

THE SWISS-LITHUANIAN COOPERATION PROGRAMME

PROJECT AGREEMENT

BETWEEN

THE SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

AND

**THE MINISTRY OF FINANCE OF THE REPUBLIC OF LITHUANIA
AS THE NATIONAL COORDINATION UNIT (NCU)**

**ON THE GRANT
FOR**

**THE INDIVIDUAL PROJECT “THE CREATION AND IMPLEMENTATION OF THE SYSTEM
FOR VIDEO TRANSACTION, RECORDING AND STORAGE IN COURTS”
TO BE IMPLEMENTED DURING THE PERIOD**

05.05.2011 – 05.05.2013

The Swiss Agency for Development and Cooperation (SDC) (hereinafter referred to as "Switzerland") and the Ministry of Finance of the Republic of Lithuania (hereinafter referred to as "Lithuania"),

Hereinafter collectively referred to as the "Contracting Parties",

Having regard to the friendly relations between the two countries,

Desirous of strengthening these relations and the fruitful co-operation between the two countries,

Intending to promote further the social and economic development in the Republic of Lithuania,

Referring to the Framework Agreement between the Swiss Federal Council and the Government of the Republic of Lithuania concerning the implementation of the Swiss-Lithuanian cooperation programme to reduce economic and social disparities within the enlarged European Union, concluded on 20 December 2007,

Considering the Swiss Grant for the individual project "Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts" (hereinafter referred to as "Individual project") in the Republic of Lithuania and Switzerland,

Have agreed as follows:

Article 1 **Definitions**

In this Project Agreement, unless the context otherwise requires, the following terms shall have the following meaning:

"Framework Agreement" means the Agreement between the Swiss Federal Council and the Government of the Republic of Lithuania concerning the implementation of the Swiss-Lithuanian Cooperation Programme to reduce the economic and social disparities within the enlarged European Union, concluded on 20 December 2007;

"Contribution" means the non-reimbursable financial contribution granted by Switzerland under the Framework Agreement;

"Project Agreement" means the Agreement between the Swiss Agency for Development and Cooperation (SDC) and the Ministry of Finance of the Republic of Lithuania acting as the National Coordination Unit (NCU) which lays down the rights and obligations of the Contracting Parties regarding the implementation of the Individual project;

"Implementation Agreement" means an agreement between the NCU, the public institution Central Project Management Agency and the Executing Agency for the implementation of the Individual project;

"National Coordination Unit" (NCU) means the Ministry of Finance of the Republic of Lithuania acting in charge of the coordination of the Swiss-Lithuanian Cooperation Programme;

"Individual project" means the specific project described in this Project Agreement;

"Grant" means the non-reimbursable financial contribution granted by Switzerland under this Project Agreement;

"Executing Agency" means any public authority, any public or private corporation as well as any organization recognized by the Contracting Parties and mandated to implement the Individual project financed under this Project Agreement;

"Advance payment" means reimbursement that is transferred to the NCU by the Swiss authority after the advance payment has been made by the NCU to the Executing Agency.

Article 2

Objectives and Scope of the Individual project

- 2.1. The objective of the Individual project is to create a system, which allows to arrange remote court sessions as well as to record and preserve materials of these sessions in an electronic form.
- 2.2. The Individual project has to be implemented according to the following documents, listed by order of precedence in terms of legal applicability: The Framework Agreement and its Annexes, the present Project Agreement with the confirmation of the Individual project approval by the SDC (annex 1), the Final Project Proposal (annex 2), and the Disbursement Plan (annex 3).

Article 3

Amount and Utilization

- 3.1. The estimated total cost of the Individual project amounts to CHF 2'024'000 (two million twenty-four thousand). The estimated eligible cost of the Individual project amounts to CHF 2'024'000 (two million twenty-four thousand).
- 3.2. Switzerland shall provide a Grant in **Swiss Francs amounting to maximum CHF 1'720'000 (one million seven hundred twenty thousand)**, to the Republic of Lithuania for the implementation of the Individual project defined in Article 2.
- 3.3. The Grant shall cover **a maximum of 85 %** of the total eligible costs of the Individual project in Swiss Francs. This percentage shall never be exceeded during the Individual project implementation. It shall be calculated on the basis of actual costs in Swiss Francs. The NCU shall ensure the timely provision of the co-financing of a **minimum of 15 %** of the total eligible costs of the Individual project in Swiss Francs by Lithuanian financial resources.
- 3.4. As stipulated in Article 7.1 of the Framework Agreement, the Value Added Tax (VAT) shall be considered as an eligible cost only if it is genuinely and definitively borne by the Executing Agency or by the final recipient. VAT, which is recoverable, by whatever means, shall not be considered eligible even if it is not actually recovered by the Executing Agency or by the final recipient.

- 3.5. As stipulated in Article 7.2 of the Framework Agreement, other levies, taxes or charges, in particular direct taxes and social security contributions on salaries and wages, shall constitute eligible costs only if they are genuinely and definitively borne by the Executing Agency or by the final recipient.
- 3.6. The following costs shall not be eligible for Grant support: expenditures incurred before the signing of the present Project Agreement by all parties, interests on debt, the purchase of real estate and recoverable VAT as specified in Article 3.4 of this Project Agreement.
- 3.7. The final date for eligibility of costs corresponds with the ending date of the Individual project as defined in Article 23.2 of this Project Agreement. Eligibility of costs for reporting, auditing and evaluation ends six months after Individual project completion. Reimbursement Requests must have been received by Switzerland not later than six months after the respective final date of eligibility of costs.
- 3.8. Any unutilised portion of the Grant remaining at the completion of the Individual project shall be eligible for re-commitment until two months before the end of the Commitment period (but not later than 14 April 2012), unless otherwise mutually agreed by the Contracting Parties.

Article 4

Reimbursement Procedures

- 4.1. The Grant shall be disbursed in accordance with the Framework Agreement, Annex 2, chapter 3 and 4, and the Disbursement Plan (annex 3 of this Project Agreement). Disbursements are made on a semi-annual basis.
- 4.2. Disbursements shall be made in the form of reimbursements of advance payments paid by NCU or eligible costs incurred within the Individual project upon receipt and approval by Switzerland of the reports pursuant to Article 9 and 10.
- 4.3. The Reimbursement Requests sent to Switzerland by the NCU shall be in Swiss Francs, whereas the NCU shall convert the local currency into Swiss Francs at the daily exchange rate of the Bank of Lithuania prevailing at the date the corresponding payment was executed by the NCU.
- 4.4. Reimbursement of advance payments shall be made by Switzerland after advance payment for the Executing Agency is done by the NCU and after the Reimbursement Request for Advance Payment is submitted by the NCU. No Interim Report is linked to this reimbursement.
- 4.5. The equivalent value in local currency of each reimbursement made by Switzerland in Swiss Francs pursuant to the approval of the Reimbursement Requests or Reimbursement Requests for Advance Payments will be recorded by the NCU using the daily exchange rate of the Bank of Lithuania prevailing at the date the reimbursement was received on the account of the Ministry of Finance of the Republic of Lithuania.

- 4.6. Reimbursement Requests referred to in Article 4.3 of this Project Agreement must be received by Switzerland no later than six months after the final dates of eligibility of costs (cf. Article 3.7).
- 4.7. All payments related to this Project Agreement shall be transferred in Swiss Francs to Lithuania, Ministry of Finance of the Republic of Lithuania account N°(IBAN) LT65 1010 0000 0663 2403, Swift N° LIAB LT 2X and bank code 10100 at The Bank of Lithuania, Gedimino av. 6, Vilnius, LT-01103.

