

LITHUANIAN - SWISS COOPERATION PROGRAMME

*Annual Report on the Implementation of the
Lithuanian–Swiss Cooperation Programme to
Reduce Economic and Social Disparities within the
Enlarged European Union
1 January 2013 – 1 March 2014*

Author:

Ministry of Finance of the Republic of Lithuania
(National Coordination Unit)

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Vilnius

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INTRODUCTION

According to Article 8 of the Framework Agreement between the Government of the Republic of Lithuania and the Swiss Federal Council concerning the implementation of the Lithuanian–Swiss Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union (FA) as well as Article 8.2 of the Reporting, Monitoring and Controlling to be performed by the Partner Country Guidelines (dated 23 April 2008), the Ministry of Finance (MoF), acting as the National Coordination Unit (NCU) in charge of the coordination of the Lithuanian-Swiss Cooperation Programme together with the Central Project Management Agency (CPMA), which implements concrete tasks in administration of the Lithuanian-Swiss Cooperation Programme delegated by the MoF, prepared the *Annual Report on the Implementation of the Lithuanian–Swiss Cooperation Programme* (the Report).

The report reflects the implementation of the Lithuanian–Swiss Cooperation Programme during the period from 1 January 2013 to 1 March 2014 and contains information with regard to the progress made in implementation of the programmes, block grant, individual project, the Technical Assistance Fund, the Scholarship Fund, other items defined in the Article 1.2 of the Annex 2 of the FA.

Before submission to the Swiss Contribution Office for Estonia, Latvia and Lithuania (Swiss Embassy) (SCO), the report was approved by the Steering Committee of the Lithuanian-Swiss Cooperation Programme (by the written procedure) on 28 March 2014.

1. Progress made in the implementation of the Lithuanian–Swiss Cooperation Programme against the Conceptual Framework

During the reporting period the activities under the Lithuanian–Swiss Cooperation Programme were concentrated mainly to execution of tenders and implementation of signed contracts, continuation of procurement procedures, other activities related to the practical implementation of the projects.

All projects (programmes, block grant, individual project) will be implemented on the national level and will contribute to the achievement of the objective of the Lithuanian – Swiss Cooperation Programme, namely, to the reduction of economic and social disparities between Lithuania and more advanced countries of the enlarged EU.

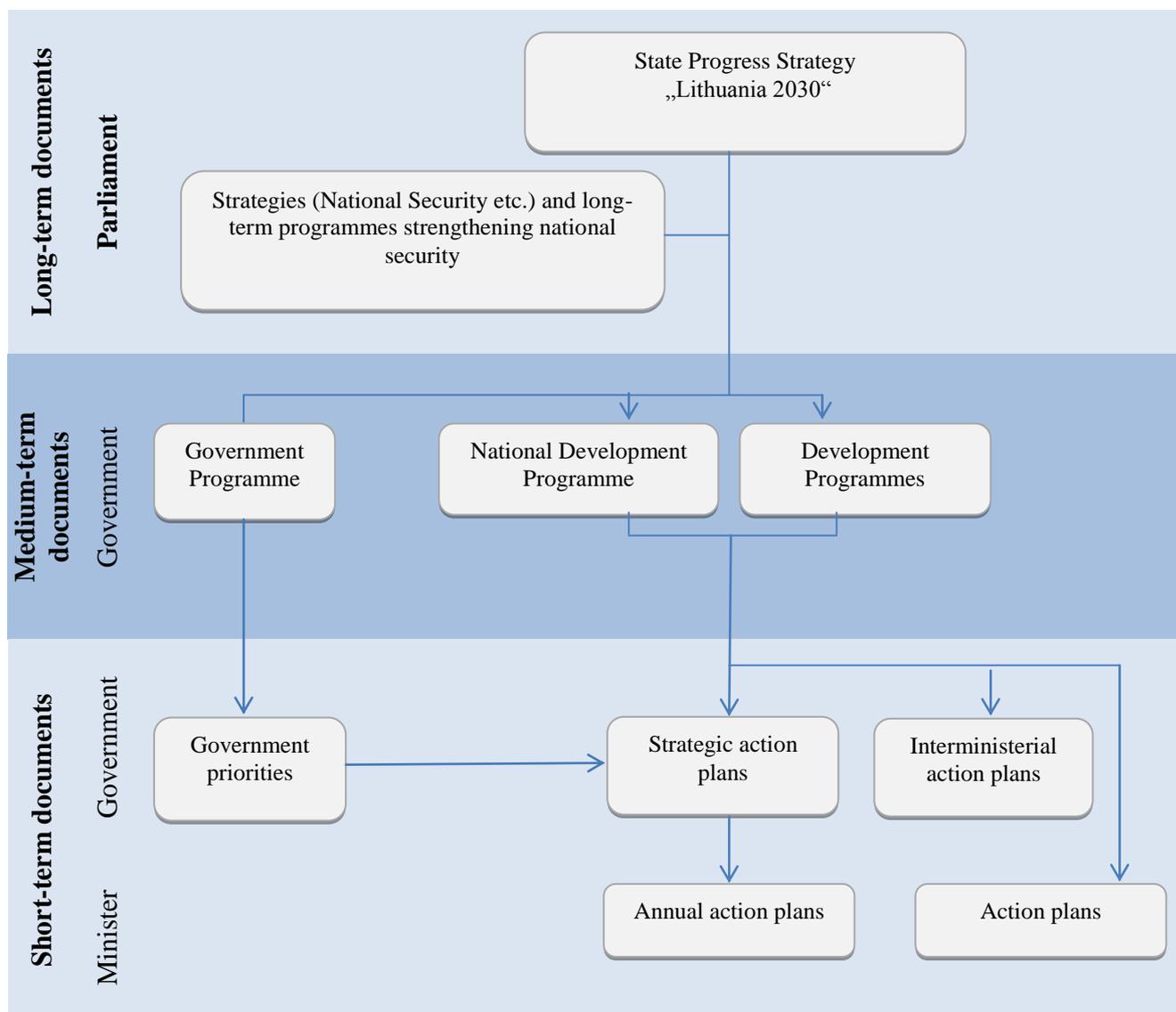
To achieve this, the largest share of funding of the Swiss Contribution is directed towards the more specific goals of the projects – Improving social security and Protecting the environment (45,6 MCHF in total). Heat insulation and introduction of energy – efficient equipment in Lithuanian hospitals will serve for savings of hospitals operating costs, promotion of environmental protection. The Swiss support to the modernisation of medical basis and enhancement of competence of perinatal and neonatal health care staff will be devoted to the improvement of social security in this particular field. Promotion of the transnational partnerships between Swiss and Lithuanian hospitals will allow to access the Swiss experience and staff knowledge for their colleagues in Lithuania.

Exchange of experience is a key element for successful achievement of objective related to promotion of economic growth and improvement of working conditions. Under the Lithuanian–Swiss Cooperation Programme the achievement of this aim is focused to the research field (including the Scholarship Fund). The Swiss grant will facilitate the capacities and experience of Lithuanian researchers, their wider involvement into the international research field and will serve for the increase of Lithuanian economic competitiveness. The Swiss Contribution in Lithuania also serves for promotion of a more efficient court system and procedures (objective: Improving public safety and security) and more active civil society (objective: Strengthening civil society).

It shall be noted that the projects financed and priorities set in the FA are also in line with the main strategic planning documents:

- State Progress Strategy “Lithuanian 2030”,
- National Development Programme for 2014–2020 (NDP),
- Government programme, ministerial strategic action plans, etc.

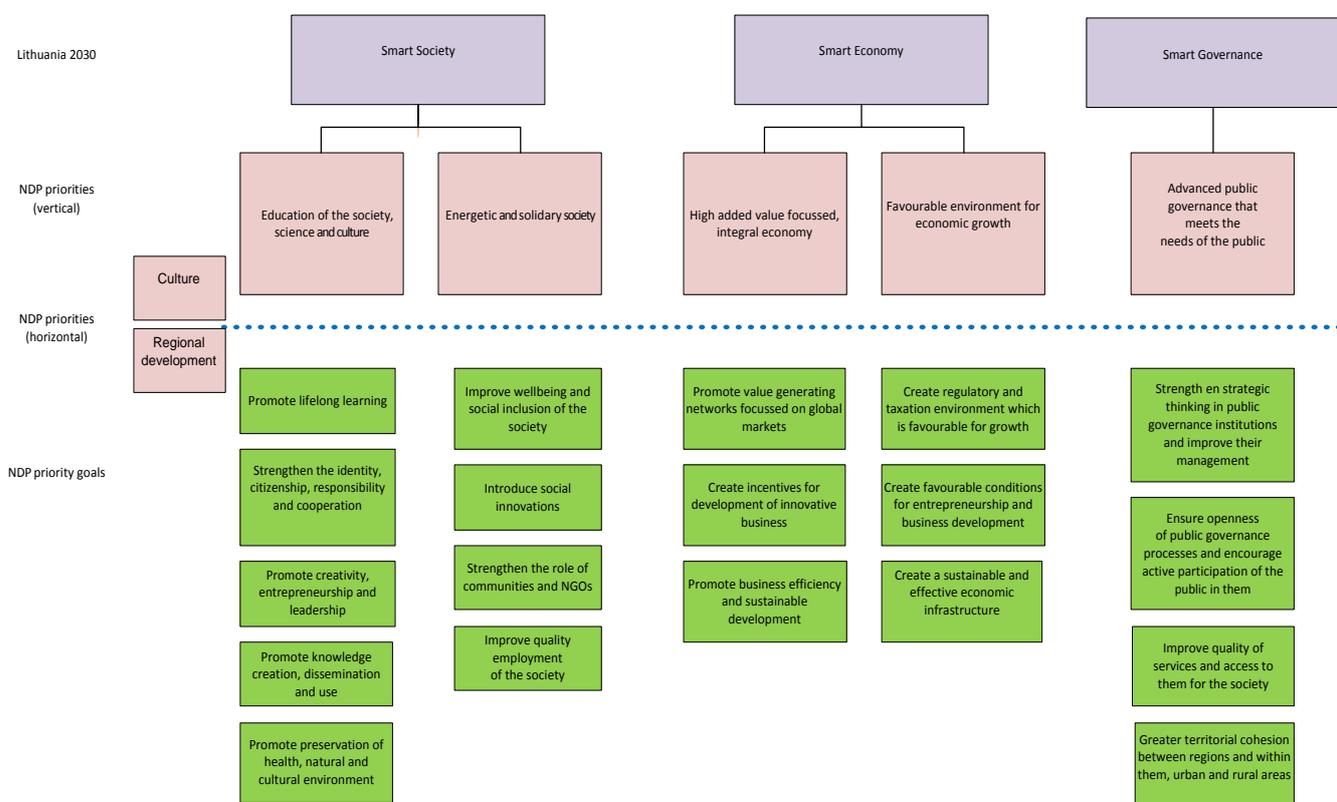
The Graph No. 1 „Scheme of strategic planning documents in Lithuania“



The State Progress Strategy “Lithuania 2030” (adopted by the Parliament on 15 May 2012) sets the State vision and development priorities, it also defines their implementation directions, important for the sustainable development of the country.

The National Development Programme 2014 – 2020 has been developed seeking to implement the above mentioned strategy. This programme covers not only the main national policy provisions but also provisions of the EU strategy for progressive, sustainable and integral growth “Europe 2020”.

The Graph No. 2 „Scheme of the National Development Programme“



Most of the projects financed under the Swiss Contribution (both health programmes, research and development programme, Scholarship and NGO funds) are covered under the 1st strategic goal “Smart society” of the State Progress Strategy. Taking into account the importance of research field for the education of the society, knowledge creation, the programme “Research and Development” and the Scholarship fund implemented under the Lithuanian-Swiss Cooperation Programme will serve as one of the instruments to achieve the priority “Education of society, science and culture” and one of it’s objectives “Promote knowledge creation, dissemination and use”. As knowledge creation is impossible without international and inter-institutional cooperation which is quite poorly developed in Lithuania for now, successful implementation of joint projects between Lithuanian and Swiss researchers will help to partly achievement of the priority objective “Promote cooperation in R&D development”.

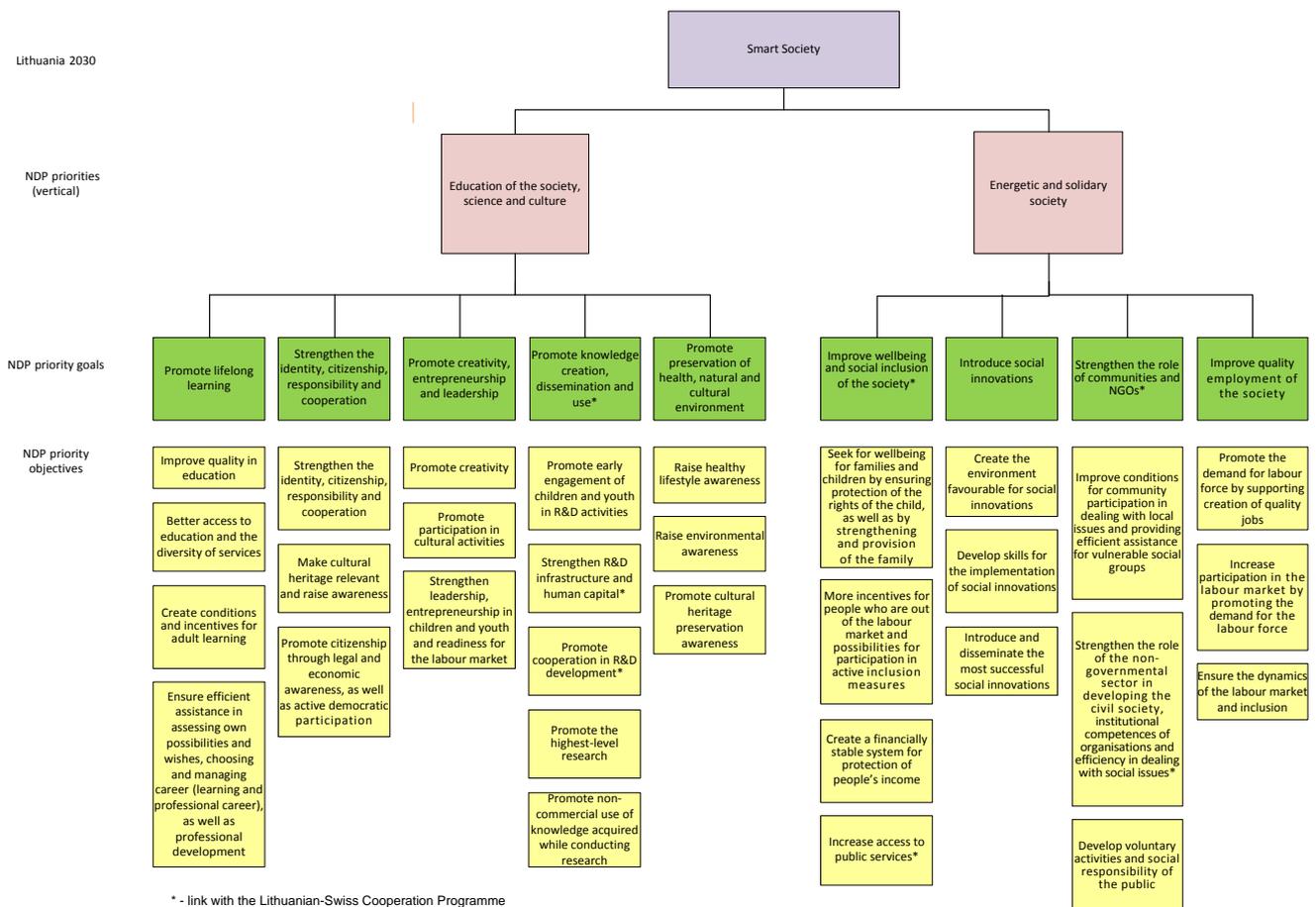
Swiss financial assistance while implementing the Scholarship fund will contribute to realisation of another priority objective “Strengthen R&D infrastructure and human capital”. Internships in well-known Swiss universities and new knowledge acquired will serve for the better preparation of the young researchers and improvement of R&D human capital that is to say strengthen the background of R&D system.

The NGO fund and both health programmes will serve as an important tool in improvement of the life quality, strengthening of social cohesion and securing equal opportunities for people. Implementation of the NGO fund will help to achieve the priority “Strengthen the role of communities and NGOs” and it’s objective “Strengthen the role of the non-governmental sector in developing the civil society, institutional competencies of organisations and efficiency in dealing

with social issues”. Strengthened institutional capacities of the NGOs, improved possibilities for NGOs to participate in public policy, improved conditions and related infrastructure for the community and NGOs activities, etc. – this is expected to be achieved via the support allocated to 97 final beneficiaries after successful completion of the sub-projects.

The biggest share of the Swiss Contribution under the Lithuanian – Swiss Cooperation Programme is allocated to programmes aimed for the improvement of the perinatal health care services in Lithuania. Implementation of these programmes will serve for the sustainable development of health system in the above mentioned area. Development and (or) renovation of the hospitals’ infrastructure (via introducing the energy efficient technologies, installing modern medical equipment), improvement of the presently available services in perinatal and neonatal health care field (via cooperation with the Swiss hospitals, preparation of medical guidelines and protocols), raising professional qualification of the medical staff will contribute to the achievement of the priority goal “Improve wellbeing and social inclusion of the society” and its objective “Increase access to public services”.

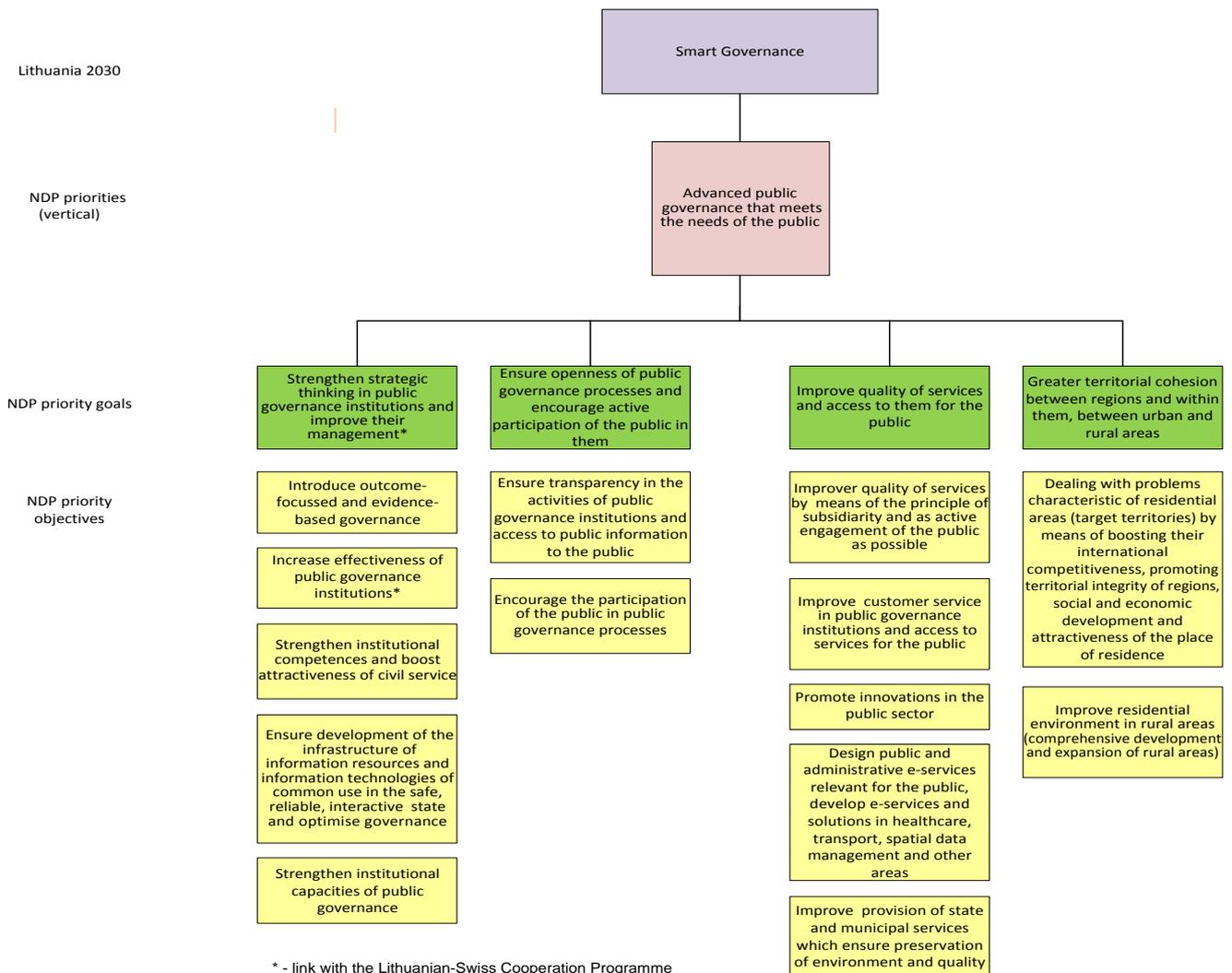
The Graph No. 3 „Scheme of the National Development Programme (1st strategic goal of „Lithuania 2030““



The Lithuanian – Swiss Cooperation Programme to the some extent also covers the 3rd strategic goal of “Lithuania 2030”: “Smart Governance”. In their activities the public administration institutions seek not only for the results that fit the public needs but also for the lower costs in

pursuance of these results. Due to this fact it is very much important to optimise implementation of assigned functions (increase of efficiency), to assure strengthening of institutional capacities. The individual project “The creation and implementation of the system for video transmission, recording and storage in courts” also contributes to this purpose. The project is being implemented under the priority “Advanced public governance that meets the needs of the public”. One of it’s goals is “Strengthen strategic thinking in public governance institutions and improve their management”. Introduction of video transmission system into the Lithuanian courts will serve for optimisation of court proceedings in terms of costs and time used, simplify possibilities of vulnerable groups of the society to participate in these proceedings and expand modern information technology usage in courts. Study visits to the countries already using the video transmission system and experienced in that, also exchange of experience with other Baltic states (also implementing the same kind of projects) already helped to improve knowledge of the staff of courts, NCA and prisons. This in fact directly fits the priority objective “Increase effectiveness of public governance institutions“.

The Graph No. 4 „Scheme of the National Development Programme (3rd strategic goal of „Lithuanian 2030““



Due to the size of the Lithuanian – Swiss Cooperation Programme it is not possible to measure the exact the impact at the national level. However, as the choice regarding the projects to be financed during the bilateral negotiations stage was based on the most pronounced need for financial support in specific areas that were not covered by other financial instruments, some quite significant and appreciable effects are expected in these targeted niches. None of the projects financed by the Lithuanian – Swiss Cooperation Programme are directly targeted at economic development but instead could be described as being more of the social character. Though they will not promote economic growth, their role is important in financing the society needs that could not otherwise be afforded by the state at its current economic capacity.

The execution of the Lithuanian – Swiss Cooperation Programme is guided by the principles of transparency, equal opportunities and rights, commitment by the stakeholders and others, defined in the Annex 1 of the FA.

The Lithuanian – Swiss Cooperation Programme is focused to the implementation of the projects which are complementary to the EU structural assistance as well as the European Economic Area and Norwegian financial mechanisms. Only the projects not covered or only partially covered by other financial sources are included in the above mentioned Programme.

Beneficiaries of the Lithuanian – Swiss Cooperation Programme are mainly public sector bodies (e. q. hospitals, research institutions, courts), non-governmental organisations (NGOs) will benefit from the NGO Fund. Though private sector does not receive direct financial assistance under the mentioned programme, it could benefit from the Contribution by participating in public procurement tenders and execution of the contracts.

The implementation of the Lithuanian–Swiss Cooperation Programme serves as an opportunity to develop Lithuanian–Swiss partnerships in the health and research focus areas, also in the field of civil society development (strengthening of NGOs) and the courts’ system.

Progress made under concrete forms of financial assistance described in the FA is presented under part 2 of the report.

2. Reporting on the status of the Lithuanian-Swiss Cooperation Programme

2.1. Reporting on the projects within the respective focus areas:

2.1.1. Programme in the focus area “Rehabilitation and modernisation of basic infrastructure and improvement of the environment”

The overall aim of the programme is to enhance hospital infrastructure in order to improve health care services while protecting the environment and increasing energy efficiency. It is expected that after the implementation of the programme, buildings of hospitals and energy efficient engineering systems will be renovated/installed, premises of units for perinatal and neonatal care services will be renovated. The programme is directly interrelated with the other programme to be implemented in the focus area „Health“. The Project Preparation Facility (PPF) financed joint feasibility study for interrelated programmes in two focus areas was prepared aiming for the complex situation analysis, overview of the material facilities of the hospitals and proposals on the renewal of these facilities depending on the scope of services provided by each particular hospital and the prospects of activities performed by them. The programme is being implemented by the Ministry of Health

(MoH) which is assigned as the Intermediate Body (IB) for the programme and hospitals as the Executing Agencies (EAs).

Operational overview

Management related activities (IB level)

During the reporting period the following activities related to programme management were implemented by the IB:

- Five new Project Implementation Agreements were signed with hospitals (Alytus, Šiauliai, Visaginas, Vilkaviškis and Raseiniai) under energy efficiency programme.
- Amendments to 12 Project Implementation Agreements (between IB, CPMA and EAs) were signed under energy efficiency programme in December 2013 – January 2014 (inclusion of new additional activities).
- Five Joint steering committee (hereinafter – the JSC) meetings and (or) written procedures were conducted. Information on the decisions taken is presented in the Project interim reports.
- IB continuously consulted the EAs on different implementation issues.
- In October – November 2013 the IB and CPMA representatives visited 18 hospitals (i.e. all hospitals except the ones where CPMA on-the spot checks were carried out) and inspected premises where the repair works will be carried out and energy saving measures will be implemented. The aim of such visits was to get a better view of “before works” and “after works” conditions at the hospitals; the premises were photographed. These visits helped in further assessment of tender documents provided by the hospitals (in understanding better of what/where works are to be carried out).
- Energy expert services procured in February 2014.
- Recommendations of the Internal audit unit of the MoH regarding the management and control system of the programme were implemented by the IB.

Management related activities (EA level)

During the reporting period 4 EAs (Vilnius Maternity Home, Panevėžys, Tauragė and Children hospitals) concluded the contracts on publicity services.

Implementation of programme objective

During the reporting period the following activities under the programme were implemented by the responsible institutions:

- Preparation of technical projects, technical supervision and other engineering services:
 - Tender documents for 4 public procurements were agreed with the CPMA,
 - 13 public procurements were launched by the EAs (*Klaipėda university hospital*: tender for technical project and supervision services was launched in February 2013, *Kaunas Clinical Hospital*: tender for technical project and supervision services was launched in September 2013),
 - 9 service contracts were signed by the EAs (*Klaipėda university hospital*: contract signed in June 2013),
 - 4 technical projects were prepared for the EAs.

➤ Works:

- Public procurements for 4 tenders were agreed with the CPMA and 4 public procurement were launched by the EAs,
- 3 works contracts were signed by the EAs, 1 hospital (Tauragė) completed implementation of works.

While implementing the programme activities of the CPMA related to procurement process, implementation of contracts and checking the payment claims were as follows:

- CPMA evaluated (ex-post) 2 procurements (including contracts) made by the IB,
- CPMA evaluated (ex-ante) 6 tender documents for engineering services (technical project preparation and project supervision services) and approved the usage of 5 documents (1 was rejected),
- CPMA evaluated (ex-ante) 9 tender documents for reconstruction/repair works and approved the usage of 4 documents (5 were rejected),
- CPMA evaluated (ex-ante) draft contracts together with winners' proposals and protocols of public procurement procedures for 5 successfully completed tenders. Out of 5 draft contracts CPMA approval was given to 4 of them (1 was rejected),
- CPMA evaluated (ex-post) 19 procurements (including contracts) made by the EAs,
- representative of CPMA observed the work of public procurement committee for 1 reconstruction/repair works public tender by participating in Public Procurement Committee meetings,
- CPMA evaluated 4 payment claims and issued 4 conclusions regarding the eligibility of the expenditures of IB, it also evaluated 92 payment claims and issued 92 conclusions regarding the eligibility of the expenditures of EAs,
- 3 on-the-spot checks were carried out (Pasvalys hospital – on 12 June 2013, Taurage hospital – on 25 September 2013, Vilnius Clinical hospital – on 23 October 2013). Implemented works were checked, no deviations which could have negative impact on project results and eligibility of expenditure were noted.

Implementation reports

During the reporting period the following programme implementation reports were developed:

- Project Interim Report No. 2 (for the period 01/07/2012 - 31/12/2012) was prepared by the IB. Report was approved by the JSC on 9 April 2013. Report was submitted to the SCO on 30 April 2013.
- Annual Project Report No. 1 (for the period 20/12/2011 - 31/12/2012) was prepared by the IB. Report was approved by the JSC on 30 April 2013. Report was submitted to the SCO on 30 April 2013.
- Project Interim Report No. 3 (for the period 01/01/2013 - 31/06/2013) was prepared by the IB. Report was approved by the JSC on 12 September 2013. Report was submitted to the SCO on 4 October 2013.
- Project Interim Report No. 4 (for the period 01/07/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.
- Annual Project Report No. 2 (for the period 01/01/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.

Assesment of progress and risks

From the total number of hospitals covered by the programme (21) all activities (except financial audit) are completed by Tauragė hospital, adequate progress is made by 5 hospitals (Vilnius city clinical hospital, Children hospital, Vilnius Maternity Home, Pasvalys hospital, P. Mažylis hospital), in case of 12 hospitals progress made could be identified as slow but cause no evident risk in timely completion of planned activities. High risk in implementation progress is identified in case of Klaipėda university hospital, Kaunas clinical hospital (activities are proceeding but risk appears due to big scope of works to be done and funds to be absorbed) and Telšiai hospital (no evident progress in implementation of activities).

In order to follow the process of programme implementation the periodical technical meetings between the IB, CPMA and NCU are being organised in which different issues actual for the programme execution are discussed. The hospitals are constantly monitored (visits to hospitals, meeting with the IB authorities, constant phone consultations etc.) by the IB and CPMA. In February 2014 the IB issued the letters to Klaipėda university hospital and Kaunas clinical hospital stating about the potential risks in timely implementation of planned activities and asking to submit the action plans on how the delays will be managed. The administrating institutions shall closely follow that the set deadlines should be kept. The very serious attention should be addressed to the quality of procurement documents prepared by hospitals (as this is the main reason for the delays). In case of certain hospitals delays appeared due to the inclusion of new activities (as hospitals waited for this decision in order to prepared the technical projects or other necessary documents).

It is planned that during the next reporting period all hospitals will announce public procurements for preparation of technical projects or will have them ready and will then prepare the tender documents for procurement of works.

2.1.2. Programme in the focus area “Health”

The overall aim of the programme is to improve the perinatal and neonatal health care system in Lithuania. It is expected that after the implementation of the programme, Lithuanian hospitals (in main cities, regions and periphery) will be provided with the new modern basic medical equipment, transportation system will be improved, computer database of pregnant, delivering women and neonates health data created and installed, diagnostics and treatment protocols in obstetrics and neonatology developed and implemented, professional competence of medical staff increased. The programme is directly interrelated with the other programme to be implemented in the focus area „Rehabilitation and modernisation of basic infrastructure and improvement of the environment“. The one joint feasibility study for interrelated programmes in two focus areas was prepared aiming for the complex situation analysis, overview of the material facilities of the hospitals and proposals on the renewal of these facilities depending on the scope of services provided by each particular hospital and the prospects of activities performed by them. The programme is being implemented by the MoH which is assigned as the IB for the programme and the Hospital of the Lithuanian University of Health Sciences Kauno Klinikos (Kauno Klinikos) as the EA.

Operational overview

Management related activities (IB level)

During the reporting period the following activities related to programme management were implemented by the IB:

- Amendment to the Project Implementation Agreement (between IB, CPMA and EA) was signed under perinatal health care programme on 14 October 2013 (annex 1 on project budget and annex 2 on project indicators were modified).
- Four JSC meetings were conducted. Information on the decisions taken is presented in the Project interim reports.
- IB continuously consulted the EA on different implementation issues.

Management related activities (EA level)

During the reporting period the following activities related to project management were implemented by the EA:

- In April 2013 translation services were procured.
- In July 2013 contract on production of information stickers for medical equipment was signed,
- In October 2013 public procurement plan was adjusted and approved by the CPMA,
- Beneficiary hospitals were continuously consulted on the implementation issues,
- Three agreements between the EA and the beneficiary hospitals were signed (1 in March (Santariškės Clinics) and 2 in October 2013 (with 2 newly included hospitals of Raseiniai and Vilkaviškis)).
- Amendment to the Project implementation agreement (between IB, EA and CPMA) was drafted by the CPMA in September and signed on 10 October 2013.
- Recommendations of the Internal audit unit of the MoH regarding the management and control system of the programme were implemented by the IB.

Implementation of programme objective

During the reporting period the following activities under the programme were implemented by the responsible institutions:

- Medical equipment:
 - 16 public procurements were completed and 16 contracts signed (2 in January, 1 in February, 1 in March, 3 in April, 2 in May, 2 in June, 1 in August, 1 in September, 2 in November, 2013, 1 in January 2014). Note: on 23 July 2013 the JSC decided that to combine the procurement of equipment of the 1st and 2nd priorities.
 - Distribution and installation of equipment in the beneficiary hospitals was on-going during the reporting period.
 - 5 new tenders' procurement documents were agreed with the CPMA (3 in May, 1 in June, 1 in September 2013), 6 public procurements were re-launched (1 in March, 1 in April, 2 in July, 1 in August 2013, 1 in February 2014).
 - 2 new public procurements were launched (all in August 2013).
- Repair works:
 - Procurement documents for 8 tenders on preparation of technical projects & technical project supervision/expertise were prepared by hospitals (Kaunas Clinics, Klaipėda University Hospital, Vilnius Maternity Home, Vilnius city Clinical Hospital, Marijampolė hospital) and 8 tenders have been launched.

- 4 contracts on preparation of technical projects & technical project supervision/expertise were signed by hospitals (Vilnius Maternity Home, Klaipėda University Hospital (2), Kaunas Clinics).
 - 2 contracts for repair works were signed (Vilnius city Clinical Hospital (August 2013), Vilnius Maternity Home (January 2014)).
 - 1 contract for technical supervision of repair works signed (Vilnius Maternity Home (January 2014)).
 - Vilnius City Clinical Hospital signed the contract in August and completed its implementation in October 2013.
- Guidelines, protocols and professional competence improvement: tender for procurement of services was launched in February 2013, contract signed in July 2013. During the reporting period 23 (out of 70) diagnostic and treatment guidelines and protocols were prepared.
 - Computer database: corrected version of tender documents for technical supervision services for development and installation of computer database of pregnant, delivering women and neonates health records was submitted to the CPMA on 28 February 2013. Tender was launched on 12 April 2013, opening of envelopes was on 15 May 2013. Evaluation is still in process.
 - Partnership activities: information on this part of the programme is presented under „Swissness“ part of this Report.

While implementing the programme activities of the CPMA related to procurement process, implementation of contracts and checking the payment claims were as follows:

- CPMA evaluated (ex-post) 1 procurement of the IB, it also evaluated and approved (ex-ante) 13 tender documents for medical equipment, 5 tender documents for services and approved the usage of all documents. CPMA evaluated (ex-ante) 3 tender documents for works and approved the usage of 2 documents. Some tender documents after unsuccessful medical equipment tenders were corrected and re-evaluated.
- the representative of CPMA observed the work of public procurement committees for 12 medical equipment public tenders and for 1 service tender by participating in Public Procurement Committee meetings;
- CPMA evaluated (ex-post) 10 procurements (including contracts) made by the EA;
- CPMA evaluated (ex-ante) draft contracts together with winners' proposals and protocols of public procurement procedures after 15 successfully completed medical equipment tenders. Out of 15 draft contracts CPMA approval was given to 13 of them (2 were rejected and returned for re-evaluation);
- CPMA evaluated (ex-ante) draft contracts together with winners' proposals and protocols of public procurement procedures for 4 services and 2 works completed tenders. For all contracts CPMA approval was given,
- 1 on-the-spot check was carried out in Vilnius Clinical Hospital. Implementation of works was checked, no deviations were noted which could have negative impact on project results and eligibility of expenditure,
- CPMA checked 4 payment claims and issued 4 conclusions regarding the eligibility of the expenditures of IB, checked 9 payment claims and issued 4 conclusions regarding the eligibility of the expenditures of EA.

Implementation reports

During the reporting period the following programme implementation reports were developed:

- Project Interim Report No. 2 (for the period 01/07/2012 - 31/12/2012) was prepared by the IB. Report was approved by the JSC on 9 April 2013. Report was submitted to the SCO on 30 April 2013.
- Annual Project Report No. 1 (for the period 20/12/2011 - 31/12/2012) was prepared by the IB. Report was approved by the JSC on 30 April 2013. Report was submitted to the SCO on 30 April 2013.
- Project Interim Report No. 3 (for the period 01/01/2013 - 31/06/2013) was prepared by the IB. Report was approved by the JSC on 12 September 2013. Report was submitted to the SCO on 4 October 2013.
- Project Interim Report No. 4 (for the period 01/07/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.
- Annual Project Report No. 2 (for the period 01/01/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.

Assesment of progress and risks

Till the end of the reporting period 37 types of medical equipment (39%) (out of 95 types (100%) in total) was procured and is being installed in 24 beneficiary hospitals according to the plan. The procurement of the remaining equipment is in process. Though the delays in this respect could be identified (mainly due to the JSC decision (September 2013) to combine medical equipment of priority I and priority II and changes of the provisions of the Public Procurement Law) however no major risks should be noted for timely implementation of this part of the programme. It is planned that hospitals will be equipped with the necessary modern medical equipment (I and II priorities) by the end of 2015.

As regards the repair works in beneficiary hospitals, progress made in this area could be identified as slow but cause no evident risk in timely completion of planned activities. In order to avoid risks related to repair works, the EA verifies draft tender documents, provides comments and constant consultations, organizes meetings and visits to the beneficiary hospitals.

Preparation of guidelines and protocols proceeds according to the schedule agreed with the contractor. For the cut-off date of this Report about 33% of these documents are prepared. No major risks in timely completion of this activity could be identified.

The delay in development of the procurement documents for special transport for neonates could be stated. It took extra time for the EA to prepare the tender documents for procurement of reanimobiles as the beneficiary hospitals were approached with the query in order to find out what kind of reanimobiles technical characteristics will best suit their needs. No major risks in completion of this activity within the programme implementation terms could be identified.

High risk could be identified in execution of activity regarding development and installation of computer database of pregnant, delivering women and newborn babies' health records. Evaluation process regarding the preparatory activity on procurement of technical supervision services took much longer than expected. In order to avoid risk in timely implementation of this activity the EA is developing the action plan to manage the risk to timely and successful activity implementation.

Implementation of the partnership plan faces a major risk in execution of agreed activities and achievement of planned results. The EA actively works in this area (in contacting the Swiss partners, proposing the measures on what could be done in implementation of activities, solving the technical obstacles, etc.) but communication and feedback from the Swiss partners is passive, in fact. Due to this situation it is planned to modify the partnership plan, to agree on modifications with the Swiss authorities and the JSC and reallocate the released funds for implementation of other programme activities.

In order to follow the process of programme implementation the periodical technical meetings between the IB, CPMA and NCU are being organised in which different issues actual for the programme execution are discussed.

2.1.3. Programme in the focus area “Research and Development”

The overall aim of the programme is to support the research and development sector as an integral and essential part of human and social cohesion and to contribute to the further development of the research and development sector in Lithuania as well as to accelerate its’ integration into the international research area. It is being implemented via the realisation of the joint research projects. The programme is being implemented by the Ministry of Education and Science (MoES) which is assigned as the IB for the programme and the Research Council of Lithuania as the EA.

Operational overview

Programme management

During the reporting period the following activities were implemented for the programme management:

- Internal Procedure for Estimation of R&D Projects Reports was approved on 31 December 2013 by the Order of the Minister of Education and Science.
- Trainings for beneficiaries with regard to different implementation related issues were implemented (in cooperation with the CPMA) on 15 January 2013 (33 participants) and on 26 November 2013 (27 participants).
- Amendment to the Project Implementation Agreement between the IB, CPMA and EA was signed on 18 December 2013 (path for sending payment claims and their verification terms was modified (due to amendments to the Lithuanian Law on Prevention of Delays in Payments under Commercial Transactions)).
- Amendments to the following Agreements with beneficiaries were made: CH-3-ŠMM-01/01, CH-3-ŠMM-01/02, CH-3-ŠMM-01/03, CH-3-ŠMM-01/04, CH-3-ŠMM-01/05, CH-3-ŠMM-01/06, CH-3-ŠMM-01/08, CH-3-ŠMM-01/09, CH-3-ŠMM-01/10, CH-3-ŠMM-01/11, CH-3-ŠMM-01/12. Amendments were mainly related to the modification of the projects’ budget lines.
- Tender documents for the procurement of financial audit services for the programme were developed in October – December 2013. On 30th of December, 2013 (after tender conditions were approved by the Central Project Management Agency) the Procurement Commission of the Research Council of Lithuania (the Procurement Commission) approved tender conditions for survey procedure of simplified public procurement. The deadline for submission of tenders was set on 22 January 2014. On 31 December 2013 three suppliers were invited to submit proposals according to the Simplified Public Procurement Rules of the Research Council of Lithuania. Only one supplier (MB „Sostinės auditoriai“) submitted a proposal. However, the price offered was twice higher than it was foreseen for this procurement, thus the Research Council of Lithuania initiated negotiation procedure to

reduce the price. On 30 January 2014 the meeting with the supplier was organized and other tender with reduced price was submitted the same day. On 3 February 2014 the Procurement Commission confirmed MB „Sostinés auditoriai“ as a winner of this procurement as it met necessary requirements according to the tender conditions. On 4 February 2014 the contract was signed.

- Recommendations of the Internal audit unit of the MoES regarding the management and control system of the programme were implemented by the IB and the EA.

While implementing the programme activities of the CPMA related to procurement process, implementation of contracts and checking the payment claims were as follows:

- as the need to adjust public procurement plan emerged, the Research Council of Lithuania prepared 2 amendments of project public procurement plan. CPMA evaluated all amendments of public procurement plan and approved the usage of them,
- as the need to adjust public procurement plans emerged, beneficiaries (research institutions) prepared in total 20 amendments (CH-3-ŠMM-01/01 – 1 amendment, CH-3-ŠMM-01/02 – 3 amendments, CH-3-ŠMM-01/04 – 1 amendment, CH-3-ŠMM-01/05 – 2 amendments, CH-3-ŠMM-01/08 – 1 amendment, CH-3-ŠMM-01/09 – 3 amendments, CH-3-ŠMM-01/10 – 2 amendments, CH-3-ŠMM-01/11 – 2 amendments, CH-3-ŠMM-01/12 – 5 amendments) of project public procurement plans. CPMA evaluated all amendments of public procurement plans of all beneficiaries and approved them or approved them subject to conditions,
- CPMA evaluated (ex-post) 5 procurements (including contracts) made by the IB,
- CPMA evaluated (ex-post) 2 procurements (including contracts) made by the EA and evaluated (ex-ante) 1 tender documents for procurement of Financial Audit of the programme prepared by the EA and approved the usage of documents subject to conditions,
- CPMA evaluated (ex-post) 132 procurements (including contracts) made by the beneficiaries and evaluated (ex-ante) 8 tender documents for procurement of goods and services prepared by the beneficiaries and approved or approved subject to conditions the usage of documents,
- CPMA evaluated and issued conclusions regarding the eligibility of the expenditures for: 4 payment claims of the IB, 4 payment claims of the EA and 35 interim payment claims of beneficiaries.

Implementation of programme objective

During the reporting period the following activities were implemented with regard to the implementation of the Objective of the programme:

- Documents necessary for the implementation of the projects were developed:
 - Internal Procedure for the Amendments and Breach of the Grant Agreements with the beneficiaries was elaborated and approved by the Order of the Chairman of the Research Council of Lithuania on 9 January 2013;
 - Procedure for the planning and performance of on-the-spot checks of the projects was approved by the Order of the Chairman of the Research Council of Lithuania on 5 August 2013;
 - Rules of Procedure of the JSC were updated and approved by the minutes of the e-voting of the JSC on 15-16 September, 2013;
 - Procedure of the expert evaluation of annual reports of the projects was approved by the Order of the Chairman of the Research Council of Lithuania on 12 December 2013.

- Procedure for checking the projects' payment claims and implementation reports was updated and approved by the Order of the Chairman of the Research Council of Lithuania on 23 December 2013.
- After signing of the agreements, the Research Council of Lithuania collected the VAT declarations of the beneficiaries and partners, Procurement plans of the projects and related amendments, the documents were forwarded to the CPMA. Procurement plans were approved (some of them approved subject to conditions) in January 2013.
- The EA, IB and the CPMA have processed the advance payment claims and projects' interim implementation reports. Advance payments were transferred to the beneficiaries of the projects in December 2012 – January 2013.
- Endorsement of the Consortium Agreements between beneficiaries and the Swiss partners was coordinated by the EA in November 2012 – February 2013. As a result, 11 agreements were signed. For the end of the reporting period the Consortium Agreement for the project CH-3-ŠMM-01/07 has not been signed.
- Electronic system for the registration of the amendments to the grant agreements was developed on <http://sistema.lmt.lt> in February - August 2013.
- Implementation (both: scientific and administrative activities) of all 11 joint research projects proceeded without any major delays or complications.
- JSC meeting on evaluation and approval of joint research projects' annual reports was organised on 24 January 2014. All reports (with exception of the project No. CH-3-ŠMM-01/10) were approved. The report of the above named project had to be corrected making it's information more concrete and detailed. This annual report was approved by the JSC via e-voting procedure on 10 to 24 February 2014.

Implementation reports

During the reporting period the following programme implementation reports were developed:

- Project Interim Report No. 4 (for the period 01/07/2012 - 31/12/2012) was prepared by the IB. Report was approved by the programme steering committee on 22 April 2013. Report was submitted to the SCO on 30 April 2013.
- Annual Project Report No. 2 (for the period 01/01/2012 - 31/12/2012) was prepared by the IB. Report was approved by the programme steering committee on 22 April 2013. Report was submitted to the SCO on 30 April 2013.
- Project Interim Report No. 5 (for the period 01/01/2013 - 31/06/2013) was prepared by the IB. Report was approved by the programme steering committee on 17 October 2013. Report was submitted to the SCO on 30 October 2013.
- Project Interim Report No. 6 (for the period 01/07/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.
- Annual Project Report No. 3 (for the period 01/01/2013 - 31/12/2013) was prepared by the IB. After completion of the necessary procedures the report will be submitted to the SCO.

Assesment of progress and risks

Implementation of all joint research projects is on-going as planned, no major deviations and risks for their successful completion and achievement of planned programme results could be identified.

2.1.4. Individual project in the focus area "Modernisation of the judiciary"

The overall objective of the project "The creation and implementation of the system for video transmission, recording and storage in courts" is the creation of a system which allows arranging remote court sessions, recording and preserving materials of these sessions in the electronic form.

After the implementation of this project the court proceedings will be optimised and possibilities for specific groups of society to participate in these proceedings will be simplified. The project is being implemented by the EA (National Court Administration (NCA)).

Operational overview

Legal acts for the use of video conferencing equipment

On 7 February 2013 the NCA submitted the summary information about the legal acts necessary for the introduction of new technical measures to the NCU. Following the condition set in the SDC decision letter, the NCU send this information to the SCO on 12 February 2013. On the same day the SCO confirmed about the fulfillment of the condition set.

Study visits

The implementation of this Project activity completed in 2012. In total 3 study visits were conducted: on 14-17 December 2011 (Switzerland), on 17-21 June 2012 (Portugal) and 3-7 December 2012 (Denmark). Planned results on gaining experience on the introduction and use of the video conferencing system in courts were achieved. 25 specialists from the NCA, courts and prisons participated in these visits.

Design of architecture of video conferencing system

The implementation of this activity completed in 2012. The planned results were delivered in due time.

Equipment for video conferencing system

As the funds reallocated within the Project budget in 2012 were pointed for the acquisition of two additional units of mobile video-conferencing equipment for the Prosecution Service, the NCA signed the cooperation agreement with the Prosecutor General's Office of the Republic of Lithuania on 24 January 2013.

On 7 January 2013 the technical specification for video-conferencing equipment to be procured was pre-announced in the central information system for public procurements. After the publication of technical specification, the NCA received several claims from potential suppliers, therefore, the procurement documents were reviewed by the EA and the CPMA.

The public procurement of equipment was launched on 15 May 2013. 3 proposals were received and evaluation started on 19 July. During the assessment process and analysis of the claims submitted by the tenderers, the public procurement commission, formed by the NCA, faced the uncertainties in the application of the provisions of the Law on Public Procurement of the Republic of Lithuania for the foreign entities. Due to this reason the public procurement commission applied for a position of the Public Procurement Service of the Republic of Lithuania which is entitled by law to interpret the application of above mentioned law. The explanation was received on 19 November 2013. On 24 January 2014 the list of tenderers was made and the winner announced. On 4 February 2014 information on the evaluation of proposals together with the draft contract was submitted to the CPMA for review and approval. On 21 February 2014 the company, included as the 2nd one in the winners list, submitted a sue to court, claiming to abolish the decision of Public Procurement Commission regarding the winner of the tender.

Considering the risk that procurement and installation of equipment could be delayed (in terms of project implementation deadline set in the PA) and following the respective decision of the project steering committee (made on 13 September 2013), the NCA applied to the NCU for the extension

on the project implementation term till 31 December 2015. The corresponding NCU letter to the SCO was issued on 7 October, the Swiss approval received on 21 October 2013.

During the reporting period the CPMA evaluated (ex-post) 3 procurements (including contracts) conducted by the EA. It also evaluated 4 payment claims and issued 4 conclusions regarding the eligibility of expenditures of the NCA.

Implementation reports

During the reporting period the following project implementation reports were developed:

- Project Interim Report No. 3 (for the period 01/07/2012 - 31/12/2012) was prepared by the EA. Report was approved by the SC on 28 February 2013. The report was submitted to the SCO on 30 April 2013.
- Annual Project Report No. 2 (for the period 01/01/2012 - 31/12/2012) was prepared by the EA. Report was approved by the SC on 28 February 2013. The report was submitted to the SCO on 30 April 2013.
- Project Interim Report No. 4 (for the period 01/01/2013 - 31/06/2013) was prepared by the EA. Report was approved by the SC on 13 September 2013. The report was submitted to the SCO on 15 October 2013.
- Project Interim Report No. 5 (for the period 01/07/2013 - 31/12/2013) was prepared by the EA. After completion of the necessary procedures the report will be submitted to the SCO.
- Annual Project Report No. 3 (for the period 01/01/2013 - 31/12/2013) was prepared by the EA. After completion of the necessary procedures the report will be submitted to the SCO.

Assesment of progress and risks

Activities related to study visits and preparation of technical specification for procurement of equipment are completed, planned outcomes achieved. The major risk encountered by the EA is related to the main project activity – procurement of video conference equipment, namely, with the delays in signing the contract on provision and installation of equipment. Delays could appear due to the CPMA conclusions on evaluation of the tenders (mistakes identified in the evaluation process) or claim submitted to court by the company (-ies) that participated in the tender. Considering this signing of the contract may be postponed. Another risk could be faced if the public procurement will not be finished and the supplier will not be chosen as no supplier would fit the public procurement conditions or/and technical specification. Considering this the NCA foresees to review the requirements of the technical specification and to re-launch the tender. Considering the risk that the value of tenders may exceed the sum allocated in the project budget, the NCA foresees to initiate negotiations with the supplier whose proposal will be selected as the best. If the NCA and the supplier will not come into the agreement the new procurement with the amended specification shall be announced. The project implementation deadline is prolonged till end of 2015.

2.2. Reporting on Special Allocations

2.2.1. NGO block grant

The NGO block grant (hereinafter – the NGO Fund) is planned to be implemented under the Lithuanian–Swiss Cooperation Programme in order to strengthen the NGOs in Lithuania, to enhance the cooperation between the civil society and governmental sector. The NGO Fund is being implemented by the MoF which is assigned as the IB for the NGO Fund and the CPMA as the EA.

Operational overview

NGO Fund management

The following activities were implemented by the EA:

- 13 training seminars for the final beneficiaries on sub-project implementation were organized (145 training participants attended training seminars in total). The topics of seminars: implementation of sub-project agreement, sub-project on-the-spot checks; preparation of sub-project implementation reports, public procurements in sub-projects, eligible expenditures of sub-projects, preparation of sub-project payment claims (January 2013),
- CPMA verified 497 sub-projects payment claims (respectively, approved the same number of sub-project implementation reports),
- CPMA verified and approved 161 tender documents for procurement of goods and services provided by the final beneficiaries. CPMA verified 901 ex-post tender documents for procurement of goods and services, which were provided by the final beneficiaries with the payment claims,
- CPMA performed 65 sub-projects on-the-spot checks (31 non planned on-the-spot checks, during which trainings organized by the final beneficiaries were visited (these trainings were financed from the sub-projects budget) and 34 planned on-the-spot checks, during which sub-projects results were checked). No deviations were noted which could have negative impact on sub-project results and eligibility of expenditure,
- CPMA provided all necessary information and consultations to final beneficiaries about sub-project implementing stages, preparation of sub-project implementation reports and payment claims, public procurements in sub-projects, eligible expenditures of sub-projects and etc.,
- 15 employees of the CPMA working with the NGO Fund strengthened their competence and administrative capacities and attended the training courses (topics: leadership, teamwork, consulting, project management, corporate law, quality and environmental management systems auditing in public sector, public procurements and etc.),
- CPMA carried out 17 public procurements (services for employee trainings and training organizing services for final beneficiaries, public goods procurements for stationery items. Services and goods were purchased for CPMA employees working with NGO fund). Aforementioned procurements did not exceed the threshold of 30.000 CHF.

Implementation of the Fund

The following activities were implemented under the NGO Fund:

- in total 97 sub-project implementation agreements were signed and sub-projects` implementation started. 85 sub-project implementation agreements (that were approved following the final value-for-money assessment report by the NGO Fund Steering Committee (SC) on December 2012) were signed in January-February 2013. Additionally 12 project implementation agreements (that were approved from the reserve list of the final value-for-money assessment results report by the NGO Fund SC on 16 April 2013) were signed in June-July 2013,
- 11 sub-projects (CH-5-FM-1/01, CH-5-FM-1/03, CH-5-FM-1/05, CH-5-FM-1/08, CH-5-FM-1/16, CH-5-FM-1/19, CH-5-FM-1/34, CH-5-FM-1/35, CH-5-FM-1/36, CH-5-FM-1/38, CH-5-FM-1/74) were successfully completed during the reporting period (sub-project results were achieved, activities fully implemented and relevant indicators achieved), CPMA approved their final implementation reports.
- the remaining sub-projects are implemented according to the sub-projects` activities implementation schedules, several sub-projects have slight deviations - their activities implementation slightly fall behind the implementation schedule (mainly due to delay in public procurement procedures).

Implementation reports

During the reporting period the following project implementation reports were developed:

- Project Interim Report No. 3 (for the period 01/07/2012 - 31/12/2012) was prepared by the EA. Report was approved by the SC on 16 April 2013. Report was submitted to the SCO on 30 April 2013.
- Annual Project Report No. 2 (for the period 01/01/2012 - 31/12/2012) was prepared by the EA. Report was approved by the SC on 16 April 2013. Report was submitted to the SCO on 30 April 2013.
- Project Interim Report No. 4 (for the period 01/01/2013 - 31/06/2013) was prepared by the EA. Report was approved by the SC on 14 October 2013. Report was submitted to the SCO on 30 October 2013.
- Project Interim Report No. 5 (for the period 01/07/2013 - 31/12/2013) was prepared by the EA. After completion of the necessary procedures the report will be submitted to the SCO.
- Annual Project Report No. 3 (for the period 01/01/2013 - 31/12/2013) was prepared by the EA. After completion of the necessary procedures the report will be submitted to the SCO.

Assesment of progress and risks

About 11% of the sub-projects has been completed so far, remaining sub-projects are being implemented according to the plan. No major risks could be identified in successful completion of the NGO Fund. Minor risk could be noted as regards timely execution of the reporting activities as well as the use of the free funds left after completion of public procurement activities. In this respect it is planned to approach the SCO with the request to prolong the NGO fund implementation deadline till end of 2014.

2.2.2. Project Preparation Facility

The purpose of the PPF was to ensure the efficient preparation of the Final Project Proposals, resulting from Project Outlines approved by Switzerland. The implementation of the PPF is completed. The Project Completion Report (together with the final financial audit report) was submitted to the SCO in April 2011. On 2 April 2012 the SCO confirmed that the Completion Report is accepted and the financial report approved.

2.2.3. Technical Assistance Fund

The purpose of the Technical Assistance Fund (TAF) is to ensure the efficient and effective implementation of the Lithuanian-Swiss Cooperation Programme. It serves as the main source and instrument for the NCU to administrate and manage the Lithuanian–Swiss Cooperation Programme. The CPMA which is assigned with the execution of concrete functions while implementing the above mentioned programme is another beneficiary of the project.

The detailed budget of the TAF for 2014 was submitted for approval on 27 November 2013. The SCO approval was issued on 9 December 2013.

During the reporting period the following main activities of the TAF have been performed:

Activities of the MoF:

- the Annual Meeting organised on 23 April 2013,

- Interpretation services were provided for translation of documents related to the implementation of the Lithuanian – Swiss Cooperation Programme. In August 2013 a contract of translation services with “Metropolio vertimai” was extended for 12 months,
- 2 staff members working with the Lithuanian–Swiss Cooperation Programme took part in the Baltic Retreat on 4-6 September 2013 in Druskininkai (Lithuania).

Activities of the CPMA:

- 5 employees were working exclusively with the Lithuanian – Swiss Cooperation Programme (evaluation of eligibility of expenditures, supervision of public procurement documents and procedures, monitoring of projects’ implementation, on-the-spot checks, etc.),
- 1 qualified expert was involved in the review of technical specifications of equipment and reagents. Expert's consultation and written opinion was used 19 times in Neonatal programme, 9 times in R&D programme and once in Energy programme. Expert was involved in two stages: (1) evaluation of technical specification before announcing the tenders, (2) evaluation of the technical specifications of the winners' proposals before signing the contract with the supplier. Some of the specifications were analysed couple of times as the purchasing body wanted to change technical specifications or tenders were unsuccessful and had to be relaunched with changes in technical specifications,
- a total of 10 employees of the CPMA who work with the Lithuanian–Swiss Cooperation Programme attended 11 training courses in Lithuania,
- 2 staff members working with the Lithuanian–Swiss Cooperation Programme took part in the Baltic Retreat on 4-6 September 2013 in Druskininkai (Lithuania).
- procurement procedures for training seminars were performed,
- 2 payment claims of the NCU expenditures were evaluated, 5 payment claims of the CPMA expenditures were prepared.

More detailed information on the activities of the MoF and the CPMA under the TAF are provided in the combined interim and annual project report on the TAF. The 4th combined interim and annual report was submitted to the SCO on 29 March 2013. The 5th report is being finalised by the NCU and CPMA and will be submitted to the SCO following the provisions of the TAF agreement.

2.3. Reporting on the Scholarship Fund

According to the provisions of the FA, Annex 3, part D on the Scholarship Fund (the SF), the fund is managed by the Intermediate Body of the Swiss side (CRUS). The Research Council of Lithuania acts as the Coordination Body (CB). The CB is responsible for the in-country management of the SF in Lithuania.

Operational overview

General activities

The SF is being advertised on the CB website (www.lmt.lt). In addition the information on the SF and the related procedures in Lithuania is being constantly communicated to the academic community by e-mail, phone and organisation of information days. The CB has renewed a network of the representatives interested in getting the information directly. This network encompasses all the Lithuanian science and research institutions. The domain www.sciex.lt has a link to the CB’s website page containing the information on the SF.

Information on the open calls of the Scholarship Fund

Under the 1st Open Call (executed in 2010) 3 applications of doctoral students and 3 applications of post-docs were awarded of 530 000 CHF in total. Under the 2nd Open Call (executed in 2011) 5 applications of doctoral students and 3 applications of postdocs were awarded 557 000 CHF in total. Under the 3rd Open Call (executed in 2012) 2 applications of doctoral students and 3 applications of post-docs were awarded 390 000 CHF in total. During the first three calls 19 young scientists were awarded about 1,5 MCHF. Zurich and Geneva universities were the most popular for conducting the internships.

The 4th Open Call for proposals was announced on 2 January 2013 and was closed on 1 April 2013. After the application deadline passed, CB checked all 25 registered proposals on their formal eligibility according to the Check list W-1 provided by CRUS and informed CRUS about the outcome of the formal check. The received applications were distributed as follows: 10 in the field of social sciences and humanities and 15 in the field of physical and biotechnological sciences. Out of 25 proposals 13 applications were eligible and 12 applications had some slight inaccuracies that had to be corrected before the Scoring procedure. The Supervisory Board established at CB has scored all eligible proposals according to their relevance for the home country using a Scoring template T-1. The results of the scoring were sent to CRUS. Following the expert evaluation of applications, 8 applications of doctoral students and 5 applications of post-docs were awarded 938 250 CHF in total.

Taking into consideration the results of the first three open calls (under which less than half of the allocations were committed) and based on the request of the MoES, the NCU has approached the SCO on the necessity to organise the additional open call for proposals on 31 May 2013. The Swiss approval on the request was issued on 17 June 2013.

The 5th (additional) Open Call for proposals was announced on 1 September 2013 and was closed on 1 November 2013. After the application deadline passed, CB checked all 13 registered proposals on their formal eligibility according to the Check list W-1 provided by CRUS and informed CRUS about the outcome of the formal check. The received applications were distributed as follows: 2 in the field of social sciences and humanities and 11 in the field of physical and biotechnological sciences. Out of 13 proposals 6 applications were eligible and 7 applications had some slight inaccuracies that had to be corrected before the Scoring procedure. The Supervisory Board established at CB has scored all eligible proposals according to their relevance for the home country using a Scoring template T-1. The results of the scoring were sent to CRUS.

The last 6th Open Call for proposals was announced on 2 January 2014 and will be closed on 1 April 2014.

The CB regularly provides assistance to researchers concerning the Scholarship Fund and the announced open calls. On 25 March and 30 August 2013 the responsible Sciex administrator in CB Ms. Kornelija Janavičiūtė (kornelija.janaviciute@lmt.lt) attended Sciex Steering Committee Meetings in Fribourg. On 15 October 2013 she participated at the Training Session and on 16 October at the Event with the Sciex Fellows in Zurich organised by CRUS.

After the end of the call (1 April 2013) CB provided data on the eligibility and quantity of received proposals to CRUS and to the Intermediary Body in Lithuania for compilation of the required progress reports. CB also prepared progress reports in April and September 2013 for CRUS.

Information on the publicity activities is reported under part 5 “Strategy and activities to inform the general public about the Lithuanian-Swiss Cooperation Programme and the projects implemented” of this Report.

Assesment of progress and risks

Risk identified in the previous reporting period of not to use all the funds allocated was minimised by implementing additional information activities by the CB and organising the additional call for proposals. Based on the successful results of the last year open calls, it could be concluded that there is no major risk is successful completion of the Scholarship Fund.

2.4 Flexibility clause

In the framework of implementing the projects the following adjustments compared to the original Project Agreements have been made:

- *programme “Introduction of Energy Efficiency Technologies into the Lithuanian Hospitals Providing Perinatal and Neonatal Health Care Services”*:
 - form: amendment to the Project Agreement,
 - date: 4 July 2013 (preliminary approval), 4 November 2013.
 - reasoning: provisions on procurement related issues amended (Article 5 of the Project Agreement), revised indicative budget approved (Annex 3 “Indicative Budget” of the Project Agreement), revised disbursement plan approved (Annex 5 “Indicative Disbursement Plan” of the Project Agreement), revised logframe matrix approved (Annex 4 “Logframe Matrix” of the Project Agreement).

- *project “Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts”*:
 - form: exchange of letters,
 - date: 21 October 2013,
 - reasoning: extension of the project implementation deadline.

2.5. Overall financial statement on the past and tentative future disbursements and commitments for the entire Lithuanian-Swiss Cooperation Programme

Commitments and disbursements of the reporting period

Total amount of the Swiss Contribution committed (according to the Project Agreements signed) is 67,32 MCHF (100% of the total amount (67,32 MCHF to be committed under the Lithuanian–Swiss Cooperation Programme). Commitment was completed in December 2011.

More detailed information on disbursements and reimbursements of the reporting period are presented in the annual financial report in Annex 4.

Tentative commitments and disbursements for the next reporting period

Overall financial statement on the past and tentative future disbursements for the entire Lithuanian-Swiss Cooperation Programme is summarised in Annex 4 of this report.

2.6. Summary and main conclusions of the financial audits of the projects

During the reporting period the following payment claims were audited under the TAF:

- audit for Payment Claim No. 8 for the expenditures of NCU for the reporting period 01/10/2012 - 31/12/2012 was executed on 24 January, 2013;
- audit for Payment Claim No. 9 for the expenditures of NCU for the reporting period 01/01/2013 - 30/06/2013 was executed on 26 July, 2013;
- audit for Payment Claim No. 14 for the expenditures of CPMA for the reporting period 01/10/2012 - 31/12/2012 was executed on 16 January, 2013;
- audit for Payment Claim No. 15 for the expenditures of CPMA for the reporting period 01/01/2013 - 31/03/2013 was executed on 22 April, 2013;
- audit for Payment Claim No. 16 for the expenditures of CPMA for the reporting period 01/04/2013 - 30/06/2013 was executed on 18 July, 2013;
- audit for Payment Claim No. 17 for the expenditures of CPMA for the reporting period 01/07/2013 - 30/09/2013 was executed on 10 October, 2013;
- audit for Payment Claim No. 18 for the expenditures of CPMA for the reporting period 01/10/2013 - 31/12/2013 was executed on 24 January, 2014;
- Combined Interim and Annual Project Report for the year 2012 was verified by the audit company on 21 March 2013.

The following payment claims were audited under the NGO Fund:

- audit for Payment Claim No. 5 for the expenditures of CPMA for the reporting period 01/10/2012 - 31/12/2012 was executed on 29 January, 2013;
- audit for Payment Claim No. 6 for the expenditures of CPMA for the reporting period 01/01/2013 - 31/03/2013 was executed on 24 April, 2013;
- audit for Payment Claim No. 7 for the expenditures of CPMA for the reporting period 01/04/2013 - 30/06/2013 was executed on 23 July, 2013;
- audit for Payment Claim No. 8 for the expenditures of CPMA for the reporting period 01/07/2013 - 30/09/2013 was executed on 29 October, 2013;
- audit for Payment Claim No. 9 for the expenditures of CPMA for the reporting period 01/10/2013 - 31/12/2013 was executed on 29 January, 2014.

The auditors prepared and submitted audit reports and auditor's certificates for all of the above mentioned payment claims and for Combined Interim and Annual Project Report. Auditor's reports state that expenditures were incurred properly and in line with the relevant agreements and service contracts.

2.7. Statistics of tenders, contract awards and successful bidders

Information on this part of the Report is presented in Annex 1.

3. Swissness

Health sector programmes

Partnership agreements with 2 Swiss hospitals were signed in 2013: with Geneva University Hospital (on 19 February) and Basel University Hospital (on 8 October). Agreement with Zurich University Hospital remains not signed as there is no feedback and willingness to cooperate from the Swiss partner's side.

In May 2013 a coordination meeting of Lithuanian and Swiss specialists (Prof. M. Magistris, Prof. R. Pfister) was organized in Kaunas to discuss partnership agreement measures 2013 – 2014 and future partnership with Swiss university hospitals.

1-day conference for neonatologists lectured by Lithuanian and Swiss specialists was organized in Lithuania in May 2013.

On 29 July 2013 Swiss Minister of Foreign Affairs Mr. D. Burkhalter together with Vice-Minister of Health Mr. G. Černiauskas visited the Children’s Hospital, branch of the Vilnius University Hospital Santariskes Clinics.

On 21 December 2013 lunch with the participation of the Swiss ambassador Mr. M. Dutly and the Minister of Health Mr. V. Andriukaitis to discuss the implementation of health programmes was held in Vilnius.

On 16 January 2014 „Journalists‘ breakfast“ were organised in Vilnius Maternity Home (with the participation of the Swiss ambassador Mr. M. Dutly, Minister of Health Mr. V. Andriukaitis and director of the hospital Mrs. K. Mačiulienė) to inform mass media about the implementation of health programmes in Lithuania and in Vilnius Maternity Home in particular.

Research and Development programme

The programme is concentrated on financing of the joint research projects and institutional partnership projects between Lithuanian and Swiss researchers/research institutions. The joint research and institutional partnership projects were selected on a competitive basis. The Joint Selection Committee (which includes scientific representatives nominated by both countries) approved the final list of selected joint research and institutional partnership projects. Programme will create extensive conditions for the cooperation of Lithuanian and Swiss research institutions and researchers.

Projects are being implemented with different Swiss universities (Zurich, Lausanne, Bern, Geneva, Fribourg), other partners. Detailed information on the projects is presented in the Project interim report No. 4.

NGO Fund

5 sub-projects are being implemented in partnership with the Swiss NGOs: all beneficiaries consider this cooperation as beneficial and advantageous for strengthening of their role in the sector as well as daily activities.

Final beneficiary	Sub-Project partner	Goal of the Sub-project
Charity and support foundation “Lithuanian Food Bank”	Stiftung “Hoffnug fur Menschen in Not Tafel”	To strengthen “Food bank’s” food aid network provider’s capacities utilizing good practice of Switzerland. These increase capacities will make it possible to collect and distribute more food aid, to diversify financial income required to run operations, ensure food aid provision sustainability, contribute towards reducing the poverty and social exclusion in Lithuania as well as increasing rational use of natural resources while fighting the food waste.

Students' Representation of Vilnius University	National Union of Students	To strengthen the institutional base of the Students' Representation of Vilnius University by improving members knowledge and ability and to expand social business influence on the income and revenue diversification.
Baltic Charity Foundation	Lithuanian community in Switzerland	To strengthen the institutional capacity and financial autonomy of the Baltic Charity Foundation and the rural communities.
Society for the Beautification of Lithuania (SBL)	Lithuanian community in Switzerland	To expand SBL activity and quality of services and to strengthen cooperation with local communities and local authorities, using the Swiss experience.
Lithuanian Society of Young Researchers	ACTIONUNI (Association of the Swiss universities)	To strengthen the Lithuanian Society of Young Researchers and develop institutional capabilities of its members.

Individual project

Information about the project was presented in a conference „Modernisation of courts in Baltic states“ organised by the Supreme Court of Switzerland on 13-15 March 2013 in Luzern.

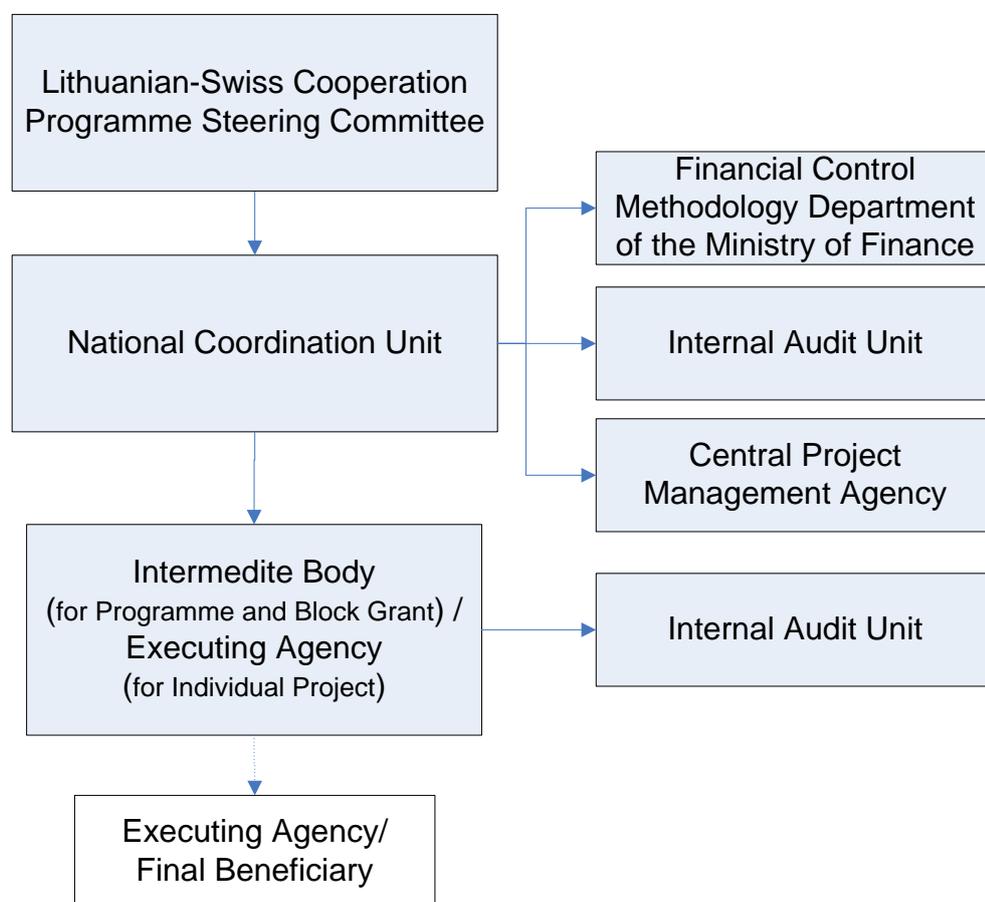
Experience in using video-conference equipment and projects being implemented in this area was also shared between the Baltic states and Switzerland in the conference organised by the Courts administration of Latvia on 28-30 August 2013.

4. Reporting on administrative implementation issues

Managerial set-up

The managerial set-up for the Lithuanian–Swiss Cooperation Programme is presented in the figure below.

Graph No. 5. The managerial set-up for the Lithuanian-Swiss Cooperation Programme



National Coordination Unit

The MoF acts as the NCU of the Lithuanian–Swiss Cooperation Programme. Based on the provisions of the FA, execution of certain functions is delegated to the CPMA. This was done by the Order of the Minister of Finance (No. 1K-418, 5 Dec. 2008) “On the Approval of the Rules for Administration of the Lithuanian–Swiss Cooperation Programme”.

Within the MoF, two independent administrative units participate in the implementation of the NCU functions:

- International Financial Assistance Coordination Division executes the functions related to coordination matters while implementing the Lithuanian–Swiss Cooperation Programme;
- State Treasury Department executes the functions related to the management of all operations regarding the financial transactions. The financial management is separated from other functions of the NCU in order to increase the quality of operations and ensure good governance practices.

The SCO is the direct and main counterpart of the NCU with regard to the official information and day-to-day communication on the implementation of the Lithuanian–Swiss Cooperation Programme.

Intermediate Bodies

The following ministries are assigned by the Government of the Republic of Lithuania as the IBs under the Lithuanian–Swiss Cooperation Programme:

- Ministry of Health is the IB for the programmes in the focus areas “*Rehabilitation and modernisation of basic infrastructure and improvement of the environment*” and “*Health*”;
- Ministry of Education and Science is the IB for the programme in the focus area “*Research and Development*”;
- Ministry of Finance is the IB for the block grant in the NGO sector;
- Ministry of Finance is the IB for the PPF (as defined in the FA, Annex 3).

Executing agencies

The following institutions act as the EAs while implementing the projects:

- Hospital of Lithuanian University of Health Sciences Kauno Klinikos is the EA for the programme in the perinatal and neonatal health care. It is also one of the EA under the programme for introduction of energy efficient technologies. Other hospitals that receive assistance under the later programme act as the EAs as well.
- Research Council of Lithuania is the EA for the programme “*Research and Development*”;
- CPMA is the EA for the block grant in the NGO sector;
- National Court Administration is the EA for the individual project on introduction of video conferencing system in Lithuanian Courts.

Steering Committee

The Steering Committee of the Lithuanian–Swiss Cooperation Programme was established and its personal composition approved by the Order of the Minister of Finance No. 1K-017 of 27 January 2009. The Steering Committee is composed of the representatives of the MoF (chair), MoES, MoH, Ministry of Interior, Ministry of Foreign Affairs, Association of Local Authorities in Lithuania, non-governmental sector and the CPMA. Other institutions interested and the representatives of the Swiss Embassy (Swiss Contribution Office) are invited to the meetings of the Steering Committee as observers.

The functions of the Steering Committee are detailed in the Rules for Administration of the Lithuanian–Swiss Cooperation Programme and the Work Regulation of the Steering Committee and are as follows:

- presents recommendations on the Project Outlines and Final Project Proposals to the NCU (on submission to the SCO, corrections, rejection);
- presents recommendations on the revision of the focus areas of the Lithuanian–Swiss Cooperation Programme to the NCU;
- supervises the implementation of the Lithuanian–Swiss Cooperation Programme and its compliance to the provisions of the FA;
- discusses and takes decision (on approval or rejection) on the annual report on the implementation of the Lithuanian–Swiss Cooperation Programme.

According to the work regulation of the Steering Committee, the meetings shall be organised at least once per year. If necessary, meetings can be organised more frequently.

The Committee decisions are taken by voting at the meeting. All Committee members have 1 vote each. Voting can be „for“ and „against“. The restraint is not allowed, except the cases when the participant of the meeting must restrain due to the conflict of interests. The decision is considered to be made if the voting „for“ is made by majority of the Committee members participating in the meeting (or their authorised representatives). In case of an equal distribution of votes, the

chairperson's vote is decisive. If there is a necessity to decide on important and urgent issues a written procedure could be applied.

Financial Control Methodology Department of the MoF

As described in the FA, the Financial Control Methodology Department of the MoF is responsible for the coordination of the verifications of the effective functioning of management and control system for the implementation of the Lithuanian–Swiss Cooperation Programme. The list of tasks assigned is presented in Annex 2 of the FA.

Internal Audit Units

Internal audit units of the assigned institutions perform audits of functioning of management and control system for the implementation of the Lithuanian–Swiss Cooperation Programme. The list of tasks assigned is presented in Annex 2 of the FA.

Legal aspects

There were no new legal documents on the administration of the Lithuanian-Swiss Cooperation Programme adopted during the reporting period. Presently, the Rules on Administration of the Lithuanian – Swiss Cooperation Programme are being modified, taking into consideration the practical experience of the implementation process. It is planned that Rules for implementation and financing of the programmes and individual project (describing preparation and submission of payment claims, issues related to the currency exchange rate, eligibility of costs and other financial questions) will be modified as well in 2014.

During the reporting period the following programme level implementation agreements/amendments to the implementation agreements were signed:

- 2 amendments to the Project Implementation Agreement on the individual project (between the NCU, NCA and CPMA) were drafted by the CPMA and signed: on 16 April 2013 (on modifications to project budget, logframe matrix) and on 17 December 2013 (on extension of the project implementation period).

During the reporting period the following implementation agreements on the project level/amendments to these agreements were signed:

- Amendment to the Project Implementation Agreement (between IB, CPMA and EA) was signed under perinatal health care programme on 10 October 2013 (annex 1 on project budget and annex 2 on project indicators were modified).
- Five new Project Implementation Agreements were drafted by the CPMA and signed with hospitals (Alytus, Šiauliai, Visaginas, Vilkaviškis and Raseiniai) under energy efficiency programme in December 2013 – January 2014.
- Amendments to 12 Project Implementation Agreements (between IB, CPMA and EAs) were signed under energy efficiency programme in December 2013 – January 2014 (inclusion of new energy-saving activities, in some cases scope of indicators was updated).
- Amendment to the Project Implementation Agreement between the IB, CPMA and EA under research programme was drafted by the CPMA and signed on 18 December 2013 (path for sending payment claims and their verification terms was modified (due to amendments to the Lithuanian Law on Prevention of Delays in Payments under Commercial Transactions)).

The CPMA has updated, discussed with the NCU (if necessary) and approved the following forms necessary for the implementation of programmes, block grant and individual project:

- Public Procurement Plan form (approved by the CPMA Deputy Director's Order No. 2013/20-2-1 on 11 January, 2013);
- Payment Claim and Declaration of Partner's Expenditure forms (approved by the CPMA Deputy Director's Order No. 2013/20-2-2 on 11 January, 2013);
- Annual Project Report and Combined Interim and Annual Project Report for Switzerland forms (approved by the CPMA Deputy Director's Order No. 2013/20-2-4 on 28 January, 2013);
- forms for submission information about project/sub-project/joint research and/or institutional partnership project events and forms registration of participants (approved by the CPMA Deputy Director's Order No. 2013/20-2-5 on 22 March, 2013);
- Final Project Implementation Report submitted with the payment claim form (approved by the CPMA Deputy Director's Order No. 2013/20-2-12 on 13 August, 2013);
- Conclusion on Expenditures Eligibility form (approved by the CPMA Director's Order No. 2013/8-188 on 10 September, 2013);
- Declaration of Partner's Expenditure form (approved by the CPMA Director's Order No. 2013/20-2-18 on 9 October, 2013);
- technical specification form for purchasing audit services (approved by the CPMA Deputy Director's Order No. 2013/20-3-2 on 29 November, 2013);
- technical specification form for purchasing audit services for NGO Block Grant (approved by the CPMA Deputy Director's Order No. 2013/20-2-3 on 6 December, 2013);
- Standard public procurement document forms for (1) open tender in order to purchase goods, (2) open tender in order to purchase services, (3) simplified open tender in order to purchase goods, (4) simplified open tender in order to purchase services (approved by the CPMA Deputy Director's Order No. 2014/20-2-1 on 3 January, 2014).

The CPMA also prepared new forms and updated other documents needed for the implementation process:

- form for submission information about project/sub-project/joint research and/or institutional partnership project events (approved by the CPMA Deputy Director's Order No. 2013/20-2-3 on 25 January, 2013),
- technical specification form for purchasing audit services (approved by the CPMA Deputy Director's Order No. 2013/20-2-6 on 8 April, 2013),
- technical specification form for purchasing audit services for NGO Block Grant (approved by the CPMA Deputy Director's Order No. 2013/20-2-9 on 13 May, 2013),
- procedure for filling and submitting the payment claim was prepared and approved by the CPMA Deputy Director's Order No. 2013/20-2-2 on 11 January, 2013;
- CPMA internal procedure for verification of payment claims and approval of eligible expenditures for the Swiss-Lithuanian Cooperation programme was updated on 4 July, 2013;
- CPMA internal procedure for public procurement supervision for the Swiss-Lithuanian Cooperation programme was updated on 4 July, 2013;
- CPMA internal procedure for preparation, verification, approval, coordination and submission of reports and reimbursement requests for Switzerland was updated on 19 August, 2013;
- CPMA internal procedure for on-the-spot checks was updated on 8 October, 2013;

- procedure for filling and submitting the payment claim was updated by the CPMA Deputy Director's Order No. 2013/20-2-19 on 18 November, 2013;
- CPMA internal procedure for verification of payment claims and approval of eligible expenditures for the Swiss-Lithuanian Cooperation programme was updated on 28 November, 2013.

5. Strategy and activities to inform the general public about the Lithuanian-Swiss Cooperation Programme and the projects implemented

With regard to implementation of publicity measures of the Lithuanian-Swiss Cooperation Programme, the separate web page www.swiss-contribution.lt is operational since 22 February 2008. This webpage forwards the searcher into the particular section of the webpage of the MoF. The webpage is available in the Lithuanian and English languages. Information about the Lithuanian-Swiss Cooperation Programme is also published on the website of the CPMA: www.cpya.lt. Both websites are continually updating information on the Lithuanian-Swiss Cooperation Programme and includes links to websites of Lithuanian and Swiss institutions involved with the programme.

Under the contract with the JSC "Mediaskopas" on the services of media monitoring 5 media publicity analysis were done during the reporting period:

- 1st analysis covered the period of July – December 2012. 42 reports related to the Lithuanian-Swiss Cooperation Programme were captured (majority – 14 reports were published in July and focused on the news related to health sector programme). During the analysis period 63 keywords were captured with the reach of 2.40 million. Positive publicity accounted for 52.4% of all keyword hits, neutral reports accounted for the rest of 47.6% of publicity, no negative reports were detected. On 21 January 2013 media publicity analysis was sent to the SCO.
- 2nd analysis (annual) covered the period of April – December 2012. 101 report related to the Lithuanian-Swiss Cooperation Programme were captured (nearly half – 47.5% of reports – were published in June). During the analysis period 200 keywords were captured with the reach of 8.07 million. Positive publicity accounted for 79.5% of all keyword hits (43.0% of hits were very positive), neutral reports accounted for the rest of 20.5% of publicity, no negative reports were detected. On 21 January 2013 media publicity analysis was sent to the SCO.
- 3rd analysis covered the period of January – June 2013. 135 reports related to the Lithuanian – Swiss Cooperation Programme were captured during that period. The number of hits increased 3.2 times if compared to July-December 2012 (135 vs 42). During the analysis period 193 keywords were captured, their reach amounted to 17.47 million, that is 7 times wider than in the 2nd half of 2012. The mentions of the Lithuanian – Swiss Cooperation Programme led with regard to both, the number of hits and the reach. On 24 July 2012 media publicity analysis was sent to the SCO.
- 4th analysis covered the period of July – December 2013. 192 reports related to the Lithuanian – Swiss Cooperation Programme were captured during that period. The number of reports increased by 29.7% if compared to January – June 2013 (192 vs 135). If compared to July – December 2012, the number of reports during the relevant period in 2013 leaped 4.6 times. During the period of the analysis 277 keyword mentions were captured with the reach of 18.88 million, i. e. 1.41 million wider than in the 1st half of 2013. If compared to the previous half-year period, the number of keyword mentions increased by 30.3%. The mentions of the Lithuanian-Swiss Cooperation Programme led with regard to both, the

number of hits and the reach. On 21 January 2014 media publicity analysis was sent to the SCO.

- 5th analysis (annual) covered the period of January – December 2013. 327 reports related to the Lithuanian – Swiss Cooperation Programme were captured during that period. During the period of the analysis 470 keyword mentions were captured with the reach of 36.35 million. If compared to April-December 2012, the reach of keyword mentions during the relevant period in 2013 increased 4 times, while the number of keyword hits doubled. During the period of the analysis mentions of all 8 monitored keywords were captured. The Lithuanian – Swiss Cooperation Programme was mentioned the most often and accounted for 56.8% of all keyword mentions. It was followed by NGO Fund of the Lithuanian – Swiss Cooperation Programme with 19.4% of mentions and Improvement of Perinatal and Neonatal Health Care Services in Lithuania – 9.1% of hits. On 21 January 2014 media publicity analysis was sent to the SCO.

Publicity activities performed during the reporting period:

Scholarship Fund

- In order to promote and disseminate information about the open calls of the Scholarship Fund, relevant information was published on the website of the Lithuanian Research Council (also on the websites of the MoES and MoF) and disseminated among the eligible higher education and research institutions;
- in January 2013 the information about the 8th call was announced on the website and disseminated among the eligible higher education and research institutions.
- The chairman of the CB announced the information concerning the call during the meeting of the Committee of Humanities and Social Sciences and the Committee of Natural and Technical Sciences.
- The letters calling to encourage young researchers to submit applications, to be their home mentors in Lithuania and to mediate in finding mentors in Switzerland from the Research Council of Lithuania were sent to the project managers of the programme “Research and development”.
- In January, 2013 press release about Sciex and the new call was prepared together with the Ministry of education and science. On January 15, 2013 the press release was disseminated and published on the Ministry of education and science and CB websites.
- On 6 February 2013 the information day for the interested doctoral and post-doc researches was held at CB. There were 18 participants attending this event.
- On 11 February 2013 the information about the call and programme was presented during the information day “Individual fellowships for researchers. The Seventh Framework Programme and Swiss Scholarship Fund Sciex” held at Kaunas University of technology. There were 48 participants in this event. Associate Professor at Kaunas University of Technology and former Sciex fellow Mr. G. Jucevičius attended the event and shared his own experience concerning the fellowship.
- In July 2013 press release about the Sciex and the upcoming additional call was prepared. On 18 July 2013 the press release was disseminated and published on the CB website. The information was also sent to the academic community by e-mail.
- On 1 September 2013 information about the 5th call (9th Sciex Call) was announced on the CB website and disseminated among the eligible higher education and research institutions. The letters calling to encourage young researchers to submit applications and to mediate in finding mentors in Switzerland from the Research Council of Lithuania were sent to the project managers of the Lithuanian-Swiss Cooperation Programme “Research and development”.

- On 12 September 2013 the information day for the interested doctoral and post-doc researches was held at CB (19 participants). Sciex programme and Euraxess network services were presented.
- The information about the forthcoming call and programme was presented during the additional information event held at CB on 29 November 2013. 29 participants interested in doctoral and post-doc fellowship attended this event. Mr. V. Jurkevičius, doctoral student of Mykolas Romeris University and Sciex fellow, was invited to the event to share his own experience concerning the fellowship.
- On 23 January 2014 the information event for the interested doctoral and post-doc researches was held at CB (13 participants). Sciex programme and Euraxess network services were presented. Mr. V. Jurkevičius, former doctoral student of Mykolas Romeris University and Sciex fellow, was invited to the event to share his own experience concerning the fellowship.
- On 17 February 2014 press release about the Sciex and the the new call was prepared, disseminated and published on the CB website.
- In addition the information on the Scholarship Fund and the related procedures in Lithuania is being constantly communicated to the academic community. The CB has renewed the network of the representatives interested in getting the information directly. This network encompasses all Lithuanian science and research institutions.

Programme “Research and development”

- Information about the programme was published and updated on the websites of the EA, IB, NCU and CPMA.
- Promotional material of the programme procured.
- Beneficiaries implement the publicity activities based on the publicity plans (as a part of the project implementation agreements).

NGO Fund:

- Information on the implementation of the NGO fund was published on the websites of the MoF and the CPMA.
- Final beneficiaries implement the publicity activities based on the publicity plans (as a part of the sub-project implementation agreements).

Individual project:

- Information about the project is presented and updated by the Executing Agency in it’s official website (www.teismai.lt).
- Information about the project has been published in the annual report on the activities of the NCA in 2012 (publicised on the website www.teismai.lt) announced in March 2013.
- Press release on hearing of witnesses by applying remote method was issued by the NCA on 26 August 2013. Information about the input of the project financed by the Lithuanian – Swiss Cooperation Programme was presented.
- Information about the intended project results was presented during the news report of the radio station “M-1” on 27 August 2013.
- Intended project results were presented for the EU member states and European Commission representatives in the international conference “Challenges in e-justice” organised by the Ministry of Justice of the Republic of Lithuania on 24 October 2013.

Health programmes:

- Information on the programmes is presented and constantly updated in the website of the Intermediate Body (www.sam.lt) and in Facebook page

(<http://www.facebook.com/LietuvosIrSveicarijosBendradarbiavimoPrograma?fref=ts>). A banner of the Lithuanian - Swiss Cooperation Programme is visible on the main page of the website. Information about the project (either financed by energy efficiency or perinatal health care programme, or both) is presented in the websites of hospitals (except Trakai hospital which does not have their own website).

- Articles about the programme activities and results were prepared and released for publicity on <http://www.sam.lt/go.php/lit/Prie-Lietuvos-ir-Sveicarijos-bendradarbiavimo-programos-sveikatos-sektoriuje-prisijunge-naujos-Lietuvos-ligonines/3951/1> (June 2013) and <http://www.sam.lt/go.php/lit/Lietuvos-ir-Sveicarijos-bendradarbiavimo-/4435/1> (December 2013).
- Photo collection in hospitals participating in the programmes started (July 2013).
- Articles and (or) press releases on the health programmes financed by the Lithuanian – Swiss Cooperation Programme in different hospitals were published in regional/national newspapers and informational websites.
- Information billboards/memorial billboards were set up in several hospitals.
- On 16 January 2014 “Journalists’ breakfast” were organised in Vilnius Maternity Home in order to present information on the two health programmes implemented in this and other hospitals, to show the equipment already installed and used for the better health care services. This event was widely covered by the mass media (TV, newspapers, informational websites).

Technical Assistance Fund:

- Promotional material on the Lithuanian–Swiss Cooperation Programme is provided to the relevant stakeholders when necessary. Seeking to assure the access and dissemination of the comprehensive, objective and actual information about the Programme and to inform the Lithuanian society about its results and benefits, the NCU developed the tender documents on the procurement of information and publicity services. On 24 February 2014 the draft technical specification was pre-announced in the Central information system of public procurements for submission of remarks and proposals from the potential suppliers of services. No other specific publicity activities on the visibility of the TAF have been performed.
- Media publicity analysis activities were implemented.

6. Implementation of the work plan

Comparison of the tasks planned for the reporting period and the real achievements is presented in the table below:

Task	Implementation deadline planned in the Baltic Retreat (2013/09)	Achieved in time/ delayed	Reasons for deviations
Tasks related to the programme in the focus area „Rehabilitation and modernisation of basic infrastructure and Improvement of the environment“			
<u>Programme management:</u> To organise „Journalist’s breakfast“ on the programme implementation	Exact date was not fixed	16 January 2014	-
To sign Project implementation	October 2013	Delayed	When planning the implementation

agreements with the newly included EAs (Raseiniai, Vilkaviškis)			deadline for this task, it was expected that necessary changes of the PA will be made before that. After the modifications of the PA on 4 November 2013, the implementation agreements were harmonised with the new EAs and signed in December 2013 and January 2014, respectively.
<u>Programme direct costs:</u> information on the status of each hospital is described in Annex 3 of the Report.			
Tasks related to the programme in the focus area „Health“			
<u>Medical equipment:</u> To submit tender documents on stationary ultrasonic devices for the Swiss non-objection To launch 4 new tenders To re-launch 6 tender lots To sign 11 contracts	September 2013 October - December 2013 October – December 2013 November 2013/ February 2014	Delayed Delayed Delayed Delayed (3 signed as	In the 2nd half of 2013 the priority of the EA was given to the procurements of the equipment to be installed in a bigger number of hospitals (including district hospitals). Due to the insufficient quality of draft procurement documents they were not agreed with the CPMA. Delays were caused by several reasons: 1) due to the decision (dated 12 September 2013) of the JSC to combine procurement of medical equipment under I and II priorities all tenders' documents had to be revised. 2) Another reason for delays was that the EA sought that tender documents would correspond to the actual needs of beneficiary hospitals. 3) on 22 October 2013 the Amendment of Public Procurement Law was made which came in to force on 1 January, 2014. Due to these changes the procurement documents had to be updated. 4) in 2nd half of 2013 the biggest focus was on implementation of already signed contracts in order to deliver first the necessary equipment for Lithuanian hospitals. In 2013 significantly less tenders (than planned) were announced, in

To deliver the equipment to beneficiary hospitals	Continuously	planned) Achieved in time	case of several tenders evaluation process took extra time therefore not all planned contracts were signed. -
<u>Computer database:</u> To sign the contract on technical supervision services	November 2013	Delayed	Public procurement is still in process: evaluation of proposals' qualification requirements took very long time, additional information was needed because Public Procurement Commission encountered difficulties to verify qualification of one supplier.
To submit the tender documents on the development of the computer database for the review of the CPMA	January 2014	Delayed	As the preparatory activity is not yet under implementation, the tender documents are not being developed.
<u>Technical projects and supervision:</u> To announce the tender: - Kaunas clinical hospital	November 2013	Delayed	Due to the insufficient quality, the draft procurement documents were several times revised by the EA. Firstly hospital proceeds with the preparation of technical project for energy programme, afterwards it plans to apply the Public Procurement Office for permission to change the procurement type and to go for unannounced negotiations for preparation of this technical project.
- Marijampolė hospital	January 2014	Delayed	Tender announced in February 2014.
To prepare technical projects: - Klaipėda hospital	October 2013	Delayed	Technical project prepared in February 2014. One joint technical project was prepared for both

<ul style="list-style-type: none"> - Kaunas Clinics 	December 2013	Delayed	<p>programmes therefore due to it's complexity and the need to agree with the EA of perinatal programe the process took longer than expected.</p> <p>Due to the delays in announcing the tender for preparation of technical Project.</p>
<p><u>Repair works:</u> To announce the tender:</p> <ul style="list-style-type: none"> - Panevėžys hospital 	September 2013	Delayed	Hospital was late with submission of the procurement documents to CPMA. Procurement documents were not approved by the CPMA as the activities and quantities described there were not in line with activities which could be financed by the perinatal programme.
<ul style="list-style-type: none"> - Klaipėda, Telšiai, Mažeikiai hospitals 	January 2014	Delayed	<p>In case of Klaipėda, delays were caused by the delays in preparation of technical project.</p> <p>In case Telšiai, delays were caused by the insufficient quality of the draft procurement documents (documents were several times revised by the EA). In case of Mažeikiai, hospital was waiting for the additional funds from the State Investment Programme (for setting the ramp).</p>
<p>To complete works:</p> <ul style="list-style-type: none"> - Vilnius City Clinical Hospital 	November 2013	Achieved in time	Works completed in October 2013.
<p><u>Guidelines, protocols and professional competence improvement:</u> To prepare 23 methodologies</p>	December 2013	Achieved in time	-
<p><u>Vehicles:</u> To coordinate the tender documents with the CPMA</p>	November/ December 2013	Delayed	Tender documents submitted to CPMA in February 2014. It took

			longer than expected to draft the documents as the EA approached the beneficiary hospitals with a query on technical characteristics of the reanimobiles to be procured (in order to fit their needs at maximum extent).
<u>Partnership:</u> To sign partnership agreements: <ul style="list-style-type: none"> - with Basel hospital - with Zurich hospital To implement activities foreseen in the partnership plan	3Q/2013 4Q/2013 Time schedule set in the Plan	Achieved earlier than planned Delayed Delayed	- No response received since submission (by Kaunas Clinics) of the draft partnership agreement in October 2012. It is difficult to attract Swiss experts to participate in conferences and workshops. Communication from the Swiss part is passive (EA does not receive replies to its' requests).
<u>Programme management:</u> To organise „Journalist's breakfast“ on the programme implementation To sign partnership agreements between the EA and newly included hospitals (Raseiniai, Vilkaviškis)	Exact date was not fixed October/November 2013	16 January 2014 Achieved in time	- -
Tasks related to the programme in the focus area „Research and development“			
<u>Programme management:</u> - to complete and approve the internal Procedures for Estimation of joint research projects	November/December 2013	Achieved in time	-
<u>Implementation of objective:</u> - to conduct expert evaluation of the projects' annual reports - to check the submitted payment claims, interim implementation reports, tender documents	January/February 2014 Continuously	Achieved in time Achieved in time	JSC assessed and approved the annual scientific reports of all 11 projects on 24 January 2014. -

- to continue implementation of the joint research projects	Continuously	Achieved in time	-
Tasks related to the NGO block grant			
To continue implementation of the sub-projects	Continuously	All tasks achieved in time (except slight delays of several sub-projects in conducting planned public procurements)	-
To verify procurement plans, payment claims, tender documents	Continuously		
To conduct on-the-spot checks	Continuously		
Tasks related to the individual project*			
To launch the tender on procurement of hardware and software	February 2013	Delayed	Tender launched on 15 May 2013. The delay appeared due to the amendments of the Project (budget reallocation, etc.) which had to be taken into account while preparing and reviewing the tender documents.
To apply for the extension of Project duration	September – October 2013	Achieved in time	-
To conclude the contract on video-conference equipment	February – March 2014	Delayed	Signing of contract has been delayed due to the submission of a sue to the court by the company, included as the 2nd one in the winners list, claiming to abolish the decision of Public Procurement Commission regarding the winner of the tender.
To organise the closing conference	February 2014	Delayed	Due to the prolonged procurement process it was not clear when exactly the contract could be signed and implemented. In order to avoid the risks in Project implementation, the completion term was extended and the conference postponed to November 2014.

* Plan was prepared with a pre-condition that the winner of the tender will be selected in September 2013

CONCLUSIONS AND RECOMMENDATIONS

During the reporting period activities of the NCU, CPMA, IBs and EAs involved in the implementation of the Lithuanian-Swiss Cooperation Programme concentrated on the procurement related activities under the concrete programmes and projects and implementation of the signed contracts. Tendering phase is of a high importance in the implementation process, therefore, the quality of documents shall be a top priority for the responsible institutions.

Smooth execution of procurement process, proper implementation of planned activities and successful achievement of planned results - these are the main tasks and objectives for all institutions involved during the next reporting period. A particular attention shall be focused on applying the visibility measures for the Swiss Contribution, also cooperation with the Swiss partners under concrete programmes and/or projects.

With regard to the implementation of the Lithuanian–Swiss Cooperation Programme, the NCU would like to submit the following question for discussions with the donor side:

- modification of the partnership plan under the perinatal health care programme,
- extension of the NGO fund implementation period,
- simplification of the reporting process and combining the annual and 2nd interim implementation reports.

Annex 1 *Statistics of tenders, contract awards and successful bidders*

Tender title	Tender type (procedure used)	Tender budget (according to the procurement plan[†], (including VAT))	Information on tenderers	Successful bidder	Contract amount (including VAT)	Implementation period
Individual project “The Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts”						
Procurement of video transmission, recording and storage equipment	Open tender	4 995 106,73 LTL	There were 3 proposals received: 1) JSC “Fortek” Informacinės technologijos, Lattelecom, SIA and JSC “Blue Bridge”, 2) JSC “EIT sprendimai”, TEO LT, SC and JSC “Elsis PRO”, 3) JSC “ATEA” and ATEA, AS.	Note: the winners list was announced on 24 January 2014. Signing of contract has been delayed due to the submission of a sue to the court by the company, included as the 2nd one in the winners list, claiming to abolish the decision of Public Procurement Commission regarding the winner of the tender.		
Programme “Research and Development”						
Project financial audit services	Small value procurement	99 720,00 LTL	3 tenderers were applied: 1) JSC “Verslo audito konsultacijos” 2) “KPMG Baltics” 3) “Sostinės auditoriai”	“Sostinės auditoriai”	97 405,00 LTL	Interim financial audit report shall be submitted by 31 March 2014. Final financial audit report shall be submitted by 30 September 2016.
Measurement system of electric ferroelectric and piezoelectric properties of thin ferroelectric films (CH-3-ŠMM-01/02)	Simplified open procedure	274.000,00 LTL	“aixACCT Systems GmbH”	“aixACCT Systems GmbH”	70160,00 EUR 242.248,45 LTL	2012 12 19/2013 06 19
Laboratory reagents and consumables	Open (international)	977.900,00 LTL	Procurement was divided into 8 lots. 11 proposals were received	JSC “Labochema	16.920,00 LTL (6 lot)	2014 03 27/2016 07 01

[†] note: tender budget for the procurements under the perinatal programme is presented based on the procurement plan for 1st and 2nd priorities.

(CH-3-ŠMM-01/04)	procedure		<p>in total: JSC "Lokmis" JSC "Linea Libera" JSC "Labochema LT" JSC "Grida" Fisher Scientific UK Ltd Lietuvos filialas</p> <p>There were rejected 7 tenders in total: 1, 2, 4, 5 procurement lots tenders were rejected due to too high prices compared to the available procurement budgets; 3, 6 (2 tenders) procurement lots tenders were rejected due to the failure to comply with the requirements of the call for tenders.</p>	LT" (6, 7, 8 lots)	1.700,00 LTL (7 lot) 6.611,82 LTL (8 lot)	
Aerosol Chemical Composition Analyser (CH-3-ŠMM-01/08)	Open (international) procedure	510.967,00 LTL	Aerodyne Research, Inc.	Aerodyne Research, Inc.	59.500,00 USD 508.305,05 LTL	2013 04 30/2013 08 30
Services provided by medical laboratories (CH-3-ŠMM-01/09)	Simplified open procedure	173.140,00 LTL	Kaunas Clinics	Kaunas Clinics	173.139,60 LTL	2013 07 10/ 2016-01-10
Reagents (CH-3-ŠMM-01/09)	Open (international) procedure	123.076,00 LTL	JSC "Labochema LT" JSC "Interlux"	JSC "Labochema LT"	109.359,80 LTL	2013 09 17/2016 03 17
Cells growing equipment (CH-3-ŠMM-01/11)	Open (international) procedure	336.000,00 LTL	JSC „Labochema LT“	JSC „Labochema LT“	307.388,40 LTL	2013 10 10/2014 03 10
Laboratory furniture (CH-3-ŠMM-01/11)	Open (international) procedure	112.500,00 LTL	Tender documents were passed to the CPMA for approval on 2013 03 03. Tender documents evaluation is ongoing.			

Programme „Improvement of perinatal and neonatal health care services in Lithuania“						
(1) Equipment for diagnostics and treatment of neonatal hyperbilirubinemia	Open tender	1.504.000,00 LTL	Public procurement was re-announced on 20 February 2014, envelopes are planned to be opened on 8 April 2014.			
(2.1) Warming equipment and beds for newborns	Open tender	1.649.800,00 LTL	After unsuccessful tender (the only proposal was rejected due to not compliance of technical specification) revised tender documents are being translated. Public procurement is planned to be re-announced in April 2014.			
(2.2) Electronic scales for newborn	Open tender	295.200,00 LTL	After unsuccessful tender (all proposal were rejected due to not compliance of technical specification and/or qualification requirements) tender documents are being revised. Public procurement is planned to be re-announced in April 2014.			
(3) Equipment for neonatal artificial lung ventilation	Open tender	3.120.245,15 LTL	After unsuccessful tender (all proposal were rejected due to not compliance of technical specification) tender documents are being revised. Public procurement is planned to be re-announced in May/June 2014.			
(4.1) Monitors for assessment of the state of the newborn (1 st part)	Open tender	5.411.864,00 LTL	1. JSC „Deguonies sistemas“, 2. JSC „Ilsanta“, 3. JSC “Arbor Medical Corporation LT”,, 4. JSC “AMI sprendimai“, 5. JSC „Tradintek“	JSC “Arbor medical Corporation Lt” (2013-05-02)	493.680,00 LTL	24 months (possible extension for 12 months)
(4.2) Monitors for assessment of the state of the newborn (2 nd part)	Open tender		1. JSC „Ilsanta“, 2. JSC “Arbor Medical Corporation LT”, 3. JSC “AMI sprendimai“, 4. JSC „Tradintek“	JSC “Tradintek” (2013-04-24)	4.482.324,00 LTL	24 months (possible extension for 12 months)
(5.1) Neonatal incubators (1 st part)	Open tender	5.147.400,00 LTL	After unsuccessful tender (the only proposal was rejected due to not compliance of technical specification) revised tender documents are being translated. Public procurement planned to be re-announced in April 2014.			
(5.2) Neonatal incubators (2 nd part)	Open tender	2.600.421,00 LTL	1. JSC “Arbor Medical Corporation LT”, 2. JSC “Tradintek“	JSC “Tradintek” (2013-04-24)	2.453.880,00 LTL	24 months (possible extension for 12 months)

(6) Equipment for the obstetric operating room and x-ray and illumination equipment	Open tender	2.052.272,00 LTL	After unsuccessful tender (all proposal were rejected due to not compliance of technical specification and/or qualification requirements) revised tender documents are being translated. Public procurement is planned to be re-announced in April 2014.			
(7) Equipment for anesthesia apparatuses	Open tender	3.900.00,00 LTL	1. JSC "AMI sprendimai", 2. JSC "Tradintek", 3. JSC "Ilsanta"	JSC "Tradintek" (2013-03-15)	2.928.926,00 LTL	24 months (possible extension for 12 months)
(8.1) Equipment for childbirth and surgery assistance and nursing (1 st part)	Open tender	1.999.371,00 LTL	After unsuccessful tender (the only proposal was rejected due to not compliance of technical specification) technical specification is being revised. Public procurement is planned to be re-announced in May 2014.			
(8.2) Equipment for childbirth and surgery assistance and nursing (2 nd part)	Open tender	213.130,01 LTL	1. JSC "Hospitex Diagnostics Kaunas"	JSC "Hospitex Diagnostics Kaunas" (2013-08-05)	213.129,40 LTL	24 months (possible extension for 12 months)
(9.1) Surgical instruments and equipment for examinations (1 st part)	Open tender	165.000,00 LTL	1. JSC "Interlux", 2. JSC "Elymus", 3. JSC "Labostera", 4. JSC "Energenas", 5. JSC "Optomika", 6. JSC "Stelsa"	JSC "Stelsa" (2014-01-24)	45.193,50 LTL	24 months (possible extension for 12 months)
(9.2) Surgical instruments and equipment for examinations (2 nd part)	Open tender	648.034.00 LTL	1. JSC "Principalmed 1L", 2. JSC "B. Braun Medical", 3. JSC "Graina"	JSC "B. Braun Medical" (2013-09-12)	537.468,69 LTL	24 months (possible extension for 12 months)
(10.1) Equipment for foetus condition examination (1 st part)	Open tender	3.153.800,00 LTL	1. JSC "AE Medical" 2. JSC "AE Medical"	JSC "AE Medical" (2013-05-06)	3.123.600,00 LTL	24 months (possible extension for 12 months)

(10.2) Equipment for foetus condition examination (2 nd part)	Open tender	240.000,00 LTL	1. JSC "AMI sprendimai", 2. JSC "Viamedpharma", 3. V. Klėmano company "Optimeda", 4. JSC "Interlux", 5. JSC "Medita", 6. JSC "Technolabo"	All proposals were rejected (February, 2014). Public procurement is planned to be re-announced in April 2014.		
(11) Equipment for intravenous fluid dosage	Open tender	1.299.146,94 LTL	1. JSC "Viltechmeda"	JSC "Viltechmeda" (2013-06-05)	1.203.550,70 LTL	24 months (possible extension for 12 months)
(12) Portable ultrasound apparatuses	Open tender	4.250.470,00 LTL	1. JSC "Arbor Medical Corporation", 2. JSC "Tradintek"	JSC "Arbor Medical Corporation" (2013-02-27)	4.223.000,00 LTL	24 months (possible extension for 12 months)
(14.1) Equipment for surgery and reanimation of newborns (1 st part)	Open tender	742.626,20 LTL	1. JSC "Hospitex Kaunas"	JSC "Hospitex Kaunas" (2013-01-07)	436.616,40 LTL	24 months (possible extension for 12 months)
(14.2) Equipment for surgery and reanimation of newborns (2 nd part)	Open tender		1. JSC "Biomedika", 2. JSC "Kavita"	JSC "Biomedika" (2013-01-24)	305.464,50 LTL	24 months (possible extension for 12 months)
(15.1) Heated neonatal resuscitation tables (1 st part)	Open tender	5.122.000,00 LTL	1. JSC "AMI sprendimai", 2. JSC "Tradintek"	JSC "AMI sprendimai" (2013-06-26)	1.067.220,00 LTL	24 months (possible extension for 12 months)
(15.2) Heated neonatal resuscitation tables (2 nd part)	Open tender		1. JSC "Tradintek"	JSC "Tradintek" (2013-04-25)	3.803.756,00 LTL	24 months (possible extension for 12 months)
(17.1) Universal delivery beds (1 st part)	Open tender	787.500,00 LTL	1. JSC "AMI sprendimai"	JSC "AMI sprendimai"	786.863,00 LTL	24 months (possible extension for 12 months)

				(2013-11-05)		extension for 12 months)
(17.2) Universal delivery beds (2 nd part)	Open tender	153.300,00 LTL	1. JSC "Medekspert LT"	JSC "Medekspert LT" (2013-11-05)	168.598,98 LTL	24 months (possible extension for 12 months)
(18) Equipment for neonatal transportation	Open tender	464.287,00 LTL	Number of proposals received – 1: JSC "AMI sprendimai"	Evaluation of proposals is on-going.		
(19.1) Equipment for various surgical operations (1 st part)	Open tender	318.070,00 LTL	Public procurement was announced on 29 August 2013. No proposals were received. Public procurement is planned to be re-announced in June 2014.			
(19.2) Equipment for various surgical operations (2 nd part)			1. JSC "AMI sprendimai"	JSC "AMI sprendimai"	113.256,00 LTL	Contract planned to be signed in March 2014.
(19.3) Equipment for various surgical operations (3 rd part)			Public procurement did not exceed the threshold of CHF 30.000,00.			
(19.4) Equipment for various surgical operations (4 th part)			Public procurement was announced on 29 August 2013. No proposals were received. Public procurement planned to be re-announced in June 2014.			
(21) Defibrillators	Open tender	762.300,00 LTL	Tender documents are being revised. Public procurement is planned to be re-announced in April 2014.			
(22) Equipment for neonatal nursing, treatment and monitoring	Open tender	566.004,00 LTL	1. JSC "Hospitex Diagnostics Kaunas"	JSC "Hospitex Diagnostics Kaunas"	606.585,10 LTL	As the proposal exceeded the procurement budget JSC decision on reallocation of funds within the budget lines is needed.
Klaipeda University Hospital: technical project	Open tender	86.190,89 LTL	1. JSC „Hidrostatybos projektai“ 2. JSC „Verslo bite“	JSC "Verslo bite" (2013-06-19)	59.999,06 LTL	32 months

and project supervision			3. JSC „Sunsolis“ 4. JSC „Projektų rengimo biuras“ 5. JSC „AIF LT“ 6. JSC „Panprojektas“			
Vilnius Maternity Home Hospital: repair works	Simplified open public procurement	349.003,93 LTL	1. JSC „Pažangi statyba“ 2. JSC „Duventa“ 3. JSC „Irdaiva“ 4. JSC „Struktūra“ 5. R. Buikio private company 6. JSC „Šiluminės energijos sistemos“ 7. JSC „Tomosta“	JSC „Šiluminės energijos sistemos“ (2014-01-09)	188.363,12 LTL	3 months
Kaunas Clinics: technical project and project supervision	Open tender	109.368,88 LTL	1. JSC „A. Žilinskio ir Ko“ 2. Ardanuy Ingenieria S. A. 3. JSC „Bendrieji statybų projektai“ 4. JSC „Medstatyba“ 5. JSC „Taem architektai“ and JSC „Team urbanistai“	JSC „Medstatyba“ (2013-07-26)	33.638,00 LTL	36 months
Technical supervision services for Computer database of pregnant, delivering women and neonates health data developed and prepared for usage in health care institutions (including technical specification and other documentation preparation)	Open tender	199.650,00 LTL	Number of proposals received – 2: 1. JSC „S4ID“ 2. JSC „NRD“	Evaluation of proposals is on-going.		
Health care specialists`	Open tender	6.728.399.81 LTL	JSC „Krizių tyrimo centras“	JSC „Krizių	6.292.200,00 LTL	32 months

professional competence improvement and development of diagnostics and treatment guidelines and protocols in obstetrics and neonatology				tyrimo centras“ (2013-06-27)		
Programme “Introduction of energy efficient technologies into the Lithuanian hospitals providing perinatal and neonatal health care services”						
Kaunas clinics: Engineering systems modernization - technical project preparation and project supervision services	Open tender	307.000,32 LTL	The number of proposals – 5: 1. JSC „A. Žilinskio ir Ko“ 2. Ardanuy Ingenieria S. A. 3. JSC „Bendrieji statybų projektai“ 4. JSC „Medstatyba“ 5. JSC „Taem architektai“ and JSC „Team urbanistai“	JSC “Medstatyba” (2013-07-26)	48.279,00 LTL	36 months
Klaipeda University Hospital: Purchase of technical project preparation and project supervision	Open tender	426300,00 LTL	The number of proposals – 6: 1. JSC „Hidrostatybos projektai“ 2. JSC „Verslo bitė“ 3. JSC „Sunsolis“ 4. JSC „Projektų rengimo biuras“ 5. JSC „AIF LT“ 6. JSC „Panprojektas“	JSC “Verslo Bitė” 2013-06-12	344.478,53 LTL	3 years
Kaunas Clinical Hospital: Purchase of technical project preparation and project supervision	Simplified open public procurement	410.999,49 LTL	The number of proposals – 5: 1.JSC “Bendrieji statybų projektai” 2.JSC “Statybų inžinerija” 3.JSC “Hidrostatybos projektai”	Evaluation of tenders is still in process.		

			4.JSC "Resteksa" 5.JSC "Šiltas namas"			
Purchase of ventilation and heating system reconstruction, solar heating system installation works in P. Mažylis Maternity Hospital	Simplified open public procurement	381.600,12 LTL	The number of proposals – 2: 1. JSC "Deguonies sistemos" 2.JSC "Orestinos montažas"	JSC "Deguonies sistemos" 2014-01-03	345.213,00 LTL	7 months
Purchase of ventilation system renovation, compressed air, vacuum and oxygen supply system repair works with the equipment in Children's Hospital	Simplified open public procurement	525.404,02 LTL	The number of proposals – 3: 1.JSC "Santechiniai darbai" 2.JSC "Duventa" and JSC "Dauniškis ir KO" 3. JSC "Eco inžinerija" and JSC "Docilis"	JSC "Santechiniai darbai" 2013-10-17	766.435,86 LTL	120 days
Purchase of reconstruction repair works in Mažeikiai Hospital	Simplified restricted procedure	3.236.650,00 LTL	3 applications submitted: 1. SC „Panevėžio statybos trestas“ 2. JSC „Telšių statyba“ 3. JSC „Virdaleka“ All 3 suppliers fit the qualification requirements and were invited to submit proposals. 2 of them were submitted: 1. SC „Panevėžio statybos trestas“ 2. JSC „Telšių statyba“	Both proposals were rejected. SC „Panevėžio statybos trestas“ and . JSC „Telšių statyba“ invited to simplified negotiations.		
Purchase of heating and ventilation systems repair	Simplified open public	3.602.719,99 LTL	The number of proposals – 7: 1.JSC "Duventa"	JSC "Irdaiva" 2013-09-26	2.018.930,69 LTL	6 months

works (Vilnius Maternity Home)	procurement		2.JSC "Vėsa ir partneriai" 3.JSC "Struktūra" 4.JSC "Irdaiva" 5. JSC "Yit technika" 6. JSC "Eco inžinerija" 7. JSC "Santechniniai darbai"			
Marijampole hospital: technical project preparation and project supervision	Simplified open public procurement	118.461,42 LTL	Tender was announced on the 5 February 2014. Envelopes are planned to be opened on 21 March 2014.			
Trakai hospital: technical project preparation and project supervision	Simplified open public procurement	139.136,00 LTL	Tender was announced on 12 February 2014. Envelopes were opened on 24 February, 2014. Evaluation of tenders is on-going.			

There were no big procurements exceeding 30 000 CHF under the NGO fund and TAF. All low value procurements under the projects have been made according to the Rules for Simplified Procurements of the responsible institutions and the Lithuanian Law on Public Procurement which is in compliance with the EU Procurement Directives.

Annex 2 “Information on audits”

The internal audit units of the NCA, MoES and MoH performed the internal audits of the management and control system under the individual project “The creation and implementation of the system for video transmission, recording and storage in courts”, programmes “Research and development”, “Improvement of perinatal and neonatal health care services in Lithuania” and “Introduction of energy efficient technologies into the Lithuanian hospitals providing perinatal and neonatal health care services”. The translation of conclusions and recommendations of the audit reports are presented below:

- *Assessment of internal control over implementation of cooperation projects of the National Court Administration from support funds of the European Union and other countries*
(report No. (15-11-2013 No IVA- 9 -(8.3), date: 15/11/2013)

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Summary of Conclusions

The Internal Audit Report assessed the reliability of internal control over the implementation of cooperation projects from the Support Funds of the European Union and other countries (hereinafter referred to as “international projects”) by the Administration.

In the course of the audit, we noticed a positive attitude of the Administration’s employees to the establishment of internal control and their rapid response to the internal auditors’ observations. The management of the Administration, which has changed recently, pays particular attention to the creation of a positive environment for internal control and is supported by competent employees in the improvement of internal control. We extend our gratitude to all the employees of the Administration who kindly interacted with us and provided information and documents required for the audit.

In the course of internal audit procedures, we established that six international projects with a value of around 44 million LTL were being implemented during the audit period. Three projects with a value of 5 million LTL were completed over the period 2011–2012, and it is planned to complete another five international projects with a value of over 37 million LTL over the period 2014–2016.

The Administration uses the quality management system which is compliant with the requirements of standard LST EN ISO 9001:2008 and makes it obligatory to implement the measures for advanced organisation of activities, as well as helps to reduce the likelihood of non-conformances. Management of non-conformances is coordinated by means of the Register of Monitoring Non-Conformances and Corrective Actions in the Quality Management System and Document Management System. A person responsible for the coordination of irregularity management has been appointed.

It was established while assessing the planning of administration of projects falling within the scope of the audited activities that sufficient attention is paid to the organisation and implementation of these activities. With a view of implementing the Administration’s aims, the majority of activities related to the absorption of the funds of the European Union and other countries are recognised as priority in the Strategic Plan for 2013–2015. The projects where the Administration is the manager of appropriations, the programmes of the Strategic Plan and programme assessment criteria are approved, as well as programme coordinators are appointed. The majority of the Administration’s

structural units participate in the initiation, development and implementation of international projects. Depending on the need specified in a specific project, teams (consisting of the project manager, accountant and administrator) are set up for the implementation of the project, as well as project working groups, project oversight groups which facilitate the achievement of the aims set. The managers implementing projects are subordinate to the Director of the Administration. The Strategic Planning Division assists the Administration in ensuring the management of international support projects. One specialist of the Division has been appointed to perform project management coordination functions.

The internal auditors would like to point out that the Administration made a huge progress in the area of project management control, developed and approved a new Methodology which replaced the outdated and no longer relevant Description of the Project Administration and Control Procedure. The project management organisational structure, responsibilities, as well as the management of project initiation, planning and amendments are set forth in the Methodology. According to the Methodology, the Project Management Committee, which in our view should strengthen the control of project implementation and help project managers to deal with problems and relevant issues in time when ensuring successful implementation of ongoing projects, will be set up.

Projects are implemented, promoted and actions with regard to benefit to courts and the public are taken strictly in compliance with the requirements of regulatory normative legal acts and the Project Management Methodology approved by the Administration.

The management of the Administration chooses the project implementation team from the Administration's employees taking into account their competence, experience and responsibility and concludes additional employment contracts with them. Over the audit period, 14 Administration's employees were implementing project activities. Some international cooperation contracts are implemented by the Administration's civil servants while fulfilling their functions. Applications for projects are drafted by civil servants and employees employed under employment contracts depending on the competence of the Administration's Division.

They are paid for these functions from the Administration's funds. The participants of project implementation (project managers, administrators and accountants, etc.) are paid salaries exclusively from the funds of a specific project. Project administrators can be one employee working full time under the employment contract and an enterprise contracted under a service contract.

In order to assess how successful project managers are in implementing the aims of projects and highlighting current problems preventing from effective organisation of these activities, we conducted an anonymous survey of project managers. Most of respondents confirmed that it was fairly easy for them to match their main and secondary functions and that regular working hours were sufficient, however, some of them noted that working time was not always well coordinated, and the internal audit procedures showed that in some cases the quality of performing the main functions was doubtful because risk management was not sufficiently ensured in order not to misuse the working time of direct activities for additional work related to project implementation. During the anonymous survey, valuable proposals were received in relation to the improvement of work with project management which were already taken into account when drafting the new Project Management Methodology. The survey highlighted the issue of matching the main and secondary job because proposals to evaluate the risk and develop a particular policy when the Administration's

specialists should be engaged in project implementation and when it is best to hire project managers were provided.

After analysing the functions that are actually performed and approved in job descriptions, we established that control is sufficiently ensured in this area, only the actually performed functions by the ESP (E-Service Portal of Lithuanian Courts) project manager slightly differ from the ones set forth in the job description. In our view, job descriptions of employees whose working relations are formalised by an employment contract should be very specific and clear.

Persons responsible for advance, current and follow-up financial control have been appointed in the Administration. Functions related to financial control are included in the job descriptions of employees. We have received confirmation that employees related to the audited activities are aware of their responsibility and requirements for the implementation of financial control requirements.

Project accounts are kept in accordance with normative and local legal acts regulating the area. Requirements for transparency of the use of project funds are implemented, i.e. each project is accounted for separately from the accounts of the project manager, conditions have been created for establishing the validity of payments and sufficient audit trail is ensured.

The procedures for managing the assets acquired from the support funds are sufficient. The receipt of the assets has been recorded in accordance with the established procedure and transferred for use in the activities; materially responsible persons have been appointed, the inventory of the assets was taken and it was marked in accordance with the approved marking samples. These assets were acquired by means of public procurement. The Public Procurement Commission was delegated to organise and conduct the procurement by order of the Director of the Administration, except for procurement for which a separate commission is formed. A person in charge of preventive procurement control was appointed.

In the course of the internal audit, we established that public procurement is the major obstacle for the implementation of projects because the institution that implements projects and procurement (the Administration in this case) does not always succeed in managing the risk so that planned procurement is completed and activities are implemented in accordance with project implementation schedules because due to subtleties of legal acts governing public procurement the deadlines of completion of procurement cannot always be influenced and controlled. Due to the above obstacles in 2013, the objectives of an individual project “The Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts” under the Swiss Confederation Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union will not be achieved.

It is also notable that when the Administration’s management had a suspicion about non-conformances of public procurement in the implementation of project “E-Services in the Jurisdiction Process”, it performed an internal investigation during which it analysed the situation concerning the reduction of structural support (202,372.50 LTL) and established the indications of negligent fulfilment of functions, as well as took respective decisions and obligated the Strategic Planning Division to take into account the drawbacks of project management procedures and legal regulation when designing the Project Management Methodology.

The Methodology was designed and approved during the internal audit, therefore, we were unable to assess its reliability and effectiveness, however, taking into account the management’s efforts

and striving to ensure, within the scope of their capacities, a more effective and reliable project management mechanism, as well as strengthen control through these activities, it is likely that similar non-conformances will be avoided in the future.

A sufficient audit trail, i.e. a clear traceability of actions performed in relation to project implementation which allows for the comparison of the consolidated data on eligible costs against the data in the reports and other information.

Project data is recorded in the Administration's informational Document Management System (DVS) and handled in accordance with the Administration's Documentation Plan and the Requirements for Document Management and Handling set forth in the Administration's Rules of Procedure.

The documents of implemented projects which were organised in accordance with the nomenclature of files pursuant to the procedure established by the Administration are handed over to the Administration's Archive. The documentation on project implementation is organised and stored, however, the documentation related to the activities in international cooperation projects was not included in the Documentation Plan 2013.

Taking into consideration the observations of the internal audit, **the internal control** of the audited environment (the support funds of the European Union and cooperation projects with other countries) **is judged to be good** in the submitted assessment of internal control, i.e. the major risks were identified and managed, however, there are several insignificant deficiencies in internal control which do not have an adverse impact on the performance of the audited entity.

In accordance with the requirements of normative acts, collected information and confirmations received during the audit, as well as the sample methodology, we *assessed separately the management and control system* of the *individual project* "The Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts" implemented under the Swiss Confederation Cooperation Programme and we deem it to be **very good** as all the risk was properly identified and managed, no non-conformances were detected during the assessment, the measures and procedures of the management and control system are efficient.

Pursuant to the internal audit methodology, we identified risk factors and established a **moderate risk level**.

Recommendations:

- 1) Improve the procedures for the employment of project managers by ensuring appropriate performance of the main functions or hiring new external employees. (*Recommendation of moderate significance*);
- 2) Review and specify the job description of the ESP project manager in order to revise and clarify the established functions by balancing them with the actually performed functions (*Recommendation of low significance*);
- 3) Deal with the issue of the inclusion of the documentation related to international cooperation projects into the Documentation Plan 2014 (*Recommendation of low significance*).

Note of the NCU: none of the recommendations were addressed to the project financed under the Lithuanian – Swiss Cooperation Programme. The *management and control system of the project has been evaluated as very good* – all risks concerning the project implementation are managed properly, means for management and control are effective, no inadequacies have been determined.

- *Audit report on the management and control system of the programme “Research and Development” (report No. VA2 – 17 (26.5-77), date: 20/06/2013)*

CONCLUSIONS

1. We consider the *management and control system in the Central Project Management Agency to be very good* as the risk was properly identified and managed, the measures and procedures of the management and control system are efficient, no non-conformances were detected during the audit.
2. We consider the *management and control system in the Ministry of Education and Science and the Research Council of Lithuania to be good*, as the risk was properly identified and managed, the measures and procedures of the management and control system are efficient. After performing audit procedures, deficiencies in the internal control and non-conformances in the area of activity organisation and oversight of the Programme implementation were identified.

RECOMMENDATIONS

1. To the Ministry:
 - 1.1. Draft and approve the descriptions of operational procedures for the fulfilment of assigned functions;
 - 1.2. Supplement and approve the description of the procedure for inspection of the requests for payment by the project implementer for the declaration of administration costs and requests for payment of beneficiaries;
 - 1.3. Familiarise the employees in charge of the administration of the Programme with the descriptions of operational procedures;
 - 1.4. Deal with the issue and take decisions regarding the allocation of functions and their separation in cases of employees taking the same position, as well as establish the procedure for employee substitution;
 - 1.5. Ensure appropriate storage of all documents.
2. To the Research Council of Lithuania:
 - 2.1. Draft and approve the description of the procedure for on-site inspections;
 - 2.2. Familiarise the employees in charge of project administration with the descriptions of operational procedures against a signature;
 - 2.3. Deal with the issue and take decisions regarding the allocation of functions and their separation in cases of employees taking the same position, as well as establish the procedure for employee substitution.

- Assessment of the management and control system for the use of funds under the Lithuanian – Swiss Cooperation Programme in the Ministry of Health (report No. VAA-21, date: 9/08/2013)

CONCLUSIONS

It was established during the review that a *good management and control system for the administration of the implementation of the Lithuanian–Swiss Cooperation Programme* (hereinafter referred to as the “Programme”) was designed in the MoH, i.e. all risks were properly identified and managed.

The separation of functions related to the administration of the Lithuanian–Swiss Cooperation Programme from other functions of the institution is regulated in the MoH. The MoH has in place the procedure for the substitution of employees in charge of the administration of the programme; sufficient audit trail is ensured, as well as documentation storage. Information about the implementation of the Lithuanian–Swiss Cooperation Programme is posted constantly on the MoH website and is available for the public.

The Minister of Health approved the Manual of Internal Procedures for the administration of the Lithuanian–Swiss Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union in the Ministry of Health. After assessing the Manual, it was established that it should be amended taking into account the structural changes in the MoH and Order No V-321 of the Minister of Health of 29 March 2013 on Revoking Order No V-636 of the Minister of Health of 27 June 2011 on the Formation of the Management and Monitoring Group for the Lithuanian–Swiss Cooperation Programme.

It was established that sufficient control over the implementation of the Programme contracts is exerted by the CPMA, Joint Monitoring Committee and the International Projects Management Division of the MoH. The reports on the Lithuanian–Swiss Cooperation Programme in healthcare were submitted to the Ministry of Finance for the periods from 1 January 2011 to 2 March 2012 and from 1 January 2012 to 1 March 2013.

The Swiss assistance and co-financing funds intended for the management costs of the MoH in implementing the programme “Introduction of Energy Efficient Technologies in Lithuanian Hospitals Providing Healthcare Services to Pregnant, Delivering Women and Neonates” and the programme “Improvement of Health of Pregnant, Delivering Women and Neonates in Lithuania” were used in accordance with the purpose. All the expenditure was determined in the project budget.

It was established that the public administration function “to prepare draft laws and other legal acts” (Section I “Purpose” of the job description), which should be performed only by civil servants according to the Law on Public Administration and the Law on Civil Service, is included in the job descriptions of two employees of the International Projects Management Division working under employment contracts.

In the course of the internal audit in the public enterprise Vilnius City Clinical Hospital and public enterprise Tauragė County Hospital, the on-site use of the Swiss assistance and co-financing funds was inspected. During the inspection, activities performed and declared in requests for payments were checked by means of random selection. It was established that technical maintenance of

performed activities was conducted. The project implementers comply with the project promotion requirements.

Recommendations

With a view of improving the administration of the Lithuanian–Swiss Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union, we suggest the Ministry of Health of the Republic of Lithuania the following:

1. Revise the Manual of Internal Procedures approved by Order No V-695 of the Minister of Health of 18 July 2011 and intended for the administration of the Lithuanian–Swiss Cooperation Programme to Reduce Economic and Social Disparities within the Enlarged European Union in the Ministry of Health of the Republic of Lithuania taking into account the structural changes in the MoH and Order No V-321 of the Minister of Health of 29 March 2013 on Revoking Order No V-636 of the Minister of Health of 27 June 2011 on the Formation of the Management and Monitoring Group for the Lithuanian–Swiss Cooperation Programme.
2. Revise job descriptions of employees of the International Projects Management Division working under employment contracts by deleting public administration functions.

Consolidated audit plan for 2014

No.	Institution	Unit/Contractor	Date	Audit type	Remarks
1.	Lithuanian Research Council (EA)	MB “Sostinės auditoriai”	March 2014	Interim financial audit of the programme “Research and development”	Financial audit services were procured for interim and final financial audit (to be conducted in 2016).
2.	Central Project Management Agency (as EA)	To be procured in 4Q/2014	To be conducted in 1Q/2015	Final financial audit of the NGO Fund	The audit procurement and performance dates planned taking into account the need to extend the block grant implementation deadline.
3.	National Court Administration	To be procured in December 2014 (preliminary timing)	To be conducted in 1Q/2015	Final financial audit of the individual project	The date for procurement of the financial audit will depend on further process

					on procurement of equipment.
4.	Ministry of Health (IB)	To be procured in 4Q/2014	To be conducted in 1Q/2015	Interim financial audits of two health programmes	It shall be decided whether it will be one procurement for interim and final financial audit or there will be two separate procurements.