

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 2010 – 17 March 2011*

Author:
Ministry of Finance of the Republic of Lithuania
(National Coordination Unit)
Date: 18 March 2011

Vilnius

TABLE OF CONTENTS

INTRODUCTION	3
1. Progress made in the implementation of the Lithuanian-Swiss Cooperation Programme against the Conceptual Framework.....	4
2. Reporting on the status of the Lithuanian-Swiss Cooperation Programme.....	5
2.1. Reporting on the projects within the respective focus areas	5
2.1.1. Programme in the focus area “Rehabilitation and modernisation of basic infrastructure and improvement of the environment”	5
2.1.2. Programme in the focus area “Health”	5
2.1.3. Programme in the focus area “Research and Development”	6
2.1.4. Individual project in the focus area "Modernisation of the judiciary".....	7
2.2. Reporting on the Special Allocations	8
2.2.1. NGO block grant	8
2.2.2. Project Preparation Facility	9
2.2.3. Technical Assistance Fund	10
2.3. Reporting on the Scholarship Fund	11
2.4. Overall financial statement on the past and tentative future disbursements and Commitments for the entire Lithuanian-Swiss Cooperation Programme	12
2.5. Summary and main conclusions of the financial audits	13
2.6. Statistics of tenders, contract awards and successful bidders.....	14
3. Swissness.....	14
4. Allocation of non-committed funds.....	15
5. Reporting on administrative implementation issues.....	16
6. Strategy and activities to inform the general public about the Lithuanian-Swiss Cooperation Programme and the projects implemented	19
7. Implementation of the work plan	21
CONCLUSIONS AND RECOMMENDATIONS.....	24
Annex 1 Summarised overall financial statement on the past and tentative future disbursements and commitments for the entire Lithuanian-Swiss Cooperation Programme	
Annex 2 Progress Report on the implementation of the Scholarship Fund (prepared by the CRUS)	

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 (hereinafter – the 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 (hereinafter – the MoF), acting as the National Coordination Unit (hereinafter – the NCU) in charge of the coordination of the Lithuanian-Swiss Cooperation Programme together with the Central Project Management Agency (hereinafter – the CPMA), which implements concrete tasks in implementation of the Lithuanian-Swiss Cooperation Programme delegated by the MoF, prepared the *Annual Report on the Implementation of the Lithuanian–Swiss Cooperation Programme* (hereinafter – the report).

The report reflects the implementation of the Lithuanian–Swiss Cooperation Programme during the period from 1 January 2010 to 15 March 2011 and contains information with regard to the progress made towards project (programme, block grant, individual project) preparation, progress in implementation/preparation of block grant, the Project Preparation Facility (hereinafter –PPF), the Technical Assistance Fund (hereinafter – TAF), 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) (hereinafter – SCO), the report was approved by the Steering Committee of the Lithuanian-Swiss Cooperation Programme on 4 April 2011.

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

During the reporting period the main activities of the NCU and other institutions involved were related to further development of the legal basis for the implementation of the Lithuanian–Swiss Cooperation Programme, finalisation of the feasibility studies in the health and NGO sectors, preparation of the Final Project Proposals in the selected focus areas, other activities under the programming stage.

All Final Project Proposals 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. The objective could be stated as fully achieved only after the completion of the projects (programmes, block grant, individual project).

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.

Aiming at efficient and effective implementation of the Lithuanian–Swiss Cooperation Programme, the assistance is concentrated into two funding guidelines, namely, *Human and Social Development* and *Environment and Infrastructure*. Implementation of the financial assistance by applying mainly programme approach should lead to reduction of disparities between Lithuania and more advanced EU member states. After distribution of the unallocated reserve funds a new focus area *Security, Stability and Support for Reforms* has been introduced into the Lithuanian–Swiss Cooperation Programme (with one individual project to be financed).

Beneficiaries of the Lithuanian–Swiss Cooperation Programme will be mainly public sector bodies (e. g. hospitals, research institutions, courts), non-governmental organisations (hereinafter – NGOs) will benefit from the NGO Fund. Though the 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 shall act 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 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 make 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. Information on the implementation of the PPF project is described under the chapter 2.2.2. “PPF” of this report.

During the reporting period activities of the Intermediate Body were concentrated on the development of the joint feasibility study and preparation of the Final Project Proposal for the programme. This process was conducted in close consultations with the Swiss experts and related institutions (SECO, SCO). On 2 November 2010 the visit to three hospitals representing three different levels of provision of services was organised. The Swiss representatives visited Kaunas clinics (University hospital), Vilnius Maternity Home (Regional hospital), Trakai Hospital (District hospital). During the meetings with the staff of these hospitals the needs for improvement of energy efficiency technologies were discussed, the present-day situation was introduced on-the-spot. On 25 November 2010 the Final Project Proposal was approved by the Steering Committee of the Lithuanian–Swiss Cooperation Programme and on the same day officially submitted to the SCO.

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 make 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. Information on the implementation of the PPF project is described under the chapter 2.2.2. “PPF” of this report.

During the reporting period activities of the Intermediate Body were concentrated on the development of the joint feasibility study, drafting of technical specifications for equipment to be

procured and preparation of the Final Project Proposal for the programme. This process was conducted in close consultations with the Swiss experts and related institutions (SDC, SCO). On 2 November 2010 the visit to three hospitals representing three different levels of provision of services was organised. The Swiss representatives visited Kaunas clinics (University hospital), Vilnius Maternity Home (Regional hospital), Trakai Hospital (District hospital). During the meetings with the staff of these hospitals the needs for improvement of the perinatal and neonatal health care services were discussed, the present-day situation was introduced on-the-spot. On 25 November 2010 the Final Project Proposal was approved by the Steering Committee of the Lithuanian–Swiss Cooperation Programme and on the same day officially submitted to the SCO.

On 9 February 2011 the letter, dated 9 February 2011, signed by the Charge d’Affaires a. i. of the Embassy of Switzerland Mr. Urs Bühler on the programme „Improvement of the perinatal and neonatal health care services in Lithuania“ was received by the NCU. By this letter the Lithuanian side was asked to reinforce the submitted Final Project Proposal in terms of direct contacts and cooperation with Switzerland. In response to this, the joint letter of the Minister of Finance and the Minister of Health was submitted to the Swiss party on 24 February 2011.

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 will be implemented via the realisation of the joint research and institutional partnership projects.

The Decision Letter on approval (with conditions) of the Project Outline was issued by the SDC on 1 October 2009. After analysing the comments and conditions laid down in the Decision Letter (on preparation of the situation analysis concerning selection of the thematic field as well as detailed information on study visits and its contribution to the pilot scheme/model what was planned as a part of Objective I implementation), the Intermediate Body assessed the time, human and administrative resources needed for the preparation of the analysis and its adequacy to the foreseen budget for the Objective I implementation and decided to withdraw the objective I „Strengthening of administrative, management and analytical capacities in the system of research and higher education“ from further preparation process. On 28 January 2010 the NCU approached the SCO on that issue. On 3 February 2010 the SCO replied positively on withdrawal of Objective 1 from further development of the programme.

During the reporting period the development of the Final Project Proposal was finalised by the Intermediate Body. On 8 July 2010 the Steering Committee of the Lithuanian–Swiss Cooperation Programme approved the Final Project Proposal and on the same day it was submitted to the SCO for final approval by the Swiss authorities. The positive Decision Letter (with conditions) on the Final Project Proposal was issued on 26 August 2010.

The Project Agreement on the programme „Research and development“ was signed on 14 December 2010. The Programme Implementation Agreement between the NCU, CPMA and Intermediate Body was drafted by the CPMA and is under discussions. The CPMA has also drafted the Project Implementation Agreement between the CPMA, Intermediate Body and Executing Agency (the draft agreement is under internal discussions within the CPMA).

Three Lithuanian scientific experts were appointed as members of the Joint Selection Committee (hereinafter – the JSC) by the order of the Minister of Education and Science of 3 September 2010. During the reporting period the Executing Agency (Lithuanian Research Council) proceeded with the development of the documentation for the open call for applicants. The first discussions on them were conducted on 11 November 2010 at the meeting of the JSC members. The Guidelines for Applicants establish the requirements applied to applicants for the preparation, submission and evaluation of applications and to beneficiaries for implementation of joint research and institutional partnership projects under the programme „Research and development“.

After the discussion, the JSC members have decided to approve sections I-IX of the draft Guidelines and the related Annexes subject to some proposed changes. The final version of the Guidelines will be discussed and approved by the JSC either electronically or in the second JSC meeting after the national rules on implementation and financing of the programmes will be approved.

2.1.4. Individual project in the focus area “Modernisation of the judiciary”

In May 2010 the new thematic area “Security, Stability and Support for Reforms” was introduced into the Lithuanian–Swiss Cooperation Programme and 1,72 MCHF of the Swiss Contribution were allocated for the individual project “The creation and implementation of the system for video transmission, recording and storage in courts”. The overall objective of this project 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 the individual project the court proceedings will be optimised and possibilities for specific groups of society to participate in these proceedings will be simplified. The individual project will be implemented by the Executing Agency (National Courts’ Administration (hereinafter – the NCA)).

The Project Outline, drafted by the Executing Agency and discussed with the NCU and the CPMA, was presented to the Steering Committee of the Lithuanian-Swiss Cooperation Programme on 8 July 2010. After the positive decision of the Committee it was submitted to the SCO for the final approval of the Swiss authorities. The SDC Decision Letter on the approval of the Project Outline (with conditions) was issued on 23 September 2010.

The Executing Agency drafted the Final Project Proposal (taking into account the conditions for approval) which was presented for the Steering Committee of the Lithuanian–Swiss Cooperation Programme on 25 November 2010. After the positive decision of the Committee it was submitted to the SCO for the final approval of the Swiss authorities. The Decision Letter, officially approving the Final Project Proposal, (with conditions) was issued on 3 January 2011. The draft Project Agreement was drafted by the SCO and is in the process of harmonisation.

The Executing Agency is in process with preparatory works for the practical implementation of the individual project. On the 31st December 2010 the Partnership Agreement between the NCA and the Prison Department was signed. This agreement foresees that:

- the NCA shall transfer free of charge part of the video-conferencing equipment purchased by the Lithuanian–Swiss Cooperation Programme to the Prison Department to use for its intended purpose;
- the Prison Department, as an institution that centrally supplies prisons with goods and services, will distribute video-conferencing equipment to imprisonment institutions in accordance with the list agreed with the NCA;

- the Prison Department will ensure that the equipment will be used in prisons according to the purpose designed to carry out individual project activities, and that the requirements for the maintenance of the equipment and physical security will be kept;
- the Prison Department will appoint a person who will be responsible for the security of the equipment and its appropriate use. The Prison Department shall inform the NCA about the appointed person;
- the Prison Department will ensure on its own expenditures for the maintenance of the equipment, its running repair, renewal of technical and standard software after the end of its guarantee term;
- the NCA without prejudice rights of the Prison Department, will have the right to carry out operational maintenance of the equipment and to control the use the equipment to ensure that it is used according to its purpose and the Agreement;
- the Prison Department will have to enable the NCA to carry out inspections to check if equipment is being used according to the agreed purpose, as well as the equipment operating conditions.

The Executing Agency also started to prepare the legal acts necessary for the introduction of new technical measures. Presently, amendments to the Law on Administrative Proceedings, the projects on amendment and supplement of the Civil Procedure Code are submitted to the Lithuanian Parliament, which will regulate how the participation of the parties in the court proceedings could be accessible by using electronic information and communication technologies (video conferencing, tele conferencing, etc.). The Ministry of Justice is preparing the draft amendments to the Criminal Procedure Code, which will consolidate the legislative basis for criminal proceedings and the use of information and electronic technologies at the court hearings. The NCA is collaborating with the Ministry of Justice in preparing these changes and presenting them to Seimas of the Republic of Lithuania.

The Executing Agency also started preparatory works for the procurement of the video-conferencing equipment (on possible variations of the equipment, compliance to the individual project needs, market prices, etc.).

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 Intermediate Body for the NGO Fund.

Seeking for the detailed and comprehensive analysis of the current situation of the NGO sector in Lithuania, identification of the main existing and most serious problems, recommendation on the focus areas, types of activities eligible for financing under the NGO and other issues actual for the efficient implementation of the NGO Fund, the feasibility study of the NGO sector was prepared under the PPF. Information on the implementation of the PPF project is described under the chapter 2.2.2. “PPF” of this report.

Taking into consideration the conclusions and recommendations of the feasibility study, the Final Project Proposal was developed. It was approved by the Steering Committee of the Lithuanian–Swiss Cooperation Programme on 23 September 2010 and submitted to the SCO for the

final approval by the Swiss authorities on 24 September 2010. The positive Decision Letter on the Final Project Proposal (with conditions) was issued on 3 January 2011.

As it was described in the Project Outline the MoF foresaw the procurement of services of technical secretariat for organising open calls for proposals, daily administration of the NGO Fund, execution of other related activities. During the discussions on the draft Final Project Proposal, in order to simplify the administration of the NGO Fund and sub-projects, it was decided to withdraw this idea and to assign the functions of the Executing Agency to the CPMA which is experienced in administration of the EU structural funds and other international financial assistance (e. g. the European Economic Area and Norwegian Financial Mechanisms). In order to prepare for the first open call, the Executing Agency has developed necessary documentation. The NGO Fund implementation and financing rules were drafted by the CPMA and are under discussions with the MoF. The CPMA also drafted the Guidelines for Applicants. The draft Guidelines were discussed in the NGO Fund Steering Committee meeting on 8 March 2011. The main conditions (before approval of the Guidelines) will be also discussed and agreed with the Swiss side.

2.2.2. Project Preparation Facility

The purpose of the PPF is to ensure the efficient preparation of the Final Project Proposals, resulting from Project Outlines approved by Switzerland. The PPF Agreement was signed on 29 December 2008. Seeking for the effective and smooth implementation of the PPF, the MoF and the CPMA signed the PPF implementation agreement on 2 November 2009. The two separate agreements on the implementation of the PPF financed projects were signed between the CPMA and the MoF on preparation of the NGO Fund feasibility study (on 26 November 2009) and between the CPMA and the Ministry of Health on preparation of the joint feasibility study for the health sector programmes (on 22 December 2009).

Following the provisions of the PPF agreement, the following project reports were prepared and submitted to the SCO during the reporting period:

- PPF interim project report No. 2 and PPF annual project report No. 1 were submitted on 22 February 2010;
- PPF interim project report No. 3 and 1st reimbursement request were submitted on 4 August 2010;
- PPF interim project report No. 4, PPF annual project report No. 2 were submitted on 28 February 2011;
- PPF project completion report will be submitted after the cut-off date of this report (March/April 2011) together with the final financial audit report).

In total two projects were implemented under the PPF:

- the contract for preparation of the joint feasibility study for two health sector programmes was signed on 19 January 2010. The implementation of this contract ended on 18 August 2010. Planned results were achieved: joint feasibility study prepared, draft Final Project Proposals developed, draft technical specifications prepared. All planned outcomes were achieved.

Seeking for cost and time-effective as well as independent expertise, the Swiss mandated back-stopping consultants' services were used to review the Final Project Proposals including the feasibility study, and technical specifications for procurement of medical equipment. The consultants provided independent and practical observations to all parties involved: NCU, CPMA and the Swiss side.

- the contract for preparation of the feasibility study for the NGO sector situation in Lithuania was signed on 25 November 2009. The implementation of this contract ended on 1 June 2010. Under the service contract a qualitative and quantitative research of the NGO sector in Lithuania was carried out, an analysis of the current situation and needs of the NGO sector in Lithuania was prepared, findings and recommendations of the feasibility study were made, and a meeting for discussion on the draft feasibility study with MoF and representatives of the NGO sector in Lithuania was arranged by the service provider. The feasibility study was presented to the MoF on 19 May 2010. The feasibility study was approved by the MoF on 28 May 2010.

A forecast of the real required amount from the PPF was identified after the Executing Agencies (MoF and Ministry of Health) signed the Service Contracts. As there were no more applications for the PPF foreseen to be presented to the Swiss authorities, the forecast balance amount of 0,219735 MCHF (of them: 0,186775 MCHF for the Swiss grant and 0,032960 MCHF for the co-financing) remaining from the PPF was reallocated to other projects under the Lithuanian–Swiss Cooperation Programme (for more details please see Annual Meeting’s Minutes and Letter No (4.116-26)-6K-1006793 of the Ministry of Finance of the Republic of Lithuania, dated 21 July 2010).

After all payments (of 0,308462 MCHF) from the NCU were made, only then the exact amount in CHF used from the PPF could have been calculated. After the PPF was completed 0,060038 MCHF (of them: 0,051032 MCHF for the Swiss grant and 0,009006 MCHF for the co-financing) still remain unused.

2.2.3. Technical Assistance Fund

The purpose of the 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 TAF Agreement was signed on 10 February 2009. The bilateral agreement between the MoF and the CPMA on the implementation of the TAF was signed on 1 June 2009.

The detailed budget of the TAF for 2010 was approved by the Swiss side on 8 January 2010. The detailed budget of the TAF for 2011 was submitted for the approval on 25 November 2010. The SDC approval on the budget was received on 7 December 2010.

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

- *activities of the MoF:*
 - three Steering Committee of Lithuanian-Swiss Cooperation Programme meetings were organised during the reporting period (on 18 March 2010, 8 July 2010 and 25 November 2010);
 - the Annual Meeting organised on 20 April 2010.

More detailed information on the activities of the NCU under the TAF are provided in the 2nd combined interim and annual project report on the TAF.

- *activities of the CPMA:*
 - a total of 6 employees of the CPMA who work with the Lithuanian–Swiss Cooperation Programme attended the training courses in Lithuania and abroad;

- the contracted audit company “Gaudera” checked and approved two reimbursement requests of the CPMA/NCU for the TAF: for the reporting period 2009-02-10 to 2009-12-31 and for the reporting period 2010-01-01 to 2010-12-31;
- the CPMA contracted the audit company “Auditorių profesinė bendrija” (Professional partnership of Auditors) to carry out the final financial audit of the PPF.

More detailed information on the activities of the MoF and the CPMA under the TAF are provided in the 2nd combined interim and annual project report on the TAF.

The combined interim and annual project report No. 1 on implementation of the TAF was submitted to the SCO on 30 March 2010. The 2nd combined interim and annual report 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 (hereinafter – the SF), the fund is managed by the Intermediate Body of the Swiss side (CRUS).

According to the Scholarship Fund Agreement signed on 29 June 2009 by the Swiss Agency for Development and Cooperation and the MoF, the Ministry of Education and Science of the Republic of Lithuania as well as the Research Council of Lithuania, referring to the FA, the Research Council of Lithuania was assigned as the Coordination Body (hereinafter – CB). The CB is responsible for the in-country management of the Scholarship Fund in Lithuania.

The CB (in cooperation with MoF and the Ministry of Education and Science) has been negotiating with CRUS on the Memorandum of Understanding (hereinafter – MoU). The MoU was signed on 11 August 2010.

Since June 2009 the Scholarship Fund is being advertised 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 by e-mail and phone. In addition, the CB formed a network of the representatives interested in getting the information directly. This network encompasses all the Lithuanian science and research institutions. The CB registered the domain www.sciex.lt, which has a link to the CB’s website page containing the information on the Scholarship Fund. During 2010 the website www.sciex.lt was constantly improved and updated.

Information on the open calls of the Scholarship Fund

The open calls for proposals are being announced on an annual basis.

The Scholarship Fund Cycle in Lithuania has been started on 8 January 2010 by announcing the first open call for proposals. The end of the first call was 1 April 2010. After the application deadline passed, CB checked all 16 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 as follows: 7 in the field of social sciences and humanities and 9 in the field of physical and biotechnological sciences. Out of 16 proposals 4 were formally ineligible mainly due to the incomplete information. The Supervisory Board established at the CB scored all eligible proposals according to their relevance for the home country. Scoring template T-1 was used for that purpose. The results of the scoring were sent to CRUS. Following the expert evaluation of

applications, 3 applications of doctoral students and 3 applications of post-docs were awarded of 530 000 CHF in total.

The second open call for proposals was announced on 3 January 2011; the call closes on 1 April 2011. On January 2011 the CB started to disseminate the information about the open call for proposals. The information was announced on the website and disseminated directly to the eligible institutions. On 21 January 2011 the information day for the interested doctoral and post-doc fellows was held at the CB. There were approximately 50 participants attending this event. Information was provided on the Sciex programme as well as on Euraxess.

The CB improved the Scoring templates to be used for evaluation of the applications at the CB and at the sending institutions. These will be approved by the CB before the end of the second open call. The Scoring templates are in line with the Scholarship Fund Agreement.

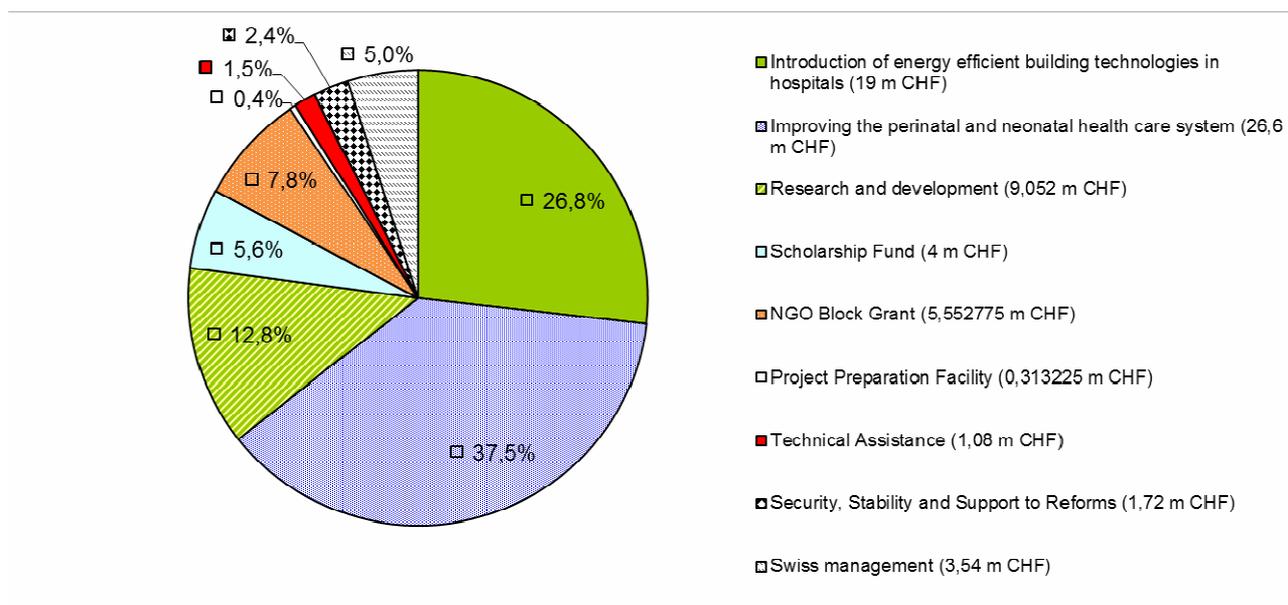
The CB regularly provides assistance to researchers concerning the Scholarship Fund and the announced open calls. On 26 August 2010 A. Vilkanauskytė attended the Sciex Steering Committee Meeting in Fribourg. On 30 October 2010 representatives of the CB participated at the seminar in Bern, organised by CRUS.

After the end of the open call (1 April 2011) the CB will provide data on the eligibility and quantity of received proposals to CRUS and to the Intermediate Body in Lithuania for compilation of the required progress reports.

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

The figure below presents the distribution of funds available under the Lithuanian-Swiss Cooperation Programme (total amount – 70,858 M CHF):

Figure No. 1 Allocation of the budget available under the Lithuanian-Swiss Cooperation Programme



Commitments and disbursements of the reporting period

During the reporting period one Project Agreement was signed between the Republic of Lithuania and the Swiss Confederation for the financing of the programme “Research and development” (Swiss grant – 9,052 MCHF, Lithuanian co-financing – 1,597 MCHF, total budget – 10,649 MCHF).

Total amount of the Swiss Contribution committed since the signature of the Framework Agreement (according to the Project Agreements signed): 14,632 MCHF (21,7% of the total amount (67,32 mln CHF) to be committed under the Lithuanian–Swiss Cooperation Programme).

Disbursements by the Lithuanian side (eligible expenditures approved by NCU/CPMA during the reporting period and paid out by the State Treasury) during the reporting period constitute 49 863,97 CHF under the TAF (Swiss Contribution only) and 308 461,85 CHF under the PPF (of them: 262 192,57 CHF of the Swiss Contribution and 46 269,28 CHF of the Lithuanian co-financing). Reimbursements by the Swiss side made during the reporting period constitute 50 663,87 CHF under the TAF and 13 705,08 CHF under the PPF.

More detailed information on the commitments and disbursements of the reporting period are presented in the annual financial report in Annex 2 of this report.

Tentative commitments and disbursements for the next reporting period

It is foreseen that the following remaining agreements will be signed during the next reporting period:

- Block Grant Agreement for the NGO block grant;
- Individual Project Agreement for the individual project “The creation and implementation of the system for video transmission, recording and storage in courts”;
- Project Agreement for the programme “Introduction of energy efficient technologies into the Lithuanian hospitals providing perinatal and neonatal health care services”;
- Project Agreement for the programme “Improvement of perinatal and neonatal health care services in Lithuania”.

Overall financial statement on the past and tentative future disbursements and commitments for the entire Lithuanian-Swiss Cooperation Programme is summarised in Annex 2 of this report.

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

In 2010 audit services for the PPF were procured and the final financial audit of the PPF was performed in February-March 2011. At the cut-off date of this reporting period the final financial audit report had not been received yet.

Only inconsiderable expenses were incurred for the TAF by the MoF (as NCU) and it was therefore decided that two payment claims for 2010 (1st and 2nd quarters combined, and 3rd and 4th quarters combined) instead of 4 payment claims (one for each annual quarter) would be submitted. The payment claim for period 2010-01-01 to 2010-06-30 was audited in July 2010 and the payment claim for 2010-07-01 to 2010-12-31 was audited in January 2011.

The CPMA prepared 5 payment claims for expenses incurred from the TAF during the reporting period and all of them were successfully audited. The payment claim for the 4th quarter of 2009 was audited in March 2010, while the payment claims for the 4 quarters of 2010 were audited in April, July, October 2010 and January 2011, respectively.

The Reimbursement Request and TAF combined interim and annual project report for the annual period 2009-02-10 to 2009-12-31 together with audit report was submitted to Switzerland on 2010-03-30.

The TAF combined interim and annual project report for the annual period 2010-01-01 to 2010-12-31 has been audited and shall be submitted to Switzerland by 1 April 2011 together with the Reimbursement Request and aforementioned audit report.

For all of the abovementioned audits, the auditors prepared and submitted audit reports and auditor's certificates, which stated that expenditures included in the payment claims were incurred properly and in line with the relevant agreements and service contracts. No non-eligible costs were verified.

2.6. Statistics of tenders, contract awards and successful bidders

As during the reporting period, the Intermediate Bodies and Executing Agencies concentrated on the finalisation of the Final Project Proposals and preparation for the practical implementation of the projects, no procurements were conducted.

Summarising the information on tenders conducted under the TAF, the following data can be presented:

- No new contracts were concluded by the MoF. The contract on procurement of translation and interpretation services with "Metropolio vertimai" (contract value: 33 759 LTL (about 15 000 CHF) was extended for 12 months (until 7 August 2011);
- The CPMA concluded the contract for audit services for the PPF with the audit company "Auditorijų profesinė bendrija" (Professional Partnership for Auditors) (contract value: 11 616 LTL (about 27 878 CHF), contract signed on 19 July 2010, duration of service provision – till 14 October 2012).

All procurements (under PPF and TAF) have been made according to the Lithuanian Law on Public Procurement which is in compliance with EU Procurement Directives. No irregularities have been found. The more detailed and comprehensive information on them is provided in the PPF and TAF project reports, submitted to Switzerland.

3. Swissness

Health sector programmes

The contractor of the joint feasibility study for the programmes of health sector (the JSC „Ernst&Young“) included a Swiss expert on health sector planning (Head of „Lead Consultants“ company) into its project team. While developing the feasibility study the Swiss experience regarding the creation of the computer database for data about pregnant women, delivering women and neonates by using standard and justificatory solutions of information technologies used for the data collection, analysis and exchange on the basis of solutions used in obstetric-gynaecological and neonatal practice in Switzerland was analysed. The possibility of using the experience of Switzerland in such fields as creation of methods of treatment and protocols is planned to be used during the trainings forseen under the programme "Improvement of the perinatal and neonatal health care services in Lithuania".

While implementing the programme for perinatal and neonatal health care the Ministry of Health is planning to cooperate with partners in Switzerland in training of Lithuanian health care

professionals. The Executing Agency (Kaunas Clinics) has a regular partnership with University Hospital Zurich and Geneva and continuation of this partnership while implementing the health sector programmes also is foreseen. Two more Swiss hospitals were contacted for cooperation intentions, the official intend letters will be send to them in the nearest time (March-April 2011).

Research and Development programme

The programme will be 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 will be selected and funded on a competitive basis. The Joint Selection Committee (which includes scientific representatives nominated by both countries) will take the responsibility for the approval of a final list of selected joint research and institutional partnership projects. Also, this Committee should initially agree on the evaluation procedure and criteria. It will create extensive conditions for the cooperation of Lithuanian and Swiss research institutions and researchers.

NGO Fund

In order to implement the condition set in the Decision Letter on approval of the Final Project Proposal on the NGO Fund and seeking to promote and enhance the partnerships between Lithuania and Switzerland in the NGO sector, it is foreseen to give additional points for the applications containing partnerships during the evaluation stage. The NCU/Intermediate Body and Executing Agency are informing NGOs about the NGO Fund and possibilities for cooperation with the Swiss NGOs during various meetings and seminars. The Lithuanian NGOs are encouraged to contact the NCU and/or Executing Agency for assistance in finding the NGO partner organisation in Switzerland. In the draft of the Guidelines for Applicants it is foreseen that partners in small projects can only be NGOs from Lithuania or Switzerland and small project activities can be implemented only in Lithuania or in Switzerland.

Individual project

It is planned to organise several study-visits in order to get acquainted with the experience of other countries in the use of video conferencing equipment in court proceedings. One of the visits is foreseen to the Swiss courts.

4. Proposals for the allocation of non-committed funds

Discussions on the unallocated reserve, foreseen in the FA, started in the 1st annual meeting in which the Swiss delegation presented proposals on the possible use of the unallocated reserve of the Lithuanian-Swiss Cooperation Programme (see Minutes of the meeting for more details).

After the internal discussions in Lithuania on this issue, the consensus between the Swiss and Lithuanian parties was reached in the 2nd annual meeting on 20 April 2010. Both sides agreed to allocate the remaining non-committed funds, including the leftover amount of the PPF (0.22 MCHF, of them: 0,186775 MCHF for the Swiss grant and 0,032960 MCHF for the co-financing), as follows:

- an amount of 1.72 MCHF shall be allocated to the individual project “The creation and implementation of the system for video transmission, recording and storage in courts”;
- the remaining non-committed amount of approximately 3.5 MCHF shall be allocated to the programmes of the Ministry of Health and / or the NGO Fund. The final decision shall be taken by mutual agreement after the completion of the feasibility study regarding the two programmes of the Ministry of Health.

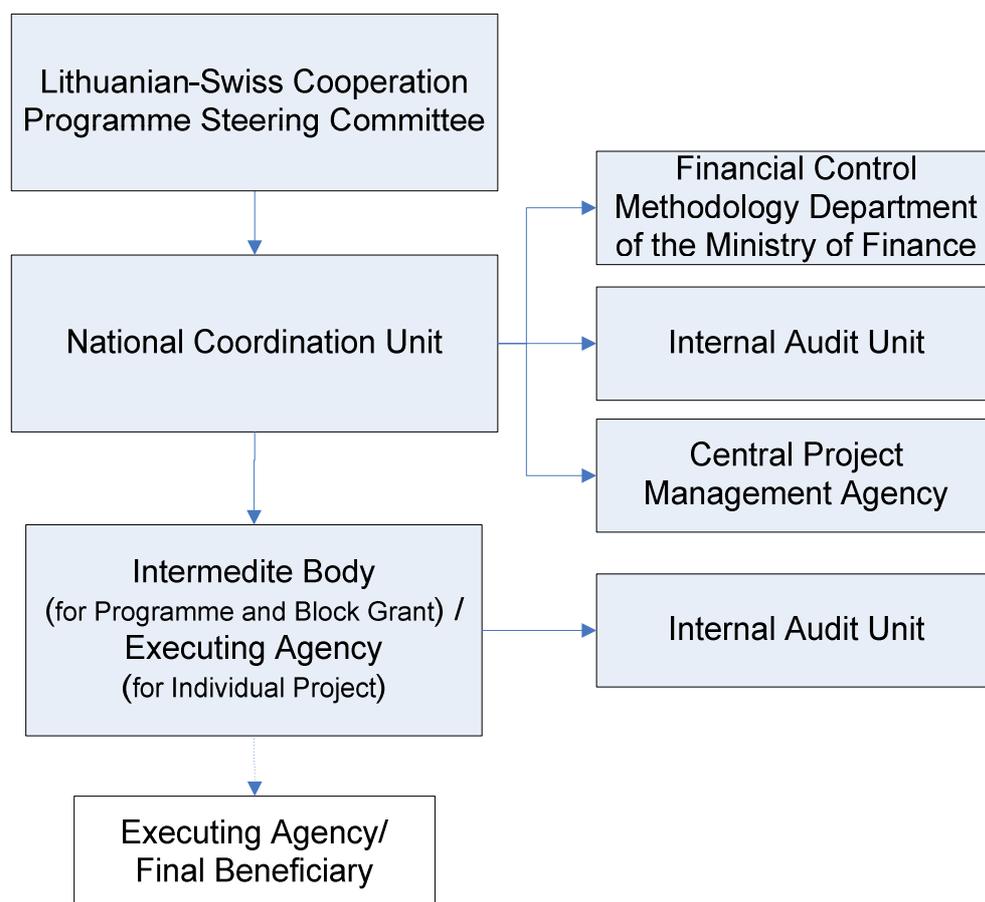
At the end of preparation of the feasibility study regarding the two programmes of the Ministry of Health, the Steering Committee of the Lithuanian–Swiss Cooperation Programme by taking into consideration information presented by the representatives of the Ministry of Health on the needs of both health sector programmes, decided that the amount of 3 million CHF should be allocated to the health sector programmes, the remaining amount of 0,552775 million CHF - to the NGO Fund. This decision was approved by Switzerland by exchange of letters. On 25 August 2010 the Joint Steering Committee for health programmes made a decision that additional funding should be allocated to perinatal and neonatal health care programme.

5. Reporting on administrative implementation issues

Managerial set-up

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

Figure No. 2. 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 Intermediate Bodies (hereinafter - IB) under the Lithuanian–Swiss Cooperation Programme:

- Ministry of Health is the IB for the projects (programmes) to be prepared and implemented 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 project (programme) to be prepared and implemented in the focus area “*Research and Development*”;
- Ministry of Finance is the IB for the project (block grant) to be prepared and implemented in the NGO sector;
- Ministry of Finance is the IB for the PPF (this is defined in the FA, Annex 3).

Steering Committee

The Steering Committee of the Lithuanian–Swiss Cooperation Programme (hereinafter - SC) was established and its personal composition approved by the Order of the Minister of Finance No. 1K-017 of 27 January 2009. The SC is composed of the representatives of the MoF (chair), Ministry of Education and Science, Ministry of Health, 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 SC as observers.

The functions of the SC are detailed in the Rules for Administration of the Lithuanian–Swiss Cooperation Programme and the Work Regulation of the SC 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 SC, the SC meetings shall be organised at least once per year. If necessary, SC 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 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

During the reporting period the following legal acts were modified:

- *Rules for Administration of the Lithuanian-Swiss Cooperation Programme* (Order of the Minister of Finance No.1K-418 of 5 December 2008). The modifications are related to the introduction of provisions for the individual project and changes in the organisational scheme of the NGO Fund. Other modifications are of a technical nature, made seeking to avoid differences in text interpretations.
- *Publicity rules of the Lithuanian-Swiss Cooperation Programme* (Order of the Minister of Finance No. 1K-031 of 9 February 2010). These rules set forth the detailed provisions for the administrating institutions (the NCU, the CPMA, the IBs), Executing Agencies, and final beneficiaries on how to publicise the financial assistance of the donors through the Lithuanian-Swiss Cooperation Programme. The main reason for modifications was the inclusion of the provisions on the individual project.

The following documents on the administration of the Lithuanian-Swiss Cooperation Programme are currently drafted and being discussed:

- 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);
- Rules for implementation and financing of the NGO Fund (describing issues related to procurements, the currency exchange rate, eligibility of costs and other financial questions);
- modifications of the *Rules of Disbursement from the Technical Assistance Fund and the Project Preparation Facility under Lithuanian-Swiss Cooperation Programme* (Order of the Minister of Finance No. 1K-268 of 5 August 2009) are being drafted. The present Rules set the detailed procedures of disbursement of the TAF and PPF as well as national co-financing for the Executing Agencies, MoF and CPMA. The rules also describe internal procedures of the MoF related to the payments and its relations with the CPMA. The main reason for modification of these rules is to include relevant provisions regarding the NGO Fund;
- Programme Implementation Agreement on the programme “Research and Development” (to be signed between the NCU, IB and the CPMA);
- Project Implementation Agreement for the programme “Research and Development” (to be signed between the CPMA, IB and Executing Agency).

In its capacity, the CPMA takes part in the preparation of legal acts for the implementation and monitoring of the Lithuanian–Swiss Cooperation Programme.

During the reporting period the CPMA prepared, discussed with the NCU and approved the following forms, necessary for the proper implementation of the Lithuanian–Swiss Cooperation Programme:

- Reimbursement Request form (approved by the CPMA Director's Order No. 2010/8-4 of 2010-01-11);
- Project Interim/Combined Interim and Annual Report form (approved by the CPMA Director's Order No. 2010/8-4 of 2010-01-11);
- Programme/ Block Grant/ Fund/Individual Project Interim Report form (approved by the CPMA Director's Order No. 2010/8-19 of 2010-02-01);
- Technical Assistance Fund Combined Interim and Annual Project Report form (approved by the CPMA Director's Order No. 2010/8-19 of 2010-02-01);
- Programme/ Block Grant/ Fund/Individual Project Annual Project Report form (approved by the CPMA Director's Order No. 2010/8-19 of 2010-02-01);
- New form for conclusions regarding eligible expenditures from the Lithuanian–Swiss Cooperation Programme (approved by the CPMA Director's Order No. 2010/8-90 of 2010-05-20);
- Interim/Final Project Implementation Report form (approved by the CPMA Director's Order No. 2011/8-10 of 2011-01-17);
- Project Completion Report form (approved by the CPMA Director's Order No. 2011/8-11 of 2011-01-18)
- 7 CPMA internal procedures for the Lithuanian–Swiss Cooperation Programme were updated in 2010 and one new procedure prepared and approved. The updated procedures included: a general section, evaluation procedures for Project Outlines and PPF applications, evaluation procedures for Final Project Proposals, compilation of implementation agreements and public procurement monitoring, payment claim checking and expenditure acceptance, as well as preparation, checking, approval, coordination and submission of reports reimbursement requests to Switzerland. The new procedure for management of irregularities was approved.

6. 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.

The webpage of the MoF (both Lithuanian and English versions) contains the following information:

- Assistance from Switzerland/ Lithuanian-Swiss Cooperation Programme:
 - priority areas and forms of assistance:
 - Programmes;
 - Block Grant;
 - Other forms of assistance;
- Monitoring of Lithuanian-Swiss Cooperation Programme Implementation;

- Steering Committee;
- Annual Meetings;
- Documents;
- Links.

Information about the Lithuanian-Swiss Cooperation Programme is also published on the website of the CPMA: www.cpva.lt. The “News” section publishes announcements related to the implementation of the Lithuanian–Swiss Cooperation Programme.

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.

Taking into consideration the importance of the publicity and executing the function to ensure information and publicity about the Lithuanian-Swiss Cooperation Programme (assigned to the NCU in the FA) the MoF prepared the Publicity rules of the Lithuanian–Swiss Cooperation Programme which were approved by the Order of the Minister of Finance on 9 February 2010. The Publicity rules were amended in 1Q/2011 and relevant provisions regarding the individual project were introduced.

Publicity activities performed during the reporting period:

- Project Preparation Facility:
 - The NGO sector feasibility study, prepared under the PPF, is published on the websites www.finmin.lt (www.swiss-contribution.lt);
 - The joint feasibility study for health sector programmes is published on the website of the Ministry of Health www.sam.lt. The results of the feasibility study were presented by representative of the Ministry of Health in the Congress of Obstetricians and Gynaecologists of Lithuania on 16 September 2010.
- Technical Assistance Fund:
 - Promotional material on the Lithuanian–Swiss Cooperation Programme is provided to the relevant stakeholders when necessary. No other specific publicity activities have been performed.
- Scholarship Fund, programme “Research and development”:
 - Information about the signature of the Project Agreement for the programme “Research and Development” was published by the main news agencies in Lithuania (BNS and ELTA), also in the website of one of the national newspapers (“Respublika”);
 - Information about the signature of the Project Agreement for the programme “Research and development” was also published in the websites: www.finmin.lt (www.swiss-contribution.lt), websites of the Ministry of Education and Science (www.smm.lt), the Lithuanian Research Council (www.lmt.lt) and the CPMA (www.cpva.lt);
 - in order to promote and disseminate information about the Swiss Contribution under the Lithuanian–Swiss Cooperation Programme, namely on the activities planned according to the programme on research and development as well as the 2nd open call of the Scholarship Fund, relevant information was published on the websites of the Ministry of Education and Science and the Lithuanian Research Council;

- on 21 January 2011 the information day for the interested doctoral and post-doc fellows was held at the CB. Approximately 50 participants attended this event;
 - in addition the information on the Scholarship Fund and the related procedures in Lithuania is being constantly communicated to the academic community by e-mail and phone. The CB also formed a network of the representatives interested in getting the information directly. This network encompasses all Lithuanian science and research institutions;
 - The CB registered the domain www.sciex.lt, which has a link to the CB's website page containing the information on the Scholarship Fund.
- NGO Fund:
- On 28 January 2011 the representatives of the NCU and CPMA participated in the closing event of the NGO Fund under the EEA and Norwegian financial mechanisms. Information on the NGO Fund of the Lithuanian–Swiss Cooperation Programme was presented for the participants of this event. The NGOs were informed about possible assistance in finding the Swiss partner (NGO) for possible cooperation;
 - On 17 March 2011 the representatives of the NCU and CPMA participated in the meeting of the NGO coordination commission in the Ministry of Social Affairs and Labour. Information on the NGO Fund of the Lithuanian–Swiss Cooperation Programme was presented for the members of that commission (half of them represent the NGO sector). The NGOs were informed about possible assistance in finding Swiss partner (NGO) for possible cooperation;
 - No other specific activities were implemented under the NGO Fund. It is planned that after the publication of the Guidelines for Applicants, 10 information seminars for potential applicants will be organised in different Lithuanian regions.
- Individual project:
- the Executing Agency prepared the Publicity plan of the individual project which was approved on 22 December 2010 (by the Order of the Director of the NCA).

7. 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	Achieved in time/ delayed	Reasons for deviations
Tasks related to the programmes in the focus areas „Rehabilitation and modernisation of basic infrastructure and Improvement of the environment“ and „Health“			
Feasibility study prepared	August 2010	Achieved in time	-
Final Project Proposals submitted for approval to Switzerland	October/November 2010	Achieved within the planned deadline (FPPs submitted on	-

		25 November 2010)	
Project Agreements signed	March 2011	Delayed	Due to the delays in the FPPs` approval process on the Swiss side, the preparation and signing of the Project Agreements is delayed.
Tasks related to the programme in the focus area „Research and development“			
Project Agreement signed	December 2010	Achieved in time	-
Programme Implementation Agreement signed	December 2010/January 2011	Delayed	Signing of this Agreement is delayed due to the delays in approval of the national rules on implementation and financing of the programmes and individual project (long harmonisation process with the Legal Department of the NCU).
Project Implementation Agreement signed	January/February 2011	Delayed	Signing of this Agreement is delayed due to the delays in approval of the national rules on implementation and financing of the programmes and individual project (long harmonisation process with the Legal Department of the NCU) and in signing the Programme Implementation Agreement.
Launch of the open call for joint research and/or institutional partnership projects	January 2011	Delayed	Due to the delays in preparation of the national implementation rules and implementation agreements, the launch of the open call is delayed.
Tasks related to the NGO block grant			
Feasibility study prepared	March 2010	Delayed	Due to the need to improve the quality of the feasibility study the contract for preparation of the study was extended till end of May 2010.
Final Project Proposal submitted for approval to Switzerland	May/June 2010	Delayed	Due to the extended deadline for the preparation of the feasibility study, the preparation of the FPP was also delayed. It also took time to informally agree on the FPP with the Swiss side.
Project Agreement signed	January 2011	Delayed	The FPP was submitted officially and the Swiss authorities approved the FPP on 3 January 2011. After that the Project Agreement was drafted by the

			SCO and is under the process of harmonisation now.
Tasks related to the individual project			
Final Project Proposal submitted for approval to Switzerland	January/February 2011	Achieved earlier than planned	FPP submitted on 25 November 2010 and approved on 2 February 2011

CONCLUSIONS AND RECOMMENDATIONS

During the reporting period all actions by the NCU, CPMA, IBs and other responsible Lithuanian institutions involved in the implementation of the Lithuanian-Swiss Cooperation Programme continued with the development of the internal procedures, finalisation of the Final Project Proposals in the respective focus areas. After the approval of the Project Outlines by the responsible Swiss institutions, the IBs in the health and NGO sectors proceeded with the development of the feasibility studies and the Final Project Proposals. It must be noted that informal review of the documents by the Swiss institutions and the SCO serves as an effective tool in elaborating the documents. With the help of “discussions on-line” their quality can be improved.

The practical implementation phase had not begun thus it is not yet possible to assess the implementation of the Lithuanian–Swiss Cooperation Programme and achievement of the objectives set in the FA. This will be the subject for future reports.

During the next reporting period the programming phase is planned to be finalised and all remaining Project Agreements signed. The NCU and the CPMA shall concentrate their attention and efforts on further development of the legal basis for the implementation of the Lithuanian–Swiss Cooperation Programme and signing the Programme and Project Implementation Agreements.

The NCU also encourages the IBs and Executing Agencies to start preparation for the procurements planned to be conducted under the projects (programme, block grant, individual project) prior to the official signing of the Project Agreements between Lithuania and Switzerland. This could save some time and enable the related institutions to start the practical implementation of activities quicker.

As “Swissness” plays such a key role in the success of the programmes/project, especially as seen from the point of view of the Swiss people, it might be constructive and beneficial to both the Swiss and Lithuanian sides to participate in training or a so-called brainstorming session for the beneficiary countries on “What is Swissness and how it can be demonstrated” in Switzerland. Until now the notion of “Swissness” remains somewhat vague.