Audit of the data management system

We examined the general controls of SUMAF's information system and assessed the integrity, availability and confidentiality of the data the system contains. We conclude that SUMAF has adequate controls in most areas examined. However, weaknesses exist in relation to user access management, information security and application controls, giving rise to the risks of data tampering, data leakage, unauthorised access to the system, malicious changes to data and system unavailability.

In particular:

- System data is in transit most of the time and various checks are carried out manually. This poses the risk of erroneous or malicious changes being made to the data, and of data being exposed to threats linked to the handling of different versions of the same file.

Action taken by the Commission following our audit: SUMAF is adjusting its system so that, each time an Excel file is uploaded, a copy will be automatically generated and stored. SUMAF is also exploring the feasibility of switching to online reporting by implementing partners.

- The system's password policy (in terms of length, complexity and history) is weak. We observed system screens on which usernames and passwords were not hidden, but rather visible in plain text. This means an unauthorised person can gain access to protected information by physically viewing the screen.

Action taken by the Commission following our audit: SUMAF has introduced stricter rules on passwords. As from November 2023, users also have to change passwords every 6 months.

- SUMAF's operations depend heavily on external service providers. Its two key roles – data scientist and data developer – are performed by external contractors. Moreover, these two roles have full administrator access to the data management system platform, which they use to create, delete, enable and disable users. The risk of unauthorised activities (such as data leakage or system unavailability) therefore cannot be eliminated.

Action taken by the Commission following our audit: none, as the Commission does not consider this feasible given that the SUMAF team consists of just 15 people.

- For the quarterly data collection process, we found that the system logs usernames and dates only for the last entry of every step. This limits traceability and accountability in respect of previous user actions. We also found that the user could access the steps of an already completed quarter and modify information for any step without being asked for justification.

Action taken by the Commission following our audit: SUMAF has enhanced the Data Collection and Management System's logging system to record all changes to data values (including the date, user responsible and previous and new values). This has already been implemented for records of data collection progress (i.e. records of progress through the steps of the data collection system). Moreover, SUMAF will add a new feature to the system requiring a supervisor to approve such changes.

Source: ECA.

Annex VII – Delays in implementation

Project number	Type of Implementing Partner	Reasons for delays in implementation
1	International NGO – Health/Socio-Economic support	<ol style="list-style-type: none"> 1. Delays in hiring staff due to complex approving structures and time-consuming procedures for security clearances. 2. Delays in the implementation of vocational training activities (due to complex decision making and difficulties in building partnerships with local stakeholders specialising in vocational training, such as ISKUR). 3. Project extension from 10 to 15 community centres. 4. COVID-19 pandemic.
2	International Financial Institution – Health infrastructure	<ol style="list-style-type: none"> 1. A number of structural problems were encountered during excavations. 2. New seismic regulations since 2018, which led to structural design changes. 3. Long negotiations between the implementing partner and the Ministry of Health following the design changes. 4. COVID-19 pandemic. 5. Lack of proper review of the design (provided by the Ministry of Health) by the implementing partner.
3	International Financial Institution – Education infrastructure	<ol style="list-style-type: none"> 1. Devaluation of the Turkish lira against the euro led to additional budget for the construction of more schools. 2. COVID-19 pandemic. 3. High inflation, which led to difficulties in obtaining construction materials and supplies. 4. Delays in obtaining building permits for construction sites and problems with land deeds. 5. The 6 February 2023 earthquakes led to additional delays in project implementation.
4	International Financial Institution – Education infrastructure	<ol style="list-style-type: none"> 1. Devaluation of the Turkish lira against the euro led to additional budget for the construction of more schools. 2. COVID-19 pandemic. 3. High inflation, which led to difficulties in obtaining construction materials and supplies. 4. Delays in the issuing of building permits by local authorities for some school sites. 5. The 6 February 2023 earthquakes led to additional delays in project implementation.
5	International Financial Institution – Health infrastructure	<ol style="list-style-type: none"> 1. The Ministry wanted to change the initial location. 2. Security related implementation obstacles. 3. COVID-19 pandemic. 4. New tender procedures were needed (due to material shortages and high inflation, not many applications were received or offers needed to be revised). 5. Groundwater was detected during excavation works due to the lack of a proper geological survey during the design phase. 6. New earthquake regulation of 2018 led to structural design changes.