Article 5 **Procurement**

- 5.1. Procurement is to be made by the Executing Agency in accordance with the national law and regulations and in compliance with the Lithuanian public procurement law and with the Framework Agreement, Annex 2, chapter 3.3.
- 5.2. To increase transparency and to prevent corruption, tender documents shall contain an integrity clause.
- 5.3. For procurements not exceeding the threshold of CHF 100'000, a confirmation of compliance with the relevant procurement rules and a short description on the tender process shall be provided to Switzerland by the Executing Agency in the Interim Reports.
- 5.4. For procurements exceeding the threshold of CHF 100'000, but not exceeding the threshold of CHF 500'000, English translation of procurement notice shall be provided to Switzerland simultaneously with their publishing in Lithuania. A confirmation of compliance with the relevant procurement rules, a short description on the tender process and, if deemed necessary a justification for the selected tender procedure, shall be provided to Switzerland within 30 calendar days after the award of the contract.
- 5.5. For procurements exceeding the threshold of CHF 500'000.00 an English translation of the Standard terms and Conditions of the tender documents shall be provided to Switzerland for no-objection, English translation of procurement notice shall be provided to Switzerland simultaneously with their publishing in Lithuania, short summary of minutes of the winner announcement meeting shall be provided to Switzerland before contracts are signed and the contracts shall be provided to Switzerland for information within 20 days after their signature.
- 5.6. In line with Art. 6.5 of the Framework Agreement, both Parties agree to provide all such information pertaining to the tender process and beyond the documents listed above that the other Party may reasonably request.
- 5.7. Switzerland shall have the right to participate in the tender opening meeting as an observer.
- 5.8. Switzerland shall have the right to conduct an audit of the applied procurement practises and procedures in accordance with the requirements stipulated in Art. 6.5 of the Framework Agreement.

Article 6

Responsibilities of NCU and SDC

- 6.1. The NCU shall take all actions within its field of competences and responsibility, including coordination, control of the co-financing and other measures, necessary or appropriate, for carrying out the Individual project. Within a year after signing of this Project Agreement, the NCU shall send summary of statutory acts ensuring adequate use of Individual project material in court sessions to the Swiss Contribution Office for Estonia, Latvia and Lithuania.
- 6.2. The NCU can delegate part of the tasks and responsibilities related to the administration of the Swiss – Lithuanian Cooperation Programme to the public institution Central Project Management Agency.
- 6.3. The NCU is responsible for the implementation, controlling and evaluation of the Individual project as well as for the use of the Grant in accordance with this Project Agreement and as stated in the Framework Agreement. The NCU ensures the compliance of the involved agencies and other entities with this Project Agreement as well as with the Framework Agreement.
- 6.4. The NCU shall conclude an Implementation Agreement with the public institution Central Project Management Agency and the National Court Administration. This Implementation Agreement shall comply with this Project Agreement as well as with the Framework Agreement. The same shall apply to any other agreements subscribed in the framework of the implementation of the Individual project.
- 6.5. The NCU undertakes to support, advice and inform the Swiss Contribution Office for Estonia, Latvia and Lithuania with regard to Individual project-related issues, including irregularities and fraud. The NCU undertakes to inform the Swiss Contribution Office for Estonia, Latvia and Lithuania immediately in writing with regard to any developments that could affect the implementation of the Individual project. In the event of the threat of any irreparable disadvantage, the NCU shall immediately take the requisite precautions.
- 6.6. The NCU will at all time clearly state that it is acting within the framework of the Swiss-Lithuanian Cooperation Programme to reduce economic and social disparities within the enlarged European Union. All publications must refer to the Individual project as a "Swiss-Lithuanian Project". The general public in Lithuania will be informed about the Individual project and the support provided by Switzerland.
- 6.7. SDC shall, whenever requested, assist the NCU in the planning, implementation, controlling and evaluation of the Individual project.
- 6.8. SDC shall approve Project's operational and financial reports and audits when all conditions are met. Once approved, SDC will disburse payments according to the financial planning of the Individual project.
- 6.9. All communication to SDC with regard to this Project Agreement shall be directed to the Swiss Contribution Office for Estonia, Latvia and Lithuania, which generally represents SDC towards the NCU.

Article 7

Individual project Organisation

7.1. The Executing Agency supervises and steers the implementation of the Individual project; it establishes an adequate monitoring and auditing system.

7.2. The following Executing Agency will implement the Individual project financed under this Project Agreement:

- National Court Administration

7.3. Strategic decisions related to the Individual project are taken by the Individual Project Steering Committee.

7.4. The roles and responsibilities of the Individual Project Steering Committee include, but are not limited to:

- Monitor the implementation of the Individual project at the strategical level
- Approve operational and financial parts of Individual project implementation reports
- Modify implementation plan if needed and budget if needed within the agreed time table and budget
- Take any measures considered necessary to fully achieve the planned objectives

7.5. Members of the Steering committee are representatives of the following parties:

7.5.1. Members with voting right:

- Executing Agency – National Court Administration
- Representatives from courts
- Representative(s) of the Prison Department under the Ministry of Justice

7.5.2. Members with voice but no voting right:

- Ministry of Finance
- Central Project Management Agency

7.5.3. Observers (members with no– objection right)

- Swiss Contribution Office for Estonia, Latvia and Lithuania

Article 8 **Monitoring and Review**

The NCU shall ensure the establishment of a monitoring system that allows to assess periodically the status of achievement of the proposed objectives. Results and conclusions have to be part of the Project Reports as mentioned in Article 9 below and should be the base of the annual reports on the Swiss-Lithuanian Cooperation Programme as stipulated in Article 8 of the Framework Agreement.

Article 9 **Reporting**

- 9.1. Interim Reports cover a period of six months and are due to Switzerland not later than four months after the end of the period covered according to the Disbursement Plan (annex 3). The first Interim Report covering the period from the date of signature of this Project Agreement to 31st December 2011 is due not later than 30th April 2012. The period covered by the last Interim Report may differ from the period specified above. Interim Reports support payment claims and are therefore to be presented to Switzerland with the corresponding Reimbursement Request. They include information on financial and physical progress, compare actual with planned expenses and provide an update on progress status, while confirming the co-financing. Any significant deviation has to be justified and corrective measures suggested.
- 9.2. Annual Project Reports are due to Switzerland not later than four months after the end of the calendar year. The first Annual Project Report covering the year 2011 is due not later than 30th April 2012. Annual Project Reports have an operational part that describes the progress of the Individual project and include a financial part (Financial Report) having a summary data on financial progress for the reporting year as well as cumulative data to date. They compare actual with planned expenses and progress, based on quantified targets for output and where possible outcome indicators. Any significant deviation has to be justified and corrective measures suggested. Annual Project Reports are not linked to Reimbursement Requests.
- 9.3. The Project Completion Report is due not later than six months after the ending date of the Individual project, meaning not later than 05th November 2013 for this Individual project. The Project Completion Report - together with the last Interim Report and the conclusions of the Final Financial Audit - is the basis for the payment of the final reimbursement. The second Project Completion Report for the reporting, auditing and evaluation is due not later than 05th May 2014. For the reimbursement of costs for reporting, auditing and evaluation only the second Project Completion Report is the basis for final reimbursement. (cf. Article 3.7). The Project Completion Report has an operational part that documents and comments the overall achievement of outputs and outcomes against the original plan, the compliance with principles such as cross cutting themes and sustainability, and suggests lessons learned and conclusions. It contains a financial part (Final Financial Report) having a summary of financial data for the whole Individual project and compare effective with planned expenses.

9.4. The financial parts of the Interim Reports, Annual Project Reports and of the Project Completion Report, based on invoices or documents of equivalent value, are to be presented in local currency.

Article 10

Audit

10.1. The NCU confirms that a Compliance Audit has been performed and the Individual project as well as the institutions involved in its implementation, mainly the Executing Agency, respect the legal obligations, respective guidelines, procedures, and that they have set up an appropriate structure and internal control system (as referred in chapter 3 of the Annex 2 of the Framework Agreement). Confirmation letter on Compliance Audit in English is to be submitted to Switzerland before or simultaneously with the first reimbursement request.

10.2. Based on a risk assessment and possible additional Swiss requirements, an annual system audit planning has been established. In accordance with this annual system audit planning agreed upon with Switzerland, the entitled audit organisations (e.g. internal audit unit of the Executing Agency) shall perform control and audits in accordance with the respective national law. In doing so, they shall verify the correct use of funds, make recommendations to strengthen the control system and report to Switzerland any actual or alleged fraud or irregularity.

10.3. At Individual project completion, an external certified audit organisation will carry out a Final Financial Audit. This Audit shall cover the period from the date of signature of this Project Agreement to 5th of May 2013. The conclusions and recommendations shall be transmitted to Switzerland together with the Project Completion Report, by the NCU at the latest six months after the ending date of the Individual project, not later than 5th November 2013.

10.4. The Executing Agency shall procure a public institution or a private company of recognised professional reputation as Audit Organisation for the Individual project. The NCU shall immediately communicate to Switzerland the name of the selected Audit Organisation. The costs related to the Final Financial Audit of the Individual project are eligible for reimbursement and are included in the Individual project budget.

10.5. The objective of the Final Financial Audit is to give an opinion on the correct use of funds, to make recommendations to strengthen the control system and report any suspicious of actual fraud or irregularity. The audit report is transmitted to the NCU.

10.6. The NCU shall ensure that the Final Financial Audit is done in due time and in line with the International Standards and the respective national law.

10.7. The external certified audit organisation shall conduct the Final Financial Audit in accordance with International Standards and the respective national law to obtain reasonable assurance that the financial part of the Interim Reports and the Project Completion Report taken as a whole are free from material misstatement, whether due to fraud or error. The external certified audit organisation shall take into account additional requirements that may be suggested by the NCU or by Switzerland.

10.8. In addition to the Financial Audit report, the external certified audit organisation is expected to provide the Executing Agency with a management letter concerning any material weaknesses in their accounting and/or internal control systems detected by the Audit Organisation. The copy of such letter shall be presented to the NCU.

10.9. The Executing Agency and the NCU shall comment the results of the Audits as well as any recommendations proposed by the Audit Organisation. Furthermore, the NCU shall transmit the results and the proposed recommendations of the Final Financial Audit to Switzerland.

10.10. Switzerland shall have the right to request additional external financial audits. The costs of such financial audits shall be borne by Switzerland.

Article 11 **Right of Examination**

Switzerland, as well as any third party appointed by it, shall have the right to visit the Individual project, conduct a comprehensive assessment or evaluation, and shall be granted full access to all documents and information related to the Individual project settled by this Project Agreement, during its implementation and 10 years after its completion as defined in Annex 2, Article 5.7 of the Framework Agreement. The NCU shall, upon request, ensure that the above mentioned authorised representatives are accompanied by the relevant personnel and are provided with the necessary assistance.

Article 12 **Individual project Material**

12.1. For the duration of the Individual project, goods procured under the Grant shall remain at the unrestricted disposal of the Individual project and shall not be diverted without prior written approval of Switzerland. No ownership transfer is allowed within three years after the completion of the Individual Project, in the case of goods procured by the Executing Agency within three years after the completion of the Individual project, in the case of goods procured by beneficiaries unless the Contracting Parties agree otherwise. SDC shall assume no liability whatsoever in connection with said goods.

12.2. For Individual project material procured under the Contribution and used only during the Individual project implementation but not necessary for the purpose of the Individual project after its Completion, the Contracting Parties shall decide before the termination of the Individual project about post-completion ownership and use of the goods provided with the Contribution. Switzerland shall assume no liability whatsoever in connection with said goods.

Article 13
Liability

Switzerland does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Individual project, including, but not limited to inconsistencies in the planning of the Individual project, other project(s) that might affect it or that it might affect, or public discontent.

Article 14
Common Concern

The Contracting Parties share a common concern in the fight against corruption, which jeopardizes good governance and the proper use of resources needed for development, and, in addition, endangers fair and open competition based on price and quality. They declare, therefore, their intention of combining their efforts to fight corruption and, in particular, declare that any offer, gift, payment, remuneration or benefit of any kind whatsoever, made to whomsoever, directly or indirectly, with a view to being awarded a mandate or contract within the framework of this Project Agreement, or during its execution, will be construed as an illegal act or corrupt practice. Any act of this kind constitutes sufficient grounds to justify annulment of this Project Agreement, the procurement or resulting award, or for taking any other corrective measure laid down by the applicable law.

Article 15
Irregularities Clause

15.1. The competent authorities shall investigate alleged cases of fraud or irregularity. Proven cases of fraud will be prosecuted according to existing regulations.

15.2. In case of irregularities, wilfully or negligently caused by the NCU, the Executing Agency, regarding the execution of the Project Agreement, Switzerland is entitled to:

- a) stop reimbursements immediately,
- b) instruct the NCU to stop payments from the Swiss Contribution,
- c) ask repayment of illegitimately paid reimbursements at any stage of the Individual project.

15.3. Irregularities are notably considered to be all actions or non-actions that are aimed at the illegitimate obtainment and/or usage of the Contribution - notably fraud, misappropriation, misrepresentation, breach of contractual duties, breach of duty of care and the like.

15.4. Switzerland shall immediately and in written form communicate the reasons for their respective instructions to the NCU and the other actors involved.

Article 16
Post-Completion Obligations

- 16.1. An ex-post evaluation of the Individual project may be carried out by Switzerland. Non compliance with the Project Agreement or with the Framework Agreement may give Switzerland reasons to take corrective action, including claiming the repayment of the Grant.
- 16.2. Switzerland has neither responsibility for nor obligation to ensuring the maintenance, the repair or the undertaking of any measures for ensuring the safety and protection of persons, equipment, installations, of all objects on site or in the vicinity.
- 16.3. The Contracting Parties shall keep all documents concerning this Project Agreement and its implementation for 10 years after completion of this Individual project.

Article 17
Annexes

The following annexes, listed by order of precedence in terms of legal applicability, form an integral part of this Project Agreement:

- annex 1: Confirmation of the Individual project approval by the SDC,
- annex 2: Final Project Proposal,
- annex 3: Disbursement Plan.

Article 18
Language

All correspondence with Switzerland, including operational, financial and audit reports as well as project documents related to the Individual project, shall be elaborated in English.

Article 19
Contact Information

For the Lithuanian Government:

Ministry of Finance of the Republic of Lithuania
International Financial Assistance Coordination Division
Lukiškių g.. 2
01512 Vilnius
Lithuania
Tel: +370 5 239 02 93 / Fax: +370 5 279 14 81

For the Swiss Government:

Swiss Agency for Development and Cooperation (SDC)
Freiburgerstrasse 130
3003 Bern
Switzerland

Embassy of Switzerland
Swiss Contribution Office for Estonia, Latvia and Lithuania
Elizabetes iela 2
1340 Riga
Latvia
Tel: +371 67 35 08 65/66 / Fax: +371 67 35 08 72

Article 20 **Settlement of Disputes**

In accordance with Article 11 of the Framework Agreement, any dispute which may result from the application of this Project Agreement shall be solved by diplomatic means.

Article 21 **Amendments**

- 21.1. Modifications that do not lead to an increase of the individual project budget and do not exceed 10 per cent within the budget can be decided by the Individual Project Steering Committee and reported to Switzerland in the Interim and / or Annual Reports.
- 21.2. Any increase of the Individual project budget, any changes exceeding 10 per cent within the budget presented in the 1st Table in the part VI "Project Budget" of the Final Project Proposal (annex 2), as well as any strategic changes or conceptual adjustments to the Individual project that would result in changed objectives as defined in Article 2.1, shall be discussed with and approved in writing by Switzerland.

Article 22 **Termination, Suspension**

- 22.1. This Project Agreement can be terminated at any time by one of the Contracting Parties upon a six-month prior written notice. The Contracting Parties shall decide by mutual agreement on any consequences of the termination.
- 22.2. If either Contracting Party considers that the aims of the Project Agreement can no longer be achieved or that the other Contracting Party is not meeting its obligations, it shall have the right to suspend immediately the application of this Project Agreement by giving the other Contracting Party a written notice on the grounds.

Article 23
Entry into Force, Duration

23.1. This Project Agreement shall enter into force on the date of its signing by the Contracting Parties and shall remain in force until all obligations under it have been fulfilled.

23.2. The Individual project shall be implemented in 24 months, starting of the signing date of this project agreement until 5th May 2013.


Signed on, in two authentic copies in the English language.

For the Swiss Agency for Development and
Cooperation

Gabriela Nützi Sulpizio
Ambassador

For the Ministry of Finance
of the Republic of Lithuania

Rolandas Kriščiūnas
Vice-minister

 <p>Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra</p>	<p>Federal Department of Foreign Affairs FDFA Swiss Agency for Development and Cooperation SDC Cooperation with Eastern Europe</p>
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Datum							
Mit							
DCS		03 FEB. 2011				DEZA	
Ref.							

CH-3003 Bern, DEZA

A Post
Ministry of Finance of Lithuania
National Coordination Unit
Mrs. Jurate Viascenkiene
J. Tumo-Vaizganto str. 8a / 2
LT – 01512 Vilnius
Lithuania

Berne, 2nd February 2011

Subject: Swiss Contribution to the Enlarged EU – Cooperation Programme with Lithuania, Decision Letter on Final Project Proposal

Project Name: Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts
Duration: 01.03.2011 to 31.12.2012

Project N°: 7F – 07724.01

Dear Mrs. Viascenkiene,

The Final Project Proposal mentioned above and submitted by the NCU on 25 November 2010 has been considered by Switzerland. I have the pleasure to inform you that the project has been:

Approved subject to conditions


You are kindly requested to take into account the condition expressed below, before proceeding with the finalisation of the Project Agreement as fixed in the Annex 2 of the Framework Agreement, section 2.

Swiss Agency for Development and Cooperation SDC
Kurt Kunz
Freiburgstrasse 130, 3003 Bern, Switzerland
Tel. +41 31 322 44 02, Fax +41 31 324 16 96
kurt.kunz@deza.admin.ch
www.deza.admin.ch

Condition	Indicator of fulfilment	date / period
1. Legal issue: With respect to the statutory acts (regulations, instructions, orders) which shall be adopted to ensure adequate use of the video equipment, Switzerland requests, according to the Framework Agreement, Annex 2, chapter 3, point 3 (condition 3), a copy of the relevant statutory acts to be sent to the Swiss Contribution Office in Riga within one year after the launching of project implementation.	The condition will be part of the Project Agreement	At the signing of the Project Agreement, before tender

Yours sincerely,

Swiss Agency for Development and Cooperation SDC



Kurt Kunz
Assistant Director-General



Lithuanian – Swiss Cooperation Programme

(In line with the requirements of Annexes I and II of the Framework Agreement between Lithuania and Switzerland)

FINAL PROJECT PROPOSAL

Individual Project „Creation and Implementation of the System for Video Transmission, Recording and Storage in Courts

PROJECT SUMMARY

I. General information

Project title	The creation and implementation of the system for video transmission, recording and storage in courts
Planned project duration	2011-2013 (24 months)
Priority sector	Security, Stability and Support for Reforms
Location/region	Republic of Lithuania

Short description of individual Project “The creation and implementation of the system for video transmission, recording and storage in courts”					
<p>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.</p> <p>Project Objective - to optimize court proceedings in terms of costs and time used and to simplify possibilities of specific groups of the society to participate in court proceedings by expanding modern information technology in courts.</p> <p>Expected Results (outputs)</p> <ul style="list-style-type: none"> • Video-conferencing equipment procured and installed in National Courts Administration (hereinafter – NCA), courts and prisons; • Personnel of courts, NCA and prisons trained on how to use video-conferencing equipment; • Hardware and software for recording and storage of remote court sessions in the electronic form procured and installed in NCA; • Improved knowledge of the staff of courts, NCA and prisons in the creation and implementation of the system for video transmission, recording and storage in courts during the visits to EU and EFTA countries. <p>Activities of the individual project</p> <ul style="list-style-type: none"> • To procure video-conferencing equipment including training for the employees of courts, prisons and NCA on how to work with video-conferencing equipment; • To procure hardware and software for recording and storage of remote court sessions in the electronic form; • To organize visits for the staff of courts, NCA and prisons to EU and EFTA countries for the exchange of experience on video transmission, recording and storage in courts (It is planned that NCA will find appropriate institutions - EU and EFTA countries to visit itself). 					
Budget:					
	Total eligible project costs, mln. CHF	Requested grant, mln. CHF	Grant % of total eligible costs	Co-financing, mln. CHF	Co-financing % of total eligible costs
Individual project	2,024	1,720	85%	0,304	15%

Partners: Prison Department under the Ministry of Justice of the Republic of Lithuania.-

II. Project applicant

Name	National Courts Administration
Contact details	<p><u>Antanas Girnius</u> Head of Informatics and Statistics Division National Courts Administration Phone: +370 (5) 251 4122, Fax.: +370 (5) 268 5187 E-mail: a.girnius@teismai.lt</p> <p><u>Donatas Kiauzaris</u> Chief specialist of Informatics and Statistics Division National Courts Administration Phone: +370 (5) 251 4125, Fax: +370 (5) 268 5187 E-mail: donatask@teismai.lt</p>
Previous, relevant experience	<p>In 2001-2004 the Ministry of Justice together with National Courts Administration implemented Phare project LT01.07.02 “Strengthening the Capacity of Lithuanian Judiciary“. The purpose of this project was the training of judges and prosecutors in the area of judicial co-operation in criminal and civil matters, harmonization of the Lithuanian legislation in the field of judicial co-operation in criminal and civil matters with <i>acquis</i> in this field, development of courts information system and training persons in each court on developed system.</p> <p>In 2009 National Courts Administration started to implement the project, “General and Special Trainings in Improvement of Qualification for Staff of Courts of the Republic of Lithuania and the National Courts Administration” financed from EU Structural Funds (European Social Fund). During the project implementation computer literacy training courses under ECDL program, trainings in computer systems administration and special trainings in improvement of working with Lithuanian courts information system shall be organized.</p>
Project partners	Prison Department under the Ministry of Justice of the Republic of Lithuania (hereinafter – Prison department).
Swiss link	<p>Swiss links will be sought mainly through public procurements. Video-conferencing equipment shall be obtained by announcing the public procurement where Swiss companies together with other suppliers may also participate.</p> <p>During the implementation of the project it would be useful to get familiar with the practice of Switzerland in using video-conferencing equipment; therefore the study visit of the representatives of the National Courts Administration, representatives of Prison Department under the Ministry of Justice and representatives of courts is planned to the courts of Switzerland which use the video conferencing equipment in their activities.</p>

III. Project relevance

Introduction to Lithuanian court system

The court system of Lithuania consists of 2 types courts: general jurisdiction and administrative courts. General jurisdiction courts are hearing civil and criminal cases. There are 3 levels of this kind of courts: first instance courts, appellate instance courts and cassation instance court. District courts (there are 54 district courts in Lithuania) function as first instance courts. 5 regional courts (situated in Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys) function as first instance courts for some civil and criminal cases assigned to their jurisdiction by law, as well as courts of appellate instance for the judgments of district courts. The Court of Appeals of Lithuania is the court of appellate instance for the judgments of regional courts as first instance courts. The Supreme Court of Lithuania is the court of cassation instance,

hearing cassation appeals against the appellate judgments of regional courts and the Court of Appeals of Lithuania. It is also responsible for developing of uniform practice of courts of general jurisdiction in interpretation and application of laws.

The system of administrative courts of Lithuania consists of 5 regional administrative courts (situated in Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys) and the Supreme Administrative Court of Lithuania. These specialized courts were established for the consideration of administrative, labour, family and some other categories of cases. Regional administrative courts function as first instance courts and the Supreme Administrative Court of Lithuania – as the appellate instance for administrative cases. In administrative cases there is no cassation. Rulings of the Supreme Administrative Court of Lithuania are final and not subject to appeal.

In 1999 the Constitutional court adopted a resolution that declares that only independent judicial institutional system may guarantee the autonomy of court organisation. Additionally, institutions that secure the independence of court administration shall be situated alongside the judicial government. Therefore on the 1st May 2002 the new institution – the National Courts Administration (NCA) was established, which is independent from the executive authorities. The NCA provides services to the institutions of self-governance of courts in pursuance of ensuring the efficiency of the court system, its government and organization of work as well as the independence of judges and self-governance of courts.

Time and costs saving

The NCA is responsible for the creation and implementation of the measures on how to improve the efficiency of courts activities and one of the NCA functions is to analyze the results of the courts activities. The results of the courts activities are measured by the indicators such as: the number of pending cases, the length of examination of cases, and the stability of the courts' decisions in cases. It should be noted that recently the number of cases being examined is constantly rising, e.g. courts in Lithuania in 2007 examined 240312 cases, in 2008 – 281738 cases, and in 2009 – 333552 cases. At the same time, the number of pending cases is also increasing (27405 cases in 2007, 35179 in 2008, and 43796 in 2009) as is the length of the examination of cases (civil cases which length of examination was longer then six months were 6% in 2007, 6,6% in 2008, and 7,6% in 2009; comparable criminal cases were 11% in 2007, 12% in 2008, and 14% in 2009). There are 2873 cases which weren't solved during one year period (2009 statistics). It means that after the documents were accepted in court and the case was started it lasts more than a year till the court is able to solve it and make a final decision. There are various reasons which cause the length of the examination of the cases, but a significant number of the cases are delayed due to the absence of the participants of the cases (due to the illness, not living in Lithuania, or there are no possibilities to get in touch in an operative manner with a person or institution in a foreign country). Therefore in the above-mentioned circumstances, when the participant of the case can not attend the court procedures, the video-conferencing equipment would be very useful: it would be possible to hold court sessions in which with the aid of video-conference equipment persons, who had departed from Lithuania, and those who are in hospital as well persons or institutions abroad could participate. This would shorten the length of and would decrease the costs of the cases. In addition with the help of video-conferencing equipment courts would have good possibilities to speed up the length of the court procedures, to examine more cases and decrease the number of pending cases. The new technologies in the courts will contribute to the achievement better quality of judiciary in Lithuania. Moreover the project will contribute to the examination of the cases, which concern suspects, defendants and convicts in custodial institutions as by using video-conferencing equipment there will be no need to convoy the above-mentioned people to the court and like this the cost of the investigating cases would decrease (at this time about 0.75 million CHF are spent each year for convoying the suspected, accused and convicted person). In addition by establishing of video-conferencing system the expenditures which courts have

for paying for the trips of experts, witnesses to court sessions (amount of such expenses are about 50-70 thousand CHF per year) would also be reduced. It is worth noting that in some cases the time and expenses incurred by the participants (e.g. for travel to a distant court) of the cases would also be saved.

Reducing social differences between separate social groups

Another important issue of this project is related to the separate social groups, which do not have equal possibilities to participate in court proceedings, to defend their own rights.. Due to their disability these people usually delegate their rights to relatives or lawyers to represent them in the court proceedings. Litigants may also have objective physical or psychological reasons which are limiting their possibilities to participate in court proceedings.

The video-conferencing system installation within the project will contribute to reducing social differences between separate social groups in Lithuania. Individuals despite their financial, social status or other circumstances will have equal possibilities to participate in courts' proceedings allowing them to defend their own rights. Video-conferencing technologies will create the possibility for disabled people in remote mode to participate in court proceedings; these technologies would also create favourable conditions for juveniles, victims and classified witnesses without psychological barrier to participate in the courts proceedings.

In conclusion, the project will include cases related to suspects, defendants and convicts in custodial institutions and by using the video-conferencing systems additional security to another process participants will be provided.

International cooperation

It is also important to mention that EU legislation promote courts to have possibility to examine the parties by using various means of telecommunications not only at national level, but also among the European Union countries. As example it can be mentioned the activities of the European Council in the area of E-Justice where one of directions of the E-Justice regarding development of technical aspects is unification of the usage of the videoconferences in EU member states.

It should be noted that according to the request of neighbouring countries Lithuania has already several times tried to implement video-conferencing examinations (for example with Vysbaden land court in March 2010, Suvalkai district court in January 2010). However, the lack of video-conferencing equipment was one of the reasons why the examination was aborted.. In order to organize video-conferencing during the court proceeding, the court has in accordance with national law to procure video-conferencing services (via public procurement). In these cases courts must perform activities that are not typical in its work, and additional expenditures are incurred. In 2009 there were approximately 300 cases where one of participants lives outside of Lithuania. Therefore the video-conferencing system equipment in courts or mobile video-conferencing equipment would be very useful in these cases. It can be mentioned that this project would create good measures for cooperation of Lithuanian courts with other EU/EFTA states while examining international cases.

Scope of video-conferencing system implementation

The video-conferencing system will be implemented only in the part of the Lithuanian courts and in all prisons. It is planned to provide video-conferencing equipment for the courts, which in their daily work would use video-conferencing equipment the most and shall organize the proceedings with the help of this equipment.

The courts in which video-conferencing equipment would be necessary are selected due to these reasons: the biggest district courts, because they according to an official National Court Administration statistics (www.teismai.lt) keeps examine the biggest amount of cases, these courts also invite the biggest number of witnesses which are from different areas of the country. Regional courts, which according to the jurisdiction examine the most complicated civil and criminal cases and often the conclusions of the experts and their participation in court hearings is required. In the complicated criminal cases custody measure – arrest to defendants is very often applied and in order not to convoy them into the court videoconference equipment could be used in the court hearings. Videoconference equipment is also going to be presented to these courts which are located the closest to the imprisonment institutions and these courts examine the most complaints and requests of the confinements'.

Taking into account the above mentioned reasons it is planned to install the systems in all 5 of Lithuania's regional courts: Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys regional courts, 5 biggest district courts: Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys district courts and 3 district courts, in whose territories there are imprisonment institutions: Alytus, Marijampolė and Kaišiadorys district courts. In Vilnius there are 4 district courts, 3 of them are placed in the same building. For this reason it is planned to equip one common video-conferencing hall for these courts.

Vilnius regional administrative court and 3 highest judicial authorities: the Supreme Court of Lithuania, the Court of Appeal and the Supreme Administrative Court of Lithuania also will be equipped- with videoconferencing systems. Vilnius regional administrative court has special jurisdiction over the cases where central governmental institutions (departments, ministries, etc) are the case parties. Also persons who are convicts in custodial institutions gives complaints about actions or inactions of Prison Department.

Also, it is planned to purchase not only stationary video-conferencing equipment, but also the mobile. 13 sets of mobile equipment will be set up in Kybartai Correction House, Panevezys Correction House, Pravienskės Correction House No. 1, Pravienskės Correction House No. 2 – Open Prison Colony, Pravienskės Correction House No. 3, Vilnius Correction House No. 1, Vilnius Correction House No. 2, Alytus Correction House, Marijampole Correction House, Kaunas Juvenile Remand Prison and Correction House, Lukiskes Remand Prison – Closed Prison, Siauliai Remand Prison and Kaunas Remand Prison.¹

Another part of mobile equipment (5 sets) will be in disposition of regional courts and will be used on demand: for example, for organization video-conference session between two courts, between court and remote case participant and etc.

Fit the main objectives of Agreement, strategy of the country and chosen sector; strategy of its intervention

The Project objectives are in line with Framework Agreement, concluded between the Government of the Republic of Lithuania and the Swiss Federal Council concerning the implementation of the Lithuanian-Swiss cooperation program to reduce economic and social disparities within the enlarged European Union.

The objective of the project is in line with general strategy of Republic of Lithuania to develop information society (recommendatory document: The Strategy of Lithuania's Information Society Development 'Lithuania – Country of Global Opportunities' (2001-11-26 IXP-1211)). The project will contribute to the one of the strategy priorities – modernization of public administration by development of information technologies. The creation of video-conferencing system in general would increase the usage of electronic means, which would contribute to the expansion of the information society in Lithuania.

The project will be implemented on the basis of the Lithuanian courts information system (LITEKO) development plan, which was approved on 10 May 2006 by the decision No. 13P-462 of the Judicial Council. Video-conferencing system and its integration into Lithuanian courts were indicated as a tool for further development of courts information system.

The project is highly relevant to the activities of the European Council in the area of E-Justice. The usage of modern information technologies in the courts proceedings is declared as important tool for improvement of the quality and efficiency of the court procedures all over Member States. The main development directions of the E-Justice regarding technical aspects is development of means of communication, unification of the usage of the videoconferences in EU member states, access to the data of the court proceedings and security solutions.

The use of video-conference technologies in the case hearings is regulated by the Code of Civil Procedure and the Code of Criminal Procedure of the Republic of Lithuania. It is also regulated by the legislation of the European Union. For example, Convention on Mutual Assistance in Criminal Matters between the Member States of the European Union (OL C 197, 2000 7 12, page 24), 2001-05-28 Council Regulation of the EU No. 1206/2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters; 2004-04-29 Council Directive No. 2004/80/EB relating to compensation to crime victims; 2007-07-11 Regulation (EC) No. 861/2007, establishing a European Small Claims Procedure.

According to the Lithuanian legislation video-conferencing during court hearings is allowed. However there is no written procedure how such court hearings should be organized. In order to ensure relevant usage of video-conferencing equipment during court proceedings and the rights of process parties, the procedure and appropriate legal acts will be prepared during project implementation. That is statutory acts (regulations, instructions, orders) which will be adopted by Ministry of Justice or Council of Judges. It is foreseen that these acts would be adopted during one year period in the course of the project, but not later than the video-conferencing system installation completed. Furthermore, the Ministry of Justice of the Republic of Lithuania, on 2nd of August 2010 has indicated, in the Opinion No. (1.39.)7R-6771 on using

¹ After implementing the ruling of Republic of Lithuania Government concerning the reorganisation of custodial establishments, there will be just 11 of them left in Lithuania starting from February, 2011. Considering that there is only a change in juridical bodies, but the above mentioned establishments and structural sections' territorial collocation doesn't change, the demand of video conference equipment remains the same for these custodial establishments, that is 13 sets of the equipment. The complemented body of Pravieniškės correction house-open colony will have 3 sets of video conference equipment installed after its reorganisation.

the video-conferencing equipment during the court hearing, that it is now a number of draft amendments to the Criminal Procedure Code of the Republic of Lithuania are prepared, which will establish and consolidate the legislative basis of the electronic information and communication technologies at the court hearing.

The State Aid rules will be fully respected while implementing the Project.

IV. Project content

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.

Project purposes (outcomes)

- To optimize court proceedings in terms of costs and time used;
- To simplify possibilities of specific groups of the society to participate in court proceedings;
- To expand modern information technology usage in courts;
- To improve knowledge of the staff of courts, NCA and prisons in the creation and implementation of the system for video transmission, recording and storage in courts during the study visits.

Expected outputs

- Video-conferencing equipment procured and installed in NCA, courts and prisons;
- Personnel of courts, NCA and prisons trained on how to use video-conferencing equipment;
- Hardware and software for recording and storage of remote court sessions in the electronic form procured and installed in NCA;
- Improved knowledge of the staff of courts, NCA and prisons in the creation and implementation of the system for video transmission, recording and storage in courts during the visits to EU and EFTA countries.

Activities (components)

- To procure video-conferencing equipment including training for the employees of courts, prisons and NCA on how to work with video-conferencing equipment;
- To procure hardware and software for recording and storage of remote court sessions in the electronic form.
- To organize visits for the staff of courts, NCA and prisons to EU and EFTA countries for the exchange of experience on video transmission, recording and storage in courts (It is planned that NCA will find appropriate institutions - EU and EFTA countries to visit itself).

Target groups and beneficiaries

There are 3 main target groups of the project:

1. Suspects, defendants and convicts in custodial institutions
2. Witnesses and court experts
3. Specific groups of society (disabled people, ill persons, juveniles, persons with physical or psychological problems)

Main beneficiary – National Court Administration

Other beneficiaries:

1. Courts
2. Prison Department under the Ministry of Justice
3. Imprisonment institutions

Publicity

During the implementation of the project information and publicity measures based on the Rules of Information and Publicity for the Swiss-Lithuanian Cooperation Program, release by NCU, will be performed. At the beginning of the Project press release will be published, information about Project will be also published in the website of NCA. Further information on the essential intermediate activities and results of the Project will

be published in the website of NCA www.teismai.lt.

During the Project leaflets and posters will be produced. Posters will be published in the NCA, in each court and in imprisonment institutions where video-conferencing system will be introduced. At the end of the Project about 500 leaflets will be prepared for each court participating in this Project in order to encourage target groups using this newly created system.

At the end of the Project a closing conference will be organized for discussion of the Project's results (representatives of mass-media will be invited).

All technical equipment will be marked with informational stickers, which correspond to samples provided in the Lithuanian-Swiss Cooperation Program Brandbook.

All information which is going to be published will be arranged with the NCU and Central Project Management Agency. Expenditures incurred for implementation of publicity measures will be assigned to appropriate expenditures of the Project and are foreseen in the Project budget.

External financial audit

According to the Annex 2 of the Framework Agreement project is subject to financial audit, performed by external audit organization. At the completion of project final financial audit will be carried out.

Risks and means for risk management

Lithuanian judiciary has little experience in usage of video-conferencing system at court procedures.	This risk will be eliminated or reduced by training the employees of the NCA, prisons and the courts. During the project it is planned to acquire know-how from EU and EFTA member states which have the experience in every day usage of video-conferencing systems (transmission, recording and storage) in courts.
Imprisonment institutions, which are going to be involved in the project, are not subordinated to the National Courts Administration. It may cause problems with the fluent and timely installation of technologies in the imprisonment institutions.	The risk will be reduced through tight partnership with the Prison Department under the Ministry of Justice, coordination of implementation of technologies and training. The Prison Department is a partner of the project and Partnership agreement between NCA and Prison Department will be signed, representatives of Prison department will be included in the <i>Steering Committee</i> of the Project.
Legislative acts, which regulate civil, criminal and administrative procedures, do not support full potentials of video-conferencing at court sessions.	NCA and Prison Department will review internal and external legal acts and will prepare necessary legislative amendments on purpose to avoid legal and practical collisions.
The equipment costs could exceed the foreseen project budget.	In case the necessary funds for the purchase of the equipment will be needed, the additional expenditure will be covered from NCA budget.

Sustainability of the project

During the project implementation video-conferencing equipment will be procured.

Public procurement of video-conferencing equipment will be carried out by the NCA, though part of the equipment will be installed in imprisonment institutions of Prison Department. The NCA and Prison Department will sign the Partnership Agreement in order to insure that all equipment will be used according to the purpose.

The Agreement will foresee that:

- The NCA shall transfer free of charge part of the video-conferencing equipment purchased by the

Lithuania - Swiss Cooperation Programme to Prison Department to use for its intended purpose;

- Prison Department as an institution that centrally supply prisons with goods and services will distribute video-conferencing equipment to imprisonment institutions in accordance with the list agreed with the NCA;

- Prison Department will ensure that the equipment will be used in prisons according to the purpose designed to carry out project activities, as well requirements for the maintenance of the equipment and physical security will be kept;

- Prison Department will appoint a person who will be responsible for the security of the equipment and its appropriate use. Prison Department shall inform the NCA about appointed person;

- Prison Department will ensure on its own expenditures for the maintenance of the equipment, it's running repair, renewal of technical and standard software after the end of its guaranty term;

- The NCA without prejudice rights of the Prison Department, will have a right to carry out operational maintenance of the equipment and to control the use the equipment to ensure that it is using according to its purpose and the Agreement;

- Prison Department will have to enable the NCA to carry out inspections if equipment is used according to the purpose, as well as the equipment operating conditions;

After the acquisition of equipment, some equipment will be transferred to the Prison Department according to the Partnership Agreement signed at the beginning of the Project between the NCA and Prison Department. Because the NCA and Prison Department are state budget institutions the transfer of the equipment to the Prison Department will be under the [Law on the Management, Use and Disposal of State and Municipal Assets](#) and the policy description of the State asset transfer to control, use and dispose under the law of trust.

