STANDARD SUMMARY PROJECT FICHE
Project Number 2002/000.601.04.01

1. Basic Information
1.1 CRIS-number 2002/000.601.04.01
1.2 Title: Strengthening Enterprise Register Service in compliance with Acquis
1.3 Sector: Reinforcement of Institutional and Administrative Capacity
1.4 Location: Ministry of Justice, Lithuania

2. Objectives

2.1. Overall Objective
The overall objective of this 1.33 MEUR institution building and investment project, of which 0.135 MEUR is provided from national co-financing, is to ensure that the Central Register of Legal Entities is managed in compliance with the EU Acquis

2.2. Project purposes
The purposes of the project are:

- To ensure that Lithuanian legislation concerning the Register of Legal Entities is fully compliant with the Acquis;
- To ensure that enterprise data disclosure and data protection in Lithuania conforms to the Acquis by reorganising the existing Enterprise Register into a Central Register of Legal Entities (with a register service network);
- To ensure that the Register of Legal Entities is effectively managed and fully operational.

2.3. Accession Partnership and NPAA priority
The 1999 Accession Partnership identified as a medium-term priority the task to continue the promotion of market-driven restructuring in the enterprise, finance and banking sectors. More specifically, the 2001 Accession Partnership requires Lithuania to improve the management of the Central Register of Legal Entities. Additionally, in its chapter on Company law the 2001 Regular Report emphasised the following:

Legal provisions governing the Enterprise register would need to be further revised in order to guarantee the efficient management of information. Further improvements are needed in developing a modern IT system and ensuring the availability of trained personnel in local and central registration offices. Further specialised training shall be required in view of the establishment of new Central Register of Legal Entities.

According to measure 3.5.1-S1 of the Action Plan of the National Programme for the Adoption of Acquis (NPAA), Lithuania is committed to set up the Register of Legal Entities to ensure the registration of enterprises and the disclosure of information of enterprises during the years 2002-2003. Another NPAA priority concerns the

Prepared by the Ministry of Justice, 14/05/02
compliance of the legal system in the field of enterprise registers with the First Council Directive 68/151/EEC, which sets out the principle of public disclosure of information relating to companies and requires to ensure compulsory disclosure of information and documents by companies.

3. Description

3.1. Background and justification

At present company registration procedure is the responsibility of 60 municipalities, each of which maintains a local register. Ministry of Economy registers enterprises with foreign capital. The Bank of Lithuania administers the register of commercial banks. Chief Administrator of the Register of Enterprises is the Department of Statistics under the Government. A number of other registers of legal entities are being administered by various Government institutions (Register of educational institutions is administered by the Ministry of Education and Science, Register of health institutions is administered by the Ministry of Health Care, Register of cultural institutions is administered by the Ministry of Culture and etc.) However, the implementation of the new Civil Code shall bring about the reform of the whole system of registration of legal entities.

The Civil Code and the Law on the Register of Legal Entities have been enacted taking into account the requirements of the Accession Partnership 2001 and the provisions of the First Council Directive 68/151/EEC. The Civil Code entered into force on the 1-st of July 2001. The new legislation obliges the Government to merge the existing registers of legal entities into one Centralised Register of Legal Entities. The new Central Register is to be founded by the Government and administered by the Ministry of Justice.

According to the Civil Code, the Central Register of Legal Entities will be the principal register of the State and the documents disclosed by companies should be entered into the Central Register. Pursuant to the Civil Code, companies will disclose instrument of constitution and every amendment of this document, the balance sheet and profit and loss account for each financial year and other documents. The whole list of these documents, data of the Central Register and the complete procedure of the disclosure should be regulated by other legal acts, which have to be prepared until the establishment of the Central Register. Data about registered companies will be published in the official journal pursuant to the Government Resolution on Approving the Statutes of the Register of Legal Entities. The new legal acts and the amendments of the existing legal acts covering all regulations on functioning and registration of different legal forms of legal entities (about 40 legal acts) need to be prepared. Completion of these transformations shall signify the transposition of Acquis into Lithuania’s legislation on Company law concerning registration of companies.

Data and documents of companies disclosed in the Register, especially the data regarding the change in the legal or financial status of a company (restructuring, bankruptcy, but especially liquidity, which is not currently being disclosed) would greatly improve the business environment. The new legal acts, implementing the provisions of the Civil Code, will provide the possibility for the third parties to become acquainted with the accounting documents, particulars of the persons who are authorised to bind the company, and other information concerning companies.

These changes in the legal basis shall also help to simplify the administrative procedures for the registration of enterprises. Data and documents disclosed by
companies in accordance with the Civil Code will be approved by notaries (instead of state and municipal civil servants) and handed over to the Central Register of Legal Entities. Notaries shall ensure the preventive control at the time of formation of legal entities and confirmation of amendments of data and documents (instruments of constitution, statutes, etc.) of legal entities. Third parties shall have a possibility to receive copies of documents and other information about the companies in all parts of Lithuania.

The process of establishing the Register of Legal Entities has already started. According to the Government resolution No. 1571 of December 21 2001 “On the Implementation of the Law on the Register of Legal Entities...”, the Central Register of Legal Entities will be established at the State Land Cadastre and Register Enterprise (which is currently also registering the real property). According to the Resolution the Government has authorised the Ministry of Justice to change the statutes of the Enterprise and to include the registration of legal entities as one of the functions until April 15, 2002. At the moment the Ministry of Justice is also working on the draft Government Resolution on Approving the Statutes of the Register of Legal Entities that will provide the legal basis for the functioning of the Register of Legal Entities in 2003. The Action Plan on the transfer of the registration functions, data, infrastructure and materials from the existing Enterprise Register to the Central Register of Legal Entities is currently being prepared at the Ministry of Justice and will be adopted by the order of the Minister of Justice in the second quarter of 2002.

Currently, nongovernmental organisations are taking part in preparing mentioned legal acts, but in the future they should also participate in the process of establishing and ensuring effective functioning of the Register of Legal Entities.

3.2. Linked activities

Phare project entitled “Promotion of Competitiveness and Enforcement of Financial Discipline for Enterprises” (No. LT0002-01), and specifically its component “Business environment”, is related to the current project and to the establishment of the Central Register of Legal Entities. The Ministry of Justice and the Ministry of Economy shall, therefore, ensure close co-ordination of related activities.

3.3. Results

- Legislation in the field of enterprise registration drafted in compliance with Acquis;
- Computerised Central Register of Legal Entities and 11 local sections operational, with possibilities of wide data-access development;
- Staff working in the Central Register of Legal Entities fully trained in the effective administration of the Register;
- Notaries fully trained in preventive control at the time of formation of legal entities and certification of amendments of data and documents (instruments of constitution, statutes, etc.) of legal entities;
- Information materials on data disclosure requirements and on the new possibilities of enterprise data access provided by the Register of Legal Entities developed, published and distributed.

Prepared by the Ministry of Justice, 14/05/02
3.4. Activities

3.4.1. Twinning component

Scope of Twinning

All Twinning activities shall be implemented in close co-operation between the twinning partners. The main activities of the Twinning component include the following:

- Preparation of the terms of reference for the TA contract. Supervision of the delivery of TA contract on behalf of Beneficiary. The TA contractor would then be responsible for drawing technical specifications for the procurement of the equipment for the establishment of physical infrastructure of the Register of Legal Entities and tendering according to the Practical Guide to PHARE, ISPA and SAPARD Contracting Procedures.

- Preparation of legal expertise of existing legal acts on implementation of Acquis related to registration of legal entities and participation in preparing drafts of legal acts.

  The legal expertise of the Twinning experts shall be essential in drafting the new legal acts and amendments of the existing legal acts in the field of registration of legal entities. This activity will be implemented by the PAA and the STE responsible for working on the improvement of the legal basis related with the registration procedure. This activity also covers the provision of the operational advice to the Ministry of Justice, Ministry of Economy and other related institutions, which are responsible for the drafting of these legal acts.

- Preparation and implementation of the strategy to enable the Register of Legal Entities to co-operate with other national and EU registers.

  This activity includes the preparation of proposals on the co-ordination of work and co-operation of the Register of Legal Entities with other national registers, administered by different institutions. The strategy should also cover the co-operation of the Register of Legal Entities with the EU registers, in particular with the European Commerce Register Forum and the European Business Register.

- Preparation of proposals on the management of the Register of Legal Entities.

  This activity includes the review and proposals on the development of standard operation procedures for the registration of enterprises and other legal entities, based on the best practice from the EU Member States. This activity should result in the preparation of the detailed procedural workflow manual for the State Land Cadastre and Register Enterprise.

- Implementing of an action plan on the transfer of registration functions, data and documents from the existing registers to the central archives and the electronic database of the Register of Legal Entities.

  This activity will be carried out in accordance with the action plan to be adopted by the Minister of Justice in second quarter of 2002. The amendments to this action plan and other legal acts should be drafted with the assistance of Twinning as considered necessary for the effective transfer of data and documents.
• Development and delivery of training for the staff involved in the registration of legal entities.

The Twinning experts shall play the key role in the preparation and implementation of the training plan (to be elaborated in the Covenant) for the key personnel working with the Register in the Ministry and in the Enterprise. The training should include traineeships or equivalent practical training components in the Member State’s / Twinning Partner’s administration.

• Development and delivery of training for notaries to apply new legal acts concerning constitution of legal entities and approving amendments of data and documents.

This activity includes training for notaries in all parts of Lithuania (about 190 notaries). According to new Civil Code and First Council Directive 68/151/EEC notaries will ensure preventive control at the time of formation of company and will approve data and documents as well as amendments of data and documents from the establishment of the Register of Legal Entities. At present this function is implemented by Register of Enterprises. Notaries should be prepared to ensure preventive control and to hand over approved data and documents to the Central Register of Legal Entities. STEs working on preparation of legal expertise and training of the staff of the Register shall organise training for notaries.

• Preparation of the publications on the requirements of data disclosure, functions of the Register of Legal Entities and the new possibilities of access to information.

This activity shall form the basis for the publicity campaign on the new opportunities and services offered by the new Register of Legal Entities for enterprises and include the overall planning of the campaign, the drafting of the text of promotion materials to be further designed and printed under the TA contract.

**Required Inputs**

PAA (19 months) and STEs (up to 30 months) are needed for the successful implementation of the project.

**PAA**

Pre-Accession Adviser acting as a Team Leader will implement the following activities:

• Provide legal expertise and present it for the Steering Committee;

• Provide the model of effective management of the Register of Legal Entities and present this model to the Steering Committee;

• Provide and implement the model of co-operation of the Register with other national and EU registers and present this model and implementing activities for Steering Committee;

• Implement an action plan on the transfer of registration functions, unorganised data and documents from the existing Enterprise Register to the central archives and the electronic database of the Register of Legal Entities;
• Develop and deliver training for the staff involved in the registration of legal entities, training for notaries to apply new legal acts, organise information campaign and prepare the materials on the new possibilities of data access provided by the Register;

• Provide operational advice to the Ministry of Justice, State Land Cadastre and Register Enterprise and other relevant institutions regarding management system of the Register, national legislation in the sphere of registration of legal entities, registration functions, data and documents transfer.

General profile of PAA:

• Educational background in management, information science or law (specialisation in European law preferable);

• Minimum 3 years of relevant experience of work in national/central authorities, with a responsibility for administration (control) of integrated Register of Legal Entities;

• Good communication and team-building skills;

• Computer literacy;

• Good knowledge of written and spoken English.

Local assistants

PAA will have one full-time local assistant who will also take care of organisation issues, such as organising the delivery and assisting in training events, organising meetings, keeping documents and files, taking minutes, translating or interpreting from Lithuanian to English and vice versa if required. Local assistant will work under the guidance of the PAA.

Local assistant should have obtained a university degree and should preferably have experience working with the registers. S/he should also be fluent in English and computer literate.

STEs

The specific tasks of STEs will include:

• Assist with the improvement of legal basis related with registration procedure;

• Prepare the proposals on the management of the Register of Legal Entities;

• Assist with the improvement of data protection;

• Provide and implement the model of co-operation of the Register with other national and EU registers;

• Develop and deliver training for the staff involved in registration of legal entities, training for notaries to apply new legal acts, organising information campaign and preparation of the materials on the new possibilities of data access provided by the Register.

General profile of STEs:

• Educational background:

  ➔ in information science for STEs working on the improvement of data protection, providing and implementing the model of co-operation of the
Register with other national and EU registers and development and delivery of training for the stuff involved in registration of legal entities;

- in Law with specialisation in company law for the STE working on the legal basis for the effective functioning of the register and development and delivery of training for notaries to apply new legal acts;

- in management for STE working on preparation of proposals on the management of Register.

- Relevant professional experience in national/central authorities administering an integrated Register of Legal Entities;

- Communication skills;

- Good knowledge of written and spoken English.

3.4.2. Services component

The Services project shall supplement the activities carried out under the Twinning component and shall cover the following tasks:

- Drawing up technical specifications for the procurement of the equipment for the establishment of physical infrastructure of the Register of Legal Entities and tendering (sub-contracting) according to the Practical Guide to PHARE, ISPA and SAPARD Contracting Procedures.

- Creation, development and testing of information system of Register and delivery of on-the-job training for staff of the Register in the use of information system.

- Design and printing of promotion materials for legal entities about the new possibilities of legal entities data access and requirements of data disclosure.

The Services component will have two sub-components: supply and promotion materials.

Supply Component

The TA team shall sub-contract the supply component as appropriate for the effective functioning of the Register of Legal Entities, especially the functioning of electronic database of the Register. It shall supervise the supply to the central office and local branches of the Register the computers, scanners, network printers, copiers, and other infrastructure required for ensuring smooth registration process (see Appendix 4).

Promotion Materials

The TA team shall sub-contract and control the implementation of the design and printing of promotion materials component of the TA contract to a specialised service provider according to PHARE public procurement procedures. It will also ensure close co-operation with the Twinning experts: the texts of the promotion materials for legal entities about the new possibilities of legal entities data access and requirements of data disclosure will be prepared by the Twinning team, but designed and printed under the TA contract.

General profile of TA experts

The contractor shall propose a highly experienced Team leader for the liaison with the Ministry and Enterprise, who will plan and co-ordinate the work of the team of
experts working on the creation, development and testing of the information system of the Register. Contractor’s experts should have the educational background in information science and experience in the development of information systems for the similar types of registers.

*General profile of sub-contractors*

The potential sub-contractors for supply component should have credible capacity to deliver all the required supplies. The potential sub-contractors for design and printing promotion materials should have a rich track record of printing high quality promotion materials for the public and private sectors.

**3.5. Lessons learned**

There has not been any projects in the sphere of Legal Entities Register development carried out in Lithuania. There has not been any training carried out in this field in Lithuania.

**4. Institutional Framework**

Art. 3 of the Law of Register of Legal Entities regulates that the Ministry of Justice should administer the Central Register of Legal Entities. Other key institutions are obliged under the Law to transfer the existing data and documents to Central Register of Legal Entities and to participate in the process of creation of united database and archives.

Taking into account these regulations of the Law, a working group has been formed by the order of the Minister of Justice to prepare the draft Government Resolution on Approving the Statutes of the Register of Legal Entities. The working group consists of the representatives from the following institutions: the Ministry of Justice, the Ministry of Economy, the Ministry of Culture, the Ministry of Education and Science, the Ministry of Health Care, the Department of Statistics under the Government and the Association of Municipalities.

The Ministry of Justice shall have the overall responsibility for the implementation of the project. The main counterparts for the team of experts will be the Department of Registers (8 civil servants) in the Ministry of Justice and the central headquarters of the State Land Cadastre and Register Enterprise. In connection to the implementation of the new administrative functions, related to the management of the Register of Legal Entities, 3 new civil servants shall be employed in the Department of Registers.

Other key institutions that shall be closely involved in the project are the Ministry of Economy, the Ministry of Culture, the Ministry of Education and Science, the Ministry of Health Care, the Department of Statistics under the Government, the Committee of the Development of Information Society under the Government, the County Governors’ Administrations and the Municipalities. These institutions are registering different kinds of legal entities at the moment.

To ensure close co-ordination and ease the management of the project the Steering Committee shall be formed on the basis of the above-mentioned working group including additionally the representatives from the Committee of the Development of Information Society under the Government, the Chambers of Notaries and the Chambers of Commerce, Industry and Crafts. The representatives of the EU Commission’s Delegation in Lithuania, the CFCU and, if necessary, the experts working under the Phare project No. LT0002-01 shall be invited as observers.
### 5. Detailed Budget (in MEUR)

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
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<td>1.195</td>
<td>0.135</td>
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The Phare amount is binding as a maximum amount available for the project. The ratio between the Phare and national co-finance amounts is also binding and has to be applied to the final contract price.

The national co-financing commitment is a tax-excluded net amount.

The Ministry of Justice will provide the required office space, equipment and general support necessary for the tasks to be fulfilled by PAAs.

### 6. Implementation Arrangements

#### 6.1. Implementing Agency

The CFCU is responsible for contracting and accounting of the project. The PAO is Mr. Žilvinas Pajarškas, Director of CFCU, Ministry of Finance, J. Tumo-Vaižganto st. 8A/2, room 241. Tel: +370 2 61 19 32, Fax: +370 2 22 53 35.

#### 6.2. Twinning

The Ministry of Justice will be in charge of the general co-ordination and monitoring of the project.

The Ministry of Justice, Gedimino ave. 30/1, LT-2600 Vilnius, Lithuania. The contact persons are Mr. Paulius Koverovas, Deputy Minister, Tel: +370 2 226489, Fax: +370 2 625940, e-mail: p.koverovas@tic.lt and Ms. Daiva Dumčiuvienė, Chief Official of the Registers’ Department, Tel: +370 2 624159, Fax: +370 2 625940, e-mail: d.dumciuvien@tic.lt.

#### 6.3. Non-standard aspects

PRAG and Twinning Manual will be applied fully. The project has two components: 1 Twinning Component and 1 Service Component (including Technical Assistance and Supply Sub-Components).

#### 6.4. Contracts

Prepared by the Ministry of Justice, 14/05/02
There will be 2 tenders in this project:

- Twinning Covenant - 0.8 MEUR;
- Service tender (TA and Supply) - 0.53 MEUR, including 0.135 MEUR of national co-financing

### 7. Implementation Schedule

<table>
<thead>
<tr>
<th>Component</th>
<th>Start of Tendering</th>
<th>Start of Project Activity</th>
<th>Project Completion</th>
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<tr>
<td>Twinning</td>
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<td>3Q/04</td>
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<tr>
<td>Service</td>
<td>2Q/03</td>
<td>4Q/03</td>
<td>3Q/04</td>
</tr>
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</table>

### 8. Equal Opportunity

Equal opportunity principles and practices in ensuring equal gender participation in the Project will be guaranteed. The Constitution of the Republic of Lithuania and the Law on Equal Opportunity of Men and Women provide for the protection of equal rights and opportunities for employees irrespective of their gender. The Ministry of Justice is an equal opportunity employer. The steering committee will ensure the observance of the equal opportunity principle throughout the process of the implementation of the project.

### 9. Environment

The investment component of this Project all relate to Institution Building activities.

### 10. Rates of return

The investment component of this Project all relate to Institution Building activities.

### 11. Investment criteria

The investment components of this Project all relate to Institution Building activities.

### 12. Conditionally and sequencing

The Project is conditional on co-financing being available for Services (TA and Supply) component. A clear administrative and management structure for the Project will be established within the Ministry of Justice and State Land Cadastre and Register Enterprise, involving regular reporting on activities and achievements of targets. The key milestones of this project are:

- Appointment of the Twinning Member State;
- Twinning commencement;

Prepared by the Ministry of Justice, 14/05/02
• Creation, development and testing of information system of the Register, supply to the central office and local branches of the Register the computers, scanners, network printers, copiers, and other infrastructure;

• Training of the staff, working in with the Register of Legal Entities and notaries;

• Preparation of the publications (including design and printing) on requirements of data disclosure, functions of the Register of Legal Entities and the new possibilities of information access.
Annexes to Project Fiche

1. Logframe Matrix
2. Detailed Implementation Chart
3. Cumulative Contracting and Disbursement Schedule for the Project (MEUR)
4. Supplies
# LOGFRAME PLANNING MATRIX

**FOR Project:**

Strengthening Enterprise Register Service in compliance with *Acquis*

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Register of Legal Entities managed in compliance with <em>Acquis</em></td>
<td>• Enterprise register service reorganised.</td>
<td>• Project Evaluation Report&lt;br&gt;• Regular Progress Reports</td>
<td>• Political support;&lt;br&gt;• Stability of institutional framework.</td>
</tr>
</tbody>
</table>

**Project purpose**

- Lithuanian legislation concerning the Register of Legal Entities fully compliant with the *Acquis*
- Existing Enterprise Register reorganised into Central Register of Legal Entities (with a register service network), ensuring enterprise data disclosure and data protection according to *Acquis*
- Register of Legal Entities effectively managed and fully operational

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Legal acts adopted;&lt;br&gt;• The centralised Register of Legal Entities established;&lt;br&gt;• The Register of Legal Entities and 11 local sections equipped, effective use of resources of the Register of Legal Entities;&lt;br&gt;• Administrative bodies of enterprises informed about the requirements of enterprise data disclosure to the Register of Legal Entities.</td>
<td>• Project Progress Reports;&lt;br&gt;• Manuals and training programs;&lt;br&gt;• Project Evaluation Reports;&lt;br&gt;• Auditing conclusions regarding the effectiveness of the management of the Register of Legal Entities.</td>
<td>• Political support;&lt;br&gt;• Stability of institutional framework.</td>
</tr>
</tbody>
</table>

**Results**

- Legislation in the field of enterprise registration drafted in compliance with *Acquis*
- Computerised Central Register of Legal Entities and 11 local sections operational, with possibilities of wide data-access development
- Staff working in the Central Register of Legal Entities fully trained for the effective administration of the Register
- Notaries fully trained for preventive control at the time of formation of legal entities and certification of amendments of data and documents (instruments of constitution, statutes, etc.) of legal entities;
- Information material on data disclosure requirements and on the new possibilities of enterprise data access provided by the Register of Legal Entities, developed, published and distributed.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Draft amendments of the laws on enterprise registration and activities as well as drafts of related secondary legislation accepted by the Government;&lt;br&gt;• Regulations on the Functioning of the Register of Legal Entities accepted by the Ministry of Justice;&lt;br&gt;• Information system of the Register of Legal Entities internationally accessible&lt;br&gt;• Training programme prepared and 25 register officers trained;&lt;br&gt;• Training programme prepared and 190 notaries trained;&lt;br&gt;• Information material distributed to about 70,000 enterprises.</td>
<td>• Project Progress Reports;&lt;br&gt;• Manuals and training programs;&lt;br&gt;• Project Evaluation Reports;&lt;br&gt;• Draft laws and secondary legislation published in the Internet (<a href="http://www.min.tm.lt">www.min.tm.lt</a>).</td>
<td>• Political support;&lt;br&gt;• Stability of institutional framework.</td>
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**Activities**

<table>
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<th>Means</th>
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Prepared by the Ministry of Justice, 14/05/02
• Preparation of the terms of reference for the TA contract. Supervision of the delivery of TA contract on behalf of Beneficiary. The TA contractor would then be responsible for drawing technical specifications for the procurement of the equipment for the establishment of physical infrastructure of the Register of Legal Entities and tendering according to the Practical Guide to PHARE, ISPA and SAPARD Contracting Procedures.

• Preparation of legal expertise of existing legal acts on implementation of Acquis related to registration of legal entities and participation in preparing drafts of legal acts;

• Preparation and implementation of the strategy to enable the Register of Legal Entities to co-operate with other national and EU registers;

• Preparation of proposals on the management of the Register of Legal Entities;

• Implementing of an action plan on the transfer of registration functions, data and documents from the existing registers to the central archives and the electronic database of the Register of Legal Entities.

• Development and delivery of training for the staff involved in the registration of legal entities;

• Development and delivery of training for notaries to apply new legal acts concerning constitution of legal entities and approving amendments of data and documents;

• Preparation of the publications on requirements of data disclosure, functions of the Register of Legal Entities and the new possibilities of information access.

• Creation, development and testing of information system of Register and delivery of on-the-job training for staff of the Register on the use of information system including the supply of equipment;

• Design and printing of promotion materials for legal entities about the new possibilities of legal entities data access and requirements of data disclosure.

| Preconditions | Co-financing available |

• Twining covenant (PAA (19m/m), STE's (30 m/m) and 1 local assistant);

• Service contract (including sub-contracts of technical assistance and supply);

• Effective co-operation of the Ministries and other Lithuanian State institutions;
Detailed Implementation Chart for the Project

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<tr>
<td>Service</td>
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</table>

- Design
- Tendering
- Implementation

Prepared by the Ministry of Justice, 14/05/02
Cumulative Contracting and Disbursement Schedule for the Project (MEUR)

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<th></th>
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<td>- Service</td>
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<tr>
<td>(cumulative)</td>
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<td>0.33</td>
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</table>

Prepared by the Ministry of Justice, 14/05/02
Supplies

<table>
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<th>Supplies</th>
<th>Units</th>
<th>Expenses (MEUR)</th>
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<tbody>
<tr>
<td>Computers and office equipment</td>
<td>55 (including 2 notebooks)</td>
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<tr>
<td>Copiers</td>
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<tr>
<td>Network printers</td>
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<tr>
<td>Scanners</td>
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<td><strong>Total</strong></td>
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<td><strong>0.18</strong></td>
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</table>

Ensuring effective functioning of the Register of Legal Entities, especially functioning of electronic database of the Register, the central office and local branches of the Register should be equipped with computers, scanners, network printers, copiers, etc.

Currently, the Register of Enterprises works mainly with separate documents. Registration process lasts several months and registered subjects are not interested to renovate the information about companies in the Register of Enterprises. This situation is partly responsible for the lack of reliability of the data about companies contained in the Register of Enterprises. As a result third parties cannot receive reliable documents about companies and this has an impact on business environment of Lithuania: companies are not assured about legal and financial status of companies when making contractual agreements.

Modern computers, network printers, scanners and high-speed copies could ensure the physical preconditions and technical effectiveness of the registration system: data disclosure, data protection and data publicity. The Civil Code of Lithuania regulates that data, documents and copies of information of the Register has prima facie status: it could be used as the most important argument in judicial process and in other legal relations with third parties. Consequently, only high tech equipment for the Register could ensure the implementation of the regulations of the Civil Code and the First Council Directive 68/151/EEC.