Standard Summary Project Fiche for the Transition Facility

1. Basic Information
   1.1 CRIS Number: 2004/017-494-02-01
   Twinning Contract LT/2005/IB/FI-01
   1.2 Title: Protection of the Communities’ financial interests and fight against fraud
   1.3 Sector: Public Finance
   1.4 Location: Financial Crime Investigation Service (FCIS), Republic of Lithuania

2. Objectives
   2.1 Overall Objective:
   The overall objective of this 0.7 € Million project, of which 0.035 € Million is provided as national co-financing is to improve the system of protection of EC’s financial interests and comply with the EU requirements.

   2.2 Project purpose:
   The project embraces three purposes, namely, the development of fraud and irregularities prevention system for the FCIS (2.2.1), the enhancement of the administrative capacity of the FCIS and other related institutions active in protection of the Communities’ financial interests and fight against fraud (2.2.2), and the strengthening of operational and technical capacity within the FCIS for applying special investigative methods in the fight against fraud (2.2.3).

   2.3 Justification
   Article 34 establishing the Transition Facility in the Accession Treaty (2003) refers to strengthening capacities to deal with the protection of the Communities’ financial interests and fight against fraud.

   In addition the Comprehensive monitoring report on Lithuania’s preparations for membership (2003) concludes that in the area of the protection of EC financial interests, the focus should be placed on further refining the legislative framework and on continuing to ensure the anti-fraud co-ordinating service’s full operational capacity.

3. Description
   3.1 Background
   Before accession to the EU, the Republic of Lithuania committed itself to be fully capable to apply the *acquis* of the EU in the sphere of financial control. Though the Treaty Establishing the EC has not stipulated any concrete financial control model, it determined general obligations for the member countries. One of these requirements was to appoint a single contact point with OLAF, which could initiate or conduct investigation, if necessary.
The contact point was established on 24 May 2002 by the Decree of the Government of the Republic of Lithuania No.747 allotting FCIS responsibility for co-operation with OLAF (European Anti-fraud Office). The FCIS thereby acts in Lithuania as the Anti-Fraud Co-ordination Service (AFCOS).

The tasks and functions of FCIS were further extended on 9 October 2003 by the Parliament of the Republic of Lithuania adopting Amendments to the Law on the Financial Crime Investigation Service (No. IX-1754). The Law provides that FCIS ensures disclosure and investigation of the criminal acts and other offences related to illegal receipt and use of the EU and foreign countries’ financial support. FCIS is also responsible for implementation of preventive measures precluding the appropriation and squander of the EU and foreign countries’ funds.

In addition, FCIS is also obliged to analyse reported irregularities and frauds related to Communities’ funds, in order to point out risk sensitive processes, institutions. Based on the results of this analysis, administrative and legislative adaptations aimed at reducing the risk could be initiated.

However, the fulfilment of the functions defined in the amendment of the Law has faced difficulties due to the lack of effective risk assessment methodology enabling to conduct efficient analysis of information received by means of reporting system related to the use of EU funds, and absence of necessary specialized equipment for detection and investigation of fraud acts.

The same weaknesses were identified in SIGMA’s (Support for Improvement in Governance and Management) report noting that their elimination would improve the protection of EC financial interests in Lithuania.

Risk assessment methodology would enable FCIS to carry out effective analysis of information related to cases of suspected fraud and irregularities affecting Communities’ financial interests received from the reporting system. In the meantime, it was noted that the reporting system was successful in terms of numbers, but little was done with the information and therefore, the system did not appear to be working effectively.

The same SIGMA’s report also noted that there is a need for a strategic training plan involving most of the relevant institutions. The absence of a specific training strategy is identified as one of the reasons for the lack of the improvement of the situation concerning the reinforcement of the protection of the Communities’ financial interests. Although, FCIS has identified some training needs, there is no comprehensive training needs assessment carried out and it also lacks short or mid-term training concept.