The courts of Republic of Lithuania are also the state budget institutions, but because they are the part of the same judicial power system as the National Courts Administration (Prison department, meanwhile, is part of the states executive power), and NCA according the Law on Courts, the Law on National Courts Administration is responsible managing of investment funds for courts information systems, organize and ensure a centralized system of material-technical supply to courts, the Agreement with each individual court will not be signed and the video-conferencing equipment will be passed on to them in accordance with the Handover/Acceptance Certificate (Delivery Acceptance Certificate).

After the completion of the project implementation video-conferencing system in courts and prisons will be maintained and administrated by courts, NCA and Prison department. As it was mentioned above, NCA, the courts, the Prison Department are the state budget institutions and there is no reason to assume that their purpose and activities should be changed. Purchased video-conferencing equipment for the remote organization of the court hearings and meetings, of course, will be used under the direct fulfilment of the purpose of this function. Each of these institutions in its annual budget will provide funds for a system (segment of a system) service. Update of a system will be carried out by the NCA by coordinating activity with the Prison Department, which will receive part of the video-conferencing equipment and for which renewal it will be responsible. The hardware with the renewal will be carried out every seven years and the software update will be carried out every three years. A special Communication Division of the National Courts Administration will provide all the information about the use of video-conferencing equipment for the remote organization of the court hearings, its advantages and will promote the use of this equipment.

During project implementation, at least one of the court and one of the imprisonment institution employee, where the video-conferencing equipment is going to be installed, will be trained to work with the system. These employees will be trained using the method of "training for trainers", the point is that the trained employees subsequently will train other employees of their courts or imprisonment institutions to use the system. This training system has proved for teaching staff to work with the courts information system LITEKO, therefore now it is intended to apply this method for learning to work with video-conferencing equipment.

Evaluating the project in the aspect of the Criminal Procedure Code, Civil Procedure Code of the Republic of Lithuania and the Law on Administrative Proceedings, it is observed that the use of video-conferencing equipment are not prohibited in these laws, though any use of such equipment are regulated relatively limited. Only in separate articles, for example 279 Art. 6 p., 282 Art. 3 p. of the Criminal Procedure Code and 9 Art. 5 p. of the Civil Procedure Code are stated that remote audio and video communication tools can be used during the process. But for the moment the amendments to the Law on Administrative Proceedings, the projects of amendment and supplement of the Civil Procedure Code are submitted to the Parliament of Lithuania, 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, teleconferences, etc.). As

well as the Ministry of Justice of Republic of Lithuania prepares 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. It is also noted that under the current legal regulations on the gathering of evidence, using the technologies question are decided by the chairman of the hearing. Therefore it is now hereunder on the chairman leading role in court proceedings during the hearing, he may take steps to ensure that the litigant's participation in the court hearings could be ensured by using of the information and communication technologies (for example, video conferencing).

V. Project organization

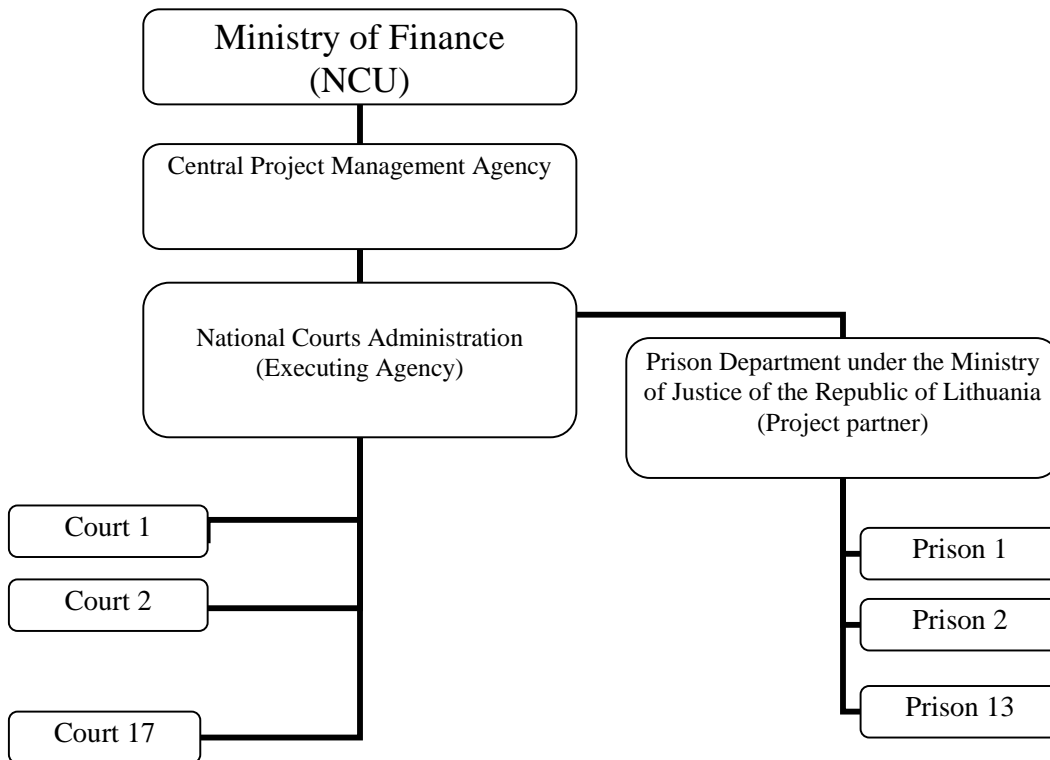


Figure 1. General individual project organizational chart

The following key actors will be in the implementation of the project: National Courts Administration (hereinafter – NCA), Prison Department under the Ministry of Justice of the Republic of Lithuania, the Individual Project Steering Committee, the Ministry of Finance, the Central Project Management Agency (hereinafter – CPMA) and the representative from Swiss Coordination Office (hereinafter – SCO) acting as observers.

Ministry of Finance will act as the National Coordination Unit (hereinafter - the NCU) in accordance with the NCU responsibilities defined in the Framework Agreement. Certain functions are delegated to the CPMA.

The functions and responsibilities of the CPMA shall include the following:

- submit to the NCU conclusions on the Final Project Proposal's eligibility for financing;
- drafting and signing of the Individual Project Implementation Agreement;

- perform the control of public procurement procedures as foreseen in the Individual Project Implementation Agreement;
- check and approve the Individual Project Implementation Reports received from the Executing Agency and submit them to the NCU;
- check if there is no double financing of any part of the Individual Project by any other source of funds;
- supervise and control the implementation of Individual Project in accordance with the Individual Project Implementation Agreement by establishing adequate monitoring and auditing system;
- check the payment claims submitted by the Executing Agency. Verify the eligibility of costs for financing considering the physical status of the Individual Project implementation and submit the respective conclusion to the Executing Agency;
- if necessary, perform on-the-spot checks at the Individual Project implementation locations;
- verify whether the Value Added Tax (hereinafter – the VAT) can be recovered by the Executing Agency and inform the Swiss authorities about it by submitting a relevant Executing Agency's declaration (hereinafter – the VAT declaration);
- upon the receipt from the NCU of information on the payment of Contribution and co-financing funds, prepare and submit reimbursement requests together with the respective supporting documents to the Swiss authorities;
- in case of suspected irregularities in the use of Contribution and co-financing funds, perform the respective investigation and report accordingly to the NCU;
- recover unused or unduly paid or used contribution and co-financing Funds from the Executing Agency in accordance with national legislation.

National Courts Administration will act as the Executing Agency (hereinafter – EA) and will be responsible for the following functions:

- prepare the Final Project Proposal and submit it to the CPMA;
- submit the VAT declaration together with the Final Project Proposal to the CPMA;
- sign the Individual Project Implementation Agreement;
- implement the Individual Project and perform the required control;
- establish the Individual Project Steering Committee and organize its work;
- organize the process of public procurement;
- check and certify the volume and quality of completed works, provided services and delivered goods and their compliance with the provisions of the respective Contracts;
- prepare and submit payment claims together with the physical status of the Individual Project implementation and the respective supporting documents to the CPMA according to the Individual Project Implementation Agreement;
- upon the receipt from the CPMA of conclusions on the eligibility of costs, prepare payment applications to the State Treasury and submit them to the NCU;
- prepare and submit Individual Project Implementation Reports approved by the Individual Project Steering Committee to the CPMA;
- in the event of suspected irregularities in the use of Contribution and co-financing funds, report them to the NCU and CPMA;
- on the request of CPMA, refund the unduly disbursed and (or) used sums of Contribution and co-financing part;
- is responsible that there is no double financing of any part of the Individual Project by any other source of funds.

EA has Internal Audit Division directly accountable to director of EA. The main tasks of the Internal Audit Division in frames of project will be: perform system audits of project in accordance to national laws and taking into account Swiss requirements as stated in the Framework Agreement between Lithuania and Switzerland; provide information on system audits to NCU.

The *Individual Project Steering Committee* (hereinafter - the Committee) will be composed of the representatives of the NCA (chair), Prison department, courts representatives. The representatives of the MoF, CPMA (both with no voting right) and SCO (as an observer) will be invited to the Committee meetings. The roles and responsibilities of the Committee include but are not limited to:

- monitor the implementation of the Individual Project on the overall level (if it is in line with the Project Agreement);
- take any measures considered necessary to fully achieve the planned objectives of the Individual Project;
- approve operational and financial parts of the Individual Project Implementation Reports.

VI. Project budget

Table 1
(mln. CHF)

	Eligible costs				Non-eligible costs	Total project costs (grant + co-financing)
	Amount of grant	National Co-financing				
		National public funds	Other sources	Total co-financing of the project		
Project management	0,120	0,021	-	0,021	-	0,141
Equipment (including hardware, software and trainings on how to use equipment)	1,530	0,270	-	0,270	-	1,800
Study visits of the staff of courts, NCA and prisons to EU and EFTA countries	0,070	0,013	-	0,013	-	0,083
Total	1,720	0,304	-	0,304	-	2,024

Co-financing of the Project from the State Budget of the Republic of Lithuania will amount to 15% of the total Project eligible costs. All payments will be made by exact rate of 85% from the Swiss Contribution and 15% from the national co-financing.

Project management costs are directly attributed to the implementation of Project and are composed only from eligible costs. The preliminary distribution of the Project management costs:

Table 2

Eligible costs	Total amount (grant + co-financing) mln. CHF
Management costs of the Project (occur entirely by the Executing Agency for the Project)	0,141
Personnel costs (including social security contributions and all other statutory costs related to employment obligations)	0,089
Publicity (information services, information material)	0,007
Audit	0,031
Translation (written and oral)	0,010
Other costs, if directly attributed and justified to the management of Project and necessary for its implementation (e.g. travel, including travel insurance cost and subsistence allowances for staff taking part in the Project)	0,004

Notes:

1. It is planned that two persons will be hired for the implementation of individual project – Project manager and Project accountant.
2. The hired personnel shall work exclusively and temporarily for the implementation of the overall Swiss-Lithuanian Cooperation Programme. Personnel costs are eligible, if a) they are not exceeding usual salary rates at the Executing Agency, b) the staff involved in the Project implementation is identified personally/specifically, c) each person of the administrative personnel is not a public official.
3. The allocation of Project management costs is indicative and may be reallocated if the need arises.

Equipment costs are directly attributed to the implementation of Project and are composed only from eligible costs:

Table 3

Eligible costs	Total amount (grant +co-financing) mln. CHF
Equipment costs (occur entirely by the Executing Agency for the Project)	1,800
Equipment (including hardware, software and trainings on how to use equipment)	1,800

Not less than 3 study visits of the staff of courts, NCA and prisons to EU and EFTA countries are foreseen. Study visits costs are directly attributed to the implementation of Project and are composed only from eligible costs:

Table 4

Eligible costs	Total amount (grant +co-financing) mln. CHF
Study visits costs of the Project (occur by the staff of courts, NCA and prisons)	0,083
Travel and subsistence allowances for persons taking part in the project (actual travel, including travel insurance costs, per diems and accommodation costs are considered as direct eligible costs, provided they comply with the beneficiary's usual practices).	0,083

Cost efficiency aspects versus alternatives

There are no funds for video-conferencing system foreseen in the near future in Lithuanian budget.

That is why on the aspect of the usage of the videoconference equipment in courts 2 alternatives can be discussed: courts have and use videoconference equipment or they do not have it. The first alternative is economically effective, because part of financial resources for the convoy (during the year it is about 0,75 mln. CHF) and financial resources for the remuneration of the trips of witnesses and experts to the court hearings (which during the year amount about 0,05-0,07 mln. CHF) will be saved. As well time of the hearings of some cases can get shorter and in that way price of the case would also decrease.

The second alternative means, that our country further will lose funds for convoying suspects, defendants and convicts to courts, court proceeding's cost and time will not be optimized.. To sum up, it must be stressed that there are no alternatives for video-conferencing.

VII. Procurement

Public procurements of Executing Agency will be performed according to the Law of the Republic of Lithuania on Public Procurement. They will be national or international (European) procedures depending on scale of the purchase.

List of planned procurements:

1. Video-conference equipment for NCA, courts and prisons, including trainings for equipment administrators and trainers, hardware and software for recording and storage of remote court sessions in the electronic form;
2. Translation services;
3. External audit services;
4. Publicity services.

VIII. Development impact

Project monitoring will be done according to the key performance indicators, detailed in Annex 1. It will be performed by the Executive Agency with the involvement of Individual Project Steering Committee.

IX. Horizontal issues

Environmental	<p>The implementation of the video conferencing systems will reduce the use of transport on purpose to bring participants of the proceeding, witnesses, experts, etc. to the court significantly. By reducing the vehicle use, this shall automatically reduce the environmental pollution.</p> <p>The project implementation shall reduce the number of paper-based protocols, which means reduction of paper used in the court proceedings and as a result of this – the reduction in paper raw material – the wood demand for paper production.</p>
Social and economical	<p>These aspects corresponded to the project results essentially:</p> <ul style="list-style-type: none"> • Increase of the public confidence in courts; • Implementation of equal opportunities to participate in proceedings for all social groups (disabled persons, people with psychological problems); • Elimination of psychological barrier – possibility to interrogate aggrieved persons, juveniles or other participants of the proceeding; • Reduction of litigation costs, what reduces the costs of losing party.
Gender equality	<p>The project has no direct impact to gender equality issues. However, there are indirect connections of these issues with implementation of the project, technologies and training. It should be noted that the gender equality issues will be respected. The installed video-conferencing system will be accessible both for men and women.</p>

Annex 3

Disbursement Plan**I. Disbursements for reimbursement of advance payments paid by NCU to Executing Agency:**

Reporting period No.	Reporting period	Documents to be added to the Reimbursement Request for Advance Payment	Forecast disbursement amount, CHF
1.	<i>Date of the signature of the Agreement</i> – 31 December 2011	N/A	0,00
2.	01 January 2012 – 30 June 2012	N/A	0,00
TOTAL			0,00

II. Disbursements for reimbursement of eligible expenditures incurred (including advances paid to suppliers):

Reporting period No.	Reporting period	Documents to be added to the Reimbursement Request	Forecast disbursement amount, CHF
1.	<i>Date of the signature of the Agreement</i> – 31 December 2011	Interim Report	256.600,00
3.	01 January 2012 – 30 June 2012	Interim Report	939.200,00
4.	01 July 2012 – 31 December 2012	Interim Report	174.200,00
11.	01 January 2013 – 15 March 2013	Last Interim Report, 1 st Project Completion Report, conclusions of the final financial audit	323.700,00
12.	16 March 2013 – 15 September 2013	2 nd Project Completion Report covering the expenditures for reporting, auditing and evaluation	26.300,00
TOTAL			1.720.000,00