



# LITHUANIAN - SWISS COOPERATION PROGRAMME

## 6<sup>th</sup> ANNUAL MEETING

Wednesday, 30 April 2014

Venue: Ministry of Finance, Vilnius  
Conference Room 331  
9.30 – 12.30h

### MINUTES

#### Switzerland (CH):

1. Mr. Markus Dutly, Ambassador of Switzerland,
2. Mr. Adrian Maître, Deputy Head of Corporate Domain Cooperation with Eastern Europe and CIS,
3. Ms. Paula Wey, Programme Manager, Division Swiss Enlargement Contribution (SECO),
4. Mr. Patrick Etienne, Programme Manager WU Member States Division, Swiss Agency for Development and Cooperation (SDC), Head of Swiss Contribution Office (SCO),
5. Ms. Olita Berzina, Programme Officer of the Swiss Contribution Office, Embassy of Switzerland.

#### Lithuania (LT):

1. Mr. Aloyzas Vitkauskas (Chairman), Vice-minister of the Ministry of Finance, National Coordination Unit (NCU),
2. Ms. Audronė Nikšaitė, Head of the International Financial Assistance Coordination Division, Ministry of Finance, NCU,
3. Ms. Jūratė Vlaščenkienė, Deputy Head of the International Financial Assistance Coordination Division, Ministry of Finance, NCU,
4. Ms. Simona Židonytė, Chief Specialist of the International Financial Assistance Coordination Division, Ministry of Finance, NCU,
5. Ms. Lina Pleniūtė, Chief Specialist of the International Financial Assistance Coordination Division, Ministry of Finance, NCU,
6. Ms. Lidija Kašubienė, Director of the Central Project Management Agency (CPMA),
7. Mr. Artūras Žarnovskis, Deputy Head of the International Programme Management Department, CPMA,
8. Ms. Ieva Lunskienė, Head of the Swiss Programme Unit, International Programme Management Department, CPMA
9. Ms. Giedrė Vilčinskaitė, Chief Project Manager of the Swiss Programme Division, CPMA,
10. Ms. Barbora Juozėnienė, Senior Financier of the Financial Management Unit, CPMA,
11. Ms. Virginija Ambrazevičienė, Head of the International Projects Management Division, Ministry of Health (MoH),
12. Ms. Gytė Paltanavičiūtė, Chief Specialist of the International Projects Management Division, the Ministry of Health,
13. Ms. Aušra Gribauskiene, Chief Specialist of the Division of Science, Department of Higher Education, Science and Technology, the Ministry of Education and Science,

14. Ms. Vaida Keinaitė, Project Manager, Deputy Head of the IT Division of the National Courts Administration,
15. Ms. Aistė Vilkanauskytė, Head of the International Programmes Unit of the Research Council of Lithuania.

### **Opening of the Meeting**

Mr. A. Vitkauskas welcomed all the participants and opened the 6<sup>th</sup> Annual Meeting of the Lithuanian-Swiss Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union (LT-Swiss Programme).

The Chairman presented the main topics of the draft Agenda and proposed to approve the Agenda. The Swiss delegation (CH) had no additional comments. Agenda was approved.

The Ambassador informed about the CH delegation impressions from the joint site-visits of the projects (Health Sector Programmes and NGO project) on the eve of the meeting and noted fluent progress in implementation of the visited projects.

Mr. A. Maître made general remarks about the joint site-visits of the projects and confirmed that those projects were going smoothly and a positive achievement of the results was expected. A positive impression about the Annual Report was also expressed.

The Chairman stressed that in general the implementation progress could be evaluated as good, the details on implementation with some arising issues would be presented and discussed during the presentation under the 2nd point of the Agenda.

### **Discussions/Decisions**

#### **Reporting on the status of the Programmes and other measures: status of implementation, issues, next steps in 2014**

**Health Sector Programmes: ‘Introduction of Energy Efficient Technologies into the Lithuanian Hospitals Providing Perinatal and Neonatal Health Care Services’ (further referred as to the Energy Efficiency Programme) and ‘Improvement of Perinatal and Neonatal Health Care Services in Lithuania’ (further referred as to the Perinatal Programme)**

Ms. A. Nikšaitė presented the expected results, operational progress, achievement of key performance indicators, main issues and risks with mitigation measures and work plan for 2014 of the Energy Efficiency Programme (*see more detailed information in Slides No. 5-9 of the Annex*). Ms. A. Nikšaitė reminded to the audience about 5 additional hospitals that were included due to the savings into the Energy Efficiency Programme according to the amendment made to the Programme Agreement approved by LT and CH sides. In general, little progress was observed under the Energy Efficiency Programme during 2013, whereas newly added hospitals were waiting for the official Project Implementation Agreements to be signed, most of other hospitals waited for the final decision on additional funds for new activities. Kaunas Clinical Hospital, Klaipėda University Hospital and Telšiai hospital were noted as the most risky in implementation process. Kaunas clinical hospital and Klaipėda university hospital submitted their action plans for management of the delays. A high risk in the implementation process in case of Telšiai hospital was identified as no evident progress in implementation of activities was made. To minimize risks, the hospitals are also constantly monitored by the Intermediate Body (IB) and CPMA. The finalization

of the public procurement procedures, signing contracts with suppliers – are the main planned activities performed by the hospitals during 2014.

The Chairman informed about the additional measure to mitigate risks – training for the Executing Agencies (EAs) on procurement issues are planned by the CPMA together with the IB and NCU in May/June 2014. Mr. A. Žarnovskis explained the purpose of organising additional training – to improve competence of the EAs (especially of the specialists responsible for organisation of more specific public procurements, such as reconstruction works or technical project preparation services), to minimize the risks to prepare low quality documentation.

Mr. P. Etienne stressed that CH was happy with the Annual Report. It was highlighted that with the next Annual Report it is expected to receive more detailed information based on the results of the projects (achievement of specific objectives and outcomes). In the upcoming years there will be more results that the CH side would like to be informed about. A monitoring plan for the project visits and joint visits together with the NCU, CPMA and/or IB is the intension of the CH side as well. The Chairman agreed that joint visits were a very good practice and should be more intensive and welcomed in the next year.

Ms. P. Wey agreed that training for the EAs were a very good option due to the delays that the hospitals are facing. The plan for the need to reallocate the resources due to savings, if necessary, should be considered in the nearest future. During the technical meeting CPMA had informed that no new tenders would be necessary for the use of possible savings since corrections to the technical projects are allowed under the Lithuanian procurement law.

Ms. P. Wey further explained that CH would like to exchange the info about the project visits that the CPMA is performing due to the smaller number of projects that CH has chosen to visit (in general CH has chosen to monitor 8 out of 21 hospitals). At the technical meeting CPMA had informed that they visit all hospitals before, during and after works at least once. It had been agreed that CPMA keeps the Swiss side informed about their monitoring plan, so that the Swiss side can arrange its own visits with backstoppers at the right moment.

A positive impression about publicity (*journalists' breakfast, stickers on the new modern medical equipment, etc.*) during the project site visit on the eve of the meeting was highlighted. When the results will be clear more intensive visibility is expected in the nearest future. Ms. P. Wey was satisfied with the billboards placed in Mažylis hospital and suggested that after project completion the billboards would be replaced with more commemorative marks with the Switzerland Confederation and Programme logos and to leave it as a permanent visible recognition of the contribution.

The Chairman agreed that publicity was very important for both sides. Participation of the CH side during the publicity events would be very beneficial to get more effective attention from the media.

Ms. V. Ambrazevičienė informed that it was planned to make a publicity event in the 2<sup>nd</sup> half of 2014 in one of the regional hospital after more hospitals would be renovated but this cannot be confirmed as the hospitals are in delay with the procurement and implementation of works. The LT and CH sides agreed that the social network ([www.facebook.com](http://www.facebook.com)) created by the MoH is very useful for publicity.

Ms. A. Nikšaitė continued presentation with the information of expected results, operational progress and work plan for 2014 of the Perinatal Programme (*see more detailed information in Slides No. 10 – 16 of the Annex*). As compared with the Energy Efficiency Programme, the implementation of the Perinatal Programme was more successful during 2013: almost 40 % of modern equipment was procured and delivered to the hospitals, the public procurement for vehicles is in process, 23 out of 70 guidelines and protocols of diagnostics and treatment in obstetrics and

neonatology is developed (*see more detailed information on the achievement of key performance indicators in Slide No. 12 of the Annex*). It was stressed that the NCU, CPMA and IB organise periodical technical meetings to reduce the risk of delays in procurement of technical supervision services. Ms. A. Nikšaitė noted that the modification of the partnership plan was planned as well with a purpose to reallocate the budget to other activities (*see more detailed information on the main issues and risks, mitigation measures in Slide No. 13 of the Annex*).

Mr. P. Etienne informed about the partners from Geneva and Basel hospitals. He mentioned that the partners could not manage to nominate the representatives to come to the event in April 2014, but the partners assured their participation in the event planned in autumn 2014. It was noted that the partners were very interested in the partnership. It was agreed that the partnership plan could be amended according to the actual needs and possibilities to implement the agreed activities. It was agreed that the draft of the modified plan shall be submitted to the Swiss partners for comments. After the agreement on modifications will be reached between the EA and the Swiss hospitals, the Partnership plan shall be submitted to the Joint Health Programmes' Steering Committee for approval.

Mr. P. Etienne inquired about the savings which appear under the programme. Ms. V. Ambrazevičienė noted that the MoH has already estimated the budget through the activities and possible savings according to the present situation. MoH has already started to plan how to use the savings and started to collect the information for which activities and what amount of savings could be used.

### **Research and Development (R&D) Programme**

Ms. A. Nikšaitė informed the participants about the expected results, operational progress, the achievement of key performance indicators and a work plan for 2014 of the Research and Development Programme (*see more detailed information in Slides No. 17-19 of the Annex*). It was noticed that no major issues and risks could be stated in the R&D Programme implementation.

Mr. P. Etienne informed that 2-3 joint monitoring visits were planned during 2014. In order to have more intensive visibility, a closing event for the R&D Programme would be very valuable.

Ms. A. Vilkanauskytė noted that the final closing conference was foreseen at the end of the R&D Programme. The mid-term review meeting is also planned on 4 February 2015 (the Joint Selection Committee expressed a wish to meet all the partners of the research projects before the meeting for evaluation of the annual reports of the research projects under the R&D Programme and to discuss progress of the projects, the experience of the partnership). Ms. A. Vilkanauskytė assured that all the researches are very visible in the research area (it is compulsory for them to complete at least 2 publicity measures).

Ms. A. Vilkanauskytė accepted Ms. O. Berzina's proposal to organize additional publicity event in 2014 (after closing one of the R&D Programme project) as negotiable.

The Chairman agreed that publicity of the R&D Programme results could be very useful for the both sides.

## **Scholarship Fund (SF)**

Ms. A. Nikšaitė informed about the operational progress while implementing the SF (*see more detailed information in Slide No. 20 of the Annex*). It was noticed that no major issues and risks could be stated in the SF implementation.

Ms. A. Vilkanauskytė informed that the researchers are very happy with the results reached under the SF.

The Swiss side did not present any specific comments on the implementation of the SF.

## **Individual Project (IP) ‘The Creation and Implementation of the System for Video Transaction, Recording and Storage in Courts’**

Ms. A. Nikšaitė presented the information about the expected results, main activities, the achievement of key performance indicators, main issues and risks with mitigation measures and a work plan for 2014 of the IP (*see more detailed information in Slides No.21-24 of the Annex*). It was explained that the major risk encountered by the EA was related to the main IP activity – the procurement of video conference equipment. Public procurement procedures did not succeed as it was planned. Due to the claim that was submitted to the court, procurement procedures had to be stopped. If procurement procedures face more problems, the EA has a plan to re-announce the tender.

Mr. A. Žarnovskis noted that the CPMA rejected the public procurement results (including the draft of the public procurement contract). Due to this, the NCA had to come back to the qualification assessment stage.

Ms. V. Keinaitė informed that not all public procurement procedures passed successfully. The qualification and technical specification are already evaluated and it is expected to announce the final results and to submit them to the CPMA for its approval during the forthcoming week. Due to the high competition between the potential suppliers in the IT sector, the EA faced a lawsuit (one of the potential suppliers submitted a complaint after the announcement of the results). Despite the difficulties that the EA is facing in the procurement process, it is expected to complete the project activities in time.

Mr. P. Etienne expressed his hope that the IP would be completed smoothly.

Ms. O. Berzina inquired about the savings that could emerge after the completion of procurement. Ms. V. Keinaitė explained that the EA has a preliminary plan how the savings could be spend, if needed (for example to buy additional equipment for the courts), but a final proposal based on accurate calculations would be made later.

## **NGO Fund**

Ms. A. Nikšaitė informed the participants about expected results, operational progress, the achievement of key performance indicators, main issues and risks with mitigation measures and a work plan for 2014 of the NGO Fund (*see detailed information in Slides No. 25-22 of the Annex*). The extension of the NGO Fund implementation deadline was requested by the NCU and the approval from the SCO was received. All projects will be completed until the end of 2014. No major risk could be stated in the NGO Fund implementation.

Mr. P. Etienne expressed his satisfaction about the visited project. Having a good closing event would be the best way to share results and exchange experience between the beneficiaries, governmental institutions and the society. Ms. A. Nikšaitė informed that the NGO Fund closing event was planned in September 2014.

Mr. A. Žarnovskis assured that the implementation of the NGO Fund was going smoothly.

### **Technical Assistance Fund (TAF)**

Ms. A. Nikšaitė reminded that the TAF was mostly used as planned to facilitate the NCU and CPMA in their daily activities. The detailed information of the activities of the NCU and CPMA under the TAF during the reporting period is provided in *Slide No. 30 of the Annex*.

## **Other important issues in implementation of Lithuanian-Swiss Cooperation Programme**

### **Disbursements**

Ms. A. Nikšaitė shortly presented the information (in general figures and by each programme) regarding the disbursements made during the reporting period (*see more detailed information in Slides No. 32-33 of the Annex*). She also noted that, as compared with the previous year, the disbursements during the year 2013 were in a much bigger progress (in 2012 - 1 million. CHF; in 2013-13 million CHF;). More intensive speed of the disbursements is expected during the year 2015.

Mr. P. Etienne noted that in a technical meeting on 29 April it was agreed that the updated figures for reimbursements of the Swiss Contribution will be submitted by the NCU in November 2014 so that the CH side could reserve funds needed for 2015.

### **Swissness**

Ms. A. Nikšaitė presented information on the Swissness in each programme and other measures (*see detailed information in Slides No. 34-35 of the Annex*).

The Chairman was satisfied that the Swiss partners played their role almost in all projects. He stressed that the both sides could benefit from the partnerships in the future.

### **Information and Publicity Activities**

Ms. A. Nikšaitė presented information and mentioned publicity activities that were the most successfully performed at the level of the LT-Swiss Programme, under each programme, the NGO Fund and the IP (*see more detailed information in Slides No. 36-38 of the Annex*).

Mr. P. Etienne expressed his wish to have more intensive publicity activities of the LT-Swiss Programme during 2015.

## Other issues for Discussions

Ms. A. Nikšaitė raised the additional issue for discussions based on the possibility of simplifying the reporting by combining the 2<sup>nd</sup> Interim Report and the Annual Report. It would be effective with a purpose to combine similar parts of the reports and to reduce the administrative burden. The Chairman supported the proposal and stressed that clear results should be more important.

Mr. P. Etienne expressed the principal agreement on the proposal made. The final decision will be made after the LT side submits its proposal with technical details.

Mr. P. Etienne presented the information regarding the use of the remaining funds in the projects:

- The remaining funds could only be used for the project they were stemming from (no new commitments possible for activities of another project);
- The remaining funds could be used, if the information that they contribute to the project objectives and that necessary administrative procedure is feasible in the remaining available time period was provided;
- Preference to use the remaining funds was given to additional activities of the same kind which contribute to the project objectives;
- Project prolongation was acceptable only if necessary for the achievement of the expected results. A prolongation might lead to an over-proportional share of costs for management and administration and would stretch, in addition, the available staff resources because of additional project monitoring;
- In many cases the reallocation of unused funds would require an amendment to the PA (budget, duration). If possible, necessary amendments should be anticipated and be treated in one go so that the administrative workload can be kept low. A formal change of a log frame was only necessary, if the objectives were changed, what should be avoided;
- To do the calculation approx. was recommended. One year before the scheduled / expected completion date of the project. This would allow the realization of the major part of the exchange rate gains and leave sufficient time, e.g. for the procurement of additional equipment (and, thus avoiding unnecessary prolongation);
- In order to reduce the risk of a sudden CHF depreciation, a recommendation to include only 90% of the exchange rate gains and leave the rest as reserve (could be negotiated with the NCU) was given. In any event, any incurred cost overrun upon project completion would have to be borne by the respective partner country;
- The formula for the calculation of the exchange rate gains might vary from country to country and in some there was already established formula. The recommendation of the average exchange rate of the last 6 months was given;
- In order to allow an orderly closure of the projects, a recommendation to complete the projects before 31 December 2016 was given (however, the partner countries could request the reimbursement for all agreed activities implemented before 14 June 2017);
- An increase in the budget in local currency (e.g. in case of exchange rate gains) requires, according to the PA, a co-financing by the partner countries. Only such increases, if the co-financing is guaranteed, were acceptable.

The Ambassador congratulated the LT side with visible results and noted that the cooperation with the CH side is more than welcome during the implementation of the projects. Mr. A. Maître reiterated the need to report about these results.

The Chairman thanked the participants for their input during the discussions and closed the Meeting.

*Annex. NCU presentation 'Implementation of the Lithuanian-Swiss Cooperation Programme: 6<sup>th</sup> Annual Meeting', 39 slides.*