In addition, appropriate attention must be paid to the strengthening of FCIS operational and technical capacities, in particular those related to the use of specialized equipment for operational activity purposes. Currently FCIS possesses outdated equipment and therefore disclosure, investigation and prevention of crimes can not be carried out efficiently. The disclosure of planned or already committed criminal acts is very difficult due to the absence of the modern technical means used

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1 Report on the operational and administrative capacities of the FCIS as AFCOS and its main partner institutions in Lithuania protecting the European Community’s financial interests of 14 May 2004. Assessment carried out on behalf of the OLAF
2 The use of such equipment is provided by the Law on the Operational Activities of the Republic of Lithuania.
in the operational activities, while the biggest part of fraud cases can be disclosed only with the use of appropriate operative means. Therefore achievement of good results in this sphere requires investment in specialized equipment.

Due to lack of own modern operational equipment, the FCIS frequently has to request the assistance from other law enforcement agencies (Police, State Security Department). However, these agencies are overrun with such requests and sometimes their assistance cannot be provided at the speed, which is required. Moreover, special equipment of other institutions does not always satisfy the operating particularities of FCIS. As a result investigation of fraud cases is being protracted.

3.2 Linked activities:
- Phare project 2002/000.601.04.03: Strengthening the administrative and technical capacity of the FCIS while implementing effective money laundering prevention measures. The overall objective of this 1.4 MEUR institution-building and investment project of which 0.225 MEUR is provided as national co-financing is to ensure that money laundering prevention system corresponds to the EU requirements and operates at the proper level. The project comprises of two technical assistance and one investment components (supply & works). All activities under the project were completed except for one technical assistance component which must be completed by 1 September 2005.

- Multi-Country Phare Programme PH/2002/1412: Anti-fraud programme for the protection of the financial interests of the Community (further – MCP). The beneficiary in Lithuania is FCIS. The programme’s objective is to assist the Phare Acceding States to meet the obligations arising from the Treaty and other legislative acts on the protection of the financial interests of the Community by putting into place effective protection mechanisms on the basis of experience gained by the Member States and the European Commission.
  Phase I: Grant Contract No. 2003/071-887 “Fight Against Fraud Affecting the Financial Interest of the EU (Lithuania)” of 8 October 2003. The total cost of the grant is 0.361 MEUR. This on-going project mainly focuses on training in the area of pre-accession instruments (Phare, Ispa, Sapard). The implementation of the project, in close cooperation with OLAF, began in November 2003 and should end by March 2006.
  Phase II: Grant Contract No. 2004/098-396 “Fight against fraud affecting the financial interest of the EU (Lithuania) of 21 March 2005. The total cost of the grant is 0.270 MEUR. This on-going project involves new and replicated activities of the above mentioned Grant. The implementation period is 9 months.

(Please note that the assistance suggested in the current document will be wider in scope than support to the AFCOS and its partner institutions under the MCP particularly in those areas where the focus is specifically relating to criminal investigations.)

- Proposed project for the Transition Facility 2005: Strengthening prosecution of fraud in Lithuania prepared by the Prosecutor General’s Office. The budget of the project is 0.5 MEUR. The project will involve several components: assessment of the legal framework in the area of prosecution of fraud and preparation of the recommendations on necessary amendments; creation of training schemes and delivering training; preparation of the proposals on strengthening inter-institutional
co-operation in the area of criminal prosecution. The objective, purpose, and activities of the mentioned project do not overlap with the project: *Protection of the Communities’ financial interests and fight against fraud.*

### 3.3 Results:

#### Twinning
- Risk assessment methodology for FCIS developed and approved.
- Training needs assessment carried out and specific training strategy developed.
- Training modules prepared and staff trained. The training will include a limited number of study visits to the Member State’s administration. The training will enable the trainees to act as trainers at their home institutions.
- Trained staff has increased its competence to effectively identify fraud and serious irregularities and for relevant institutions, if necessary, conduct successful investigations.

#### Supply
- Equipment for the Divisions of the FCIS purchased, delivered and fully operational.

### 3.4 Activities:
The project consists of one Twinning component and one Supply component.

#### 3.4.1 Twinning package

*The contractor should:*
- Develop a risk assessment methodology, which will include, but not to be limited to the following sections:
  - developing the preventative side of the fight against fraud (analysis for identifying the key-points with high risk to fraud and setting up an early warning system),
  - obtaining the necessary information for the investigations requested by FCIS in due time,
  - ad-hoc participation of AFCOS’ representatives to tenders regarding the EU funds,
  - identifying the main investments’ areas (building sites, factories etc.), where the EU funds are used, in order to conduct the foreseen on-the-spot investigations,
  - comparing the companies (in the field of consultancy, buildings, agriculture, etc.) selected for contracting under the EU financial programmes; analysing the possible links between these companies and high official etc.
- Carry out training needs assessment
- Develop a specific training strategy
- Prepare training modules and carry out training, which should be analysed in view of MCP as “complementarity”. The training will be delivered into the following courses (the number of officials participating in training is indicated in Table No. 1):