Project number	Type of Implementing Partner	Reasons for delays in implementation
6	International NGO – Education	<ol style="list-style-type: none"> 1. Initial delays due to changes in the working environment of the Department of Education in Türkiye. 2. Universities, due to the change of ministries, required official legal cooperation with SPARK, before the setting-up of student committees and operations on university campuses.
7	National Organisation – Socio-Economic support	<ol style="list-style-type: none"> 1. Delays in recruitment procedures (setting up the project team). 2. No cooperation agreement could be signed with the Ministry, nor with ISKUR (national employment agency). 3. Difficult economic situation (high inflation, high unemployment; COVID-19 pandemic challenges). 4. Carrying out the market analysis took longer than expected. 5. Overly ambitious targets which could not be achieved within the initial project timeframe. 6. Incorrect assessment of the situation on the ground by the implementing partner, as it was more difficult than expected to trace data on Syrian refugees. 7. The economic situation resulted in employers being unwilling to employ new workers and the private sector being more reluctant to increase its human resources capacity.
8	Public Body – Education	<ol style="list-style-type: none"> 1. Due to the depreciation of the Turkish lira, funds became available for more activities. Therefore, project implementation was extended.
9	Public Body – Health	<ol style="list-style-type: none"> 1. Delays in procurement procedures due to difficulties with requirements relating to EU origin and inflation. 2. No budget increase as savings were made due to the exchange rate loss of the Turkish lira against the euro. 3. Recruitment issues at the start of the project. 4. COVID-19 pandemic.
10	International Financial Institution – Municipal infrastructure	<ol style="list-style-type: none"> 1. ILBANK's lack of capacity to deal with this type of project. 2. It took the Testing and Inspection Office almost 2 years to review and finalise 9 sub-projects. 3. Five court cases were opened for 5 affected parcels. 4. The project identification documents needed to be updated following the amendment of Türkiye's earthquake protection legislation, which came into force in 2018. 5. COVID-19 (led to delay of 6 months to 1 year, as it was very difficult to visit the project sites and municipality staff were not very responsive with regard to providing administrative documents). 6. Difficulties and delays in the recruitment of consultants. 7. Difficulties and delays in communication and visibility activities. 8. The 6 February 2023 earthquakes led to significant delays in project implementation.

Project number	Type of Implementing Partner	Reasons for delays in implementation
11	International Organisation – Socio-Economic support	<ol style="list-style-type: none"> 1. Two grant schemes were amended by the end of 2020, whose implementation, monitoring and closure calendar required additional time. 2. Prolonged and unforeseen COVID-19 situation and consequences in Türkiye slowed down implementation. 3. Devastating impact of 6 February 2023 Kahramanmaraş earthquakes and its effects on all project activities implemented in the region.
12	International Financial Institution – Health infrastructure	<ol style="list-style-type: none"> 1. Lack of capacity and of decision-making at the Ministry of Health. 2. The implementing partner needed to re-evaluate the locations chosen by the Ministry of Health for the construction of the (extended) migrant health centres. 3. A combination of high inflation, the COVID-19 pandemic and deterioration in economic conditions. 4. Lack of communication and lack of accountability for keeping the deadlines among all parties involved. 5. The 6 February 2023 earthquakes led to significant additional delays in project implementation.
13	International Financial Institution – Municipal infrastructure	<ol style="list-style-type: none"> 1. Design changes (lack of detail in technical drawings in some cases and changes to proposed work designs to adapt to updated Turkish regulations on earthquake resilience). 2. Late signature of the agreement between the implementing partner and the EU due to renegotiation of the Final Framework Partnership Agreement. 3. Late signature of Loan and Grant Agreement by the government and ILBANK. 4. COVID-19 pandemic (no site visits or site investigations). 5. Delays in completing environmental and social impact assessments for some contracts, due to the quality of the documents, which required multiple reviews. 6. The 6 February 2023 earthquakes led to significant delays in project implementation.
14	International Financial Institution – Socio-economic support	<ol style="list-style-type: none"> 1. Discussions between the implementing partner and the Ministry of Labour and Social Services on general contract conditions. Negotiations lasted 20 months. 2. Ministry of Labour and Social Services dissatisfied with the composition of the implementing partner project team. Cooperation could only continue once the implementing partner had changed its project team.

Source: ECA, based on FRIT project documents.

Annex VIII – Projects’ assessment

Project number	Type of Implementing Partner	Needs assessment	Timeliness of the action	Cost-effectiveness	Monitoring	Results	Sustainability
1	International NGO – Health/ Socio-economic support	Green	Orange	Yellow	Orange	Orange	Orange
2	International Financial Institution – Health infrastructure	Green	Orange	Green	Green	Green	Green
3	International Financial Institution – Education infrastructure	Green	Orange	Yellow	Yellow	Yellow	Green
4	International Financial Institution – Education infrastructure	Green	Orange	Yellow	Yellow	Yellow	Green
5	International Financial Institution – Health infrastructure	Green	Orange	Green	Green	Green	Green
6	International NGO – Education	Orange	Green	Yellow	Yellow	Yellow	Red
7	National Organisation – Socio-economic support	Orange	Red	Orange	Orange	Orange	Red
8	Public Body – Education	Green	Yellow	Yellow	Orange	Orange	Orange
9	Public Body – Health	Green	Yellow	Yellow	Yellow	Yellow	Orange
10	International Financial Institution – Municipal infrastructure	Green	Orange	Yellow	Green	Grey	Grey
11	International Organisation – Socio-economic support	Green	Orange	Yellow	Orange	Orange	Orange
12	International Financial Institution – Health infrastructure	Green	Red	Green	Orange	Grey	Grey
13	International Financial Institution – Municipal infrastructure	Yellow	Yellow	Yellow	Yellow	Grey	Grey
14	International Financial Institution – Socio-economic support	Yellow	Orange	Red	Orange	Grey	Grey

	Needs assessment	Timeliness of the action	Cost-effectiveness	Monitoring	Results	Sustainability
Good	Project's objectives and activities fully aligned with 2016 and 2018 needs assessments ¹	No delays. Project completed by planned date	Reasonableness of costs assessed and documented	Reporting and monitoring framework measures outputs and outcomes	All planned results achieved	Project sustainable (or likely to be sustainable) upon completion
Satisfactory	Project's objectives and activities aligned with 2016 and 2018 needs assessments ¹ in all significant respects	Project implementation encountered delays, but they were adequately addressed	Reasonableness of costs assessed but not sufficiently documented	Reporting and monitoring framework measures outputs but not outcomes	Most planned results achieved	Project sustainable despite lack of sustainability strategy
Some weaknesses	Project's objectives in line with the needs assessments in most respects, but project's activities not aligned with them in all respects	Project implementation encountered some delays, which were not addressed in an effective or timely manner	Reasonableness of costs not systematically assessed and not adequately documented	Reporting and monitoring framework measures outputs but not outcomes, and follow-up action not taken in a timely manner	Several planned results not achieved	No sustainability strategy prepared, and project activities not sustainable
Unsatisfactory	Project's objectives and activities not aligned with the needs assessments	Project implementation encountered several delays, which were not addressed in an effective and timely manner	Budget lacked detail on project activities, meaning cost assessment not feasible	Reporting and monitoring framework does not measure outputs or outcomes	Most planned results not achieved	Project not sustainable
Not yet possible to conclude						

¹ In 2016 the Commission conducted a needs assessment for short and medium to long term actions as basis for an enhanced EU support to Türkiye on the refugee crisis. It was updated in 2018.

https://neighbourhood-enlargement.ec.europa.eu/system/files/2018-12/2016_needs_assessment_.pdf

https://neighbourhood-enlargement.ec.europa.eu/system/files/2018-12/updated_needs_assessment.pdf

Source: ECA, based on FRIT project documents.

Abbreviations

CCTE: Conditional Cash Transfer for Education

C-ESSN: Complementary Emergency Social Safety Net

DG ECHO: Directorate-General for European Civil Protection and Humanitarian Aid Operations

DG NEAR: Directorate-General for Neighbourhood and Enlargement Negotiations

ESSN: Emergency Social Safety Net

FRIT: Facility for Refugees in Turkey

IPA: Instrument for Pre-Accession Assistance

MHU: Migrant health unit

PICTES: Promoting Integration of Syrian Children into the Turkish Education System

PIKTES: Promoting Integration of Syrian Kids into the Turkish Education System

SHIFA: Strengthening Health Infrastructure for All

SIHHAT: Improving the Health Status of the Syrian Population under Temporary Protection and Related Services Provided by Turkish Authorities

SUMAF: Support to the Monitoring of Actions Financed under the FRIT

Glossary

Cash-assistance project: Project involving the direct transfer of money to final recipients.

Cost-effectiveness: The achievement of intended outcomes in relation to costs.

Direct management: In general, management of an EU fund or programme by the Commission alone, as opposed to shared management or indirect management. In the case of the Facility for Refugees in Turkey, projects under direct management are implemented by the Turkish government.

Impact: Wider long-term consequences of a completed project or programme, such as socio-economic benefits for the population as a whole.

Indirect management: Method of implementing the EU budget whereby the Commission entrusts implementation tasks to other entities (such as non-governmental and international organisations).

Logical framework: Detailed planning tool covering the implementation, management, monitoring and evaluation of a project.

Pillar assessment: Commission assessment of the rules and procedures applied under indirect management to ensure the EU's financial interests are protected to the same level as under direct management.

Outcomes: Immediate or longer-term change brought about by a project, such as the benefits resulting from a better-trained workforce, or improved transport links.

Output: Something produced or achieved by a project, such as delivery of a training course or construction of a road.

Replies of the Commission

<https://www.eca.europa.eu/en/publications/sr-2024-06>

Timeline

<https://www.eca.europa.eu/en/publications/sr-2024-06>

Audit team

The ECA's special reports set out the results of its audits of EU policies and programmes, or of management-related topics from specific budgetary areas. The ECA selects and designs these audit tasks to be of maximum impact by considering the risks to performance or compliance, the level of income or spending involved, forthcoming developments and political and public interest.

This performance audit was carried out by Audit Chamber III External action, security and justice, headed by ECA Member Bettina Jakobsen. The audit was led by ECA Member Bettina Jakobsen, supported by Katja Mattfolk, Head of Private Office and Aino Rantanen, Private Office Attaché; Pietro Puricella, Principal Manager; Kim Hublé, Head of Task; Ainhoa Pérez-Infante, Erika Söveges and Luis Vicente, Auditors. Michael Pyper provided linguistic support. [Alexandra Mazilu](#) provided graphical support.



Bettina Jakobsen



Katja Mattfolk



Aino Rantanen



Pietro Puricella



Luis Vicente



Alexandra Mazilu



Michael Pyper

COPYRIGHT

© European Union, 2024

The reuse policy of the European Court of Auditors (ECA) is set out in [ECA Decision No 6-2019](#) on the open data policy and the reuse of documents.

Unless otherwise indicated (e.g. in individual copyright notices), ECA content owned by the EU is licensed under the [Creative Commons Attribution 4.0 International \(CC BY 4.0\) licence](#). As a general rule, therefore, reuse is authorised provided appropriate credit is given and any changes are indicated. Those reusing ECA content must not distort the original meaning or message. The ECA shall not be liable for any consequences of reuse.

Additional permission must be obtained if specific content depicts identifiable private individuals, e.g. in pictures of ECA staff, or includes third-party works.

Where such permission is obtained, it shall cancel and replace the above-mentioned general permission and shall clearly state any restrictions on use.

To use or reproduce content that is not owned by the EU, it may be necessary to seek permission directly from the copyright holders.

Software or documents covered by industrial property rights, such as patents, trademarks, registered designs, logos and names, are excluded from the ECA's reuse policy.

The European Union's family of institutional websites, within the europa.eu domain, provides links to third-party sites. Since the ECA has no control over these, you are encouraged to review their privacy and copyright policies.

Use of the ECA logo

The ECA logo must not be used without the ECA's prior consent.

HTML	ISBN 978-92-849-1842-3	ISSN 1977-5679	doi:10.2865/25182	QJ-AB-24-005-EN-Q
PDF	ISBN 978-92-849-1863-8	ISSN 1977-5679	doi:10.2865/13409	QJ-AB-24-005-EN-N

The Facility for Refugees in Turkey channels support to refugees and host communities in Türkiye. We followed up on our 2018 recommendations and examined whether the Facility provided efficient and effective support. We found that it provided relevant support in difficult circumstances and that the Commission had improved the Facility's management by implementing our previous recommendations. All audited projects addressed beneficiaries' needs and were delivering their planned outputs, but implementation was delayed significantly for various reasons. There was no systematic assessment of project costs, and insufficient measurement of impact. Sustainability was only ensured for infrastructure projects. We conclude that the Facility could have achieved greater value for money and demonstrable impact, and we make recommendations for future action.

ECA special report pursuant to Article 287(4), second subparagraph, TFEU.



EUROPEAN
COURT
OF AUDITORS



Publications Office
of the European Union

EUROPEAN COURT OF AUDITORS
12, rue Alcide De Gasperi
1615 Luxembourg
LUXEMBOURG

Tel. +352 4398-1

Enquiries: eca.europa.eu/en/contact

Website: eca.europa.eu

Twitter: @EUAuditors