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3 These are the preliminary numbers and topics; the exact number of representatives participating in training and topics will be identified while preparing the Twinning Covenant in consultation with the Twinning partner.
Detection methods of irregularities, typical irregularities, control, management and documentation of irregularities
- Risk analysis and management using the funds of the EU financial support
- Measures of irregularities prevention in combating fraud
- Level of the institutions responsibility, participants of the process and the framework of their responsibility
- Reporting on irregularities system – inter-institutional mechanism
- Reports on irregularities, their filling-up, forms and usage
- Information analysis and investigation methods and means, used for disclosing the acts of fraud and fraud related acts of corruption nature
- The experience of the auditors of the EU member states, the used auditing methodology, the mechanism of funds recovery
- Identification, investigation and prevention measures of fraud and irregularities, related to the traditional own resources
- Risk and information analysis in fighting against fraud and irregularities, importing and exporting the agricultural products
- Communication with mass media for the officers investigating the criminal acts related with the appropriation of EU funds
- Introduction of the main requirements of how to make information presentation, of the peculiarities of forceful talking in public

- Arrange a limited number of study visits to the Member State’s administration.

**Required inputs**

One resident twinning adviser (RTA) over a period of 12 months with good administrative and management skills as well as good knowledge of written and spoken English. S/he will be providing general management and institutional support to ensure an effective implementation of the project. S/he should have a good overview of the EU requirements in the field of the protection of the Communities’ financial interests and fight against fraud. Ability to provide an advice on implementation of preventive measures precluding appropriation and squander of the Communities’ funds, be concerned with the management and control of the EU funds. Additionally, the RTA will possess the following qualifications:

- At least 5 years of working experience in the field of the protection of the Communities’ financial interests;
- Experience in solving co-ordination and co-operation issues;
- Good knowledge of the EU legislation concerning the protection of the Communities’ financial interests;
- Practical experience of analysis work in the area of fraud prevention;
- Relevant University degree, or similar education;
- Communication skills.

**Short and medium term experts**

A group of short-term experts (STEs) for 12 person/months. All must be familiar with the EU activities in the field of the protection the Communities’ financial interests and fight against fraud, have experience in preparing and delivering of training programmes and have good knowledge of spoken and written English. Moreover, some of the experts must possess enough experience in establishment of the risk assessment methodology.

Table No. 1
<table>
<thead>
<tr>
<th>Name of Institution</th>
<th>Number of persons to be trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Crime Investigation Service</td>
<td>40</td>
</tr>
<tr>
<td>Law enforcement authorities (Customs Department under the Ministry of Finance, Prosecutor’s Office, Police Department under the Ministry of the Interior, Special Investigation Service, State Security Department)</td>
<td>70</td>
</tr>
<tr>
<td>Other institutions (Ministry of Finance, Regional Policy Department under the Ministry of the Interior, Office of the Government, EU Support Management Unit)</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
</tr>
</tbody>
</table>

3.4.2 Supply contract (2.2.2)

The supply tender will be organised seeking to reinforce fraud and irregularities prevention system (2.2.1) and operational and technical capacity of FCIS (2.2.3) while countering fraud and any other illegal activities affecting the financial interests of the Community.

Pursuing the Law on Operational Activities, FCIS is an operational activity entity. The fundamental part of operational activity is monitoring of information. Current crime tendencies reveal the complicity of criminal acts, therefore, it is vital to keep track with modern technologies, namely, electronic equipment.

Electronic equipment (radio, TV, communications and photo equipment, optical devices and radio stations) will be acquired in one tender and placed in the central office (Operative Squad, Special Investigation Division, Illegal Use of Support Investigation Division) of FCIS and 10 counties divisions that have power to carry out pre-trail investigation and conduct operational activity.

The initial technical preparations have been completed. A preliminary equipment list and detailed justification are available.

3.5 Lessons learned

The following lessons should be taken into consideration:

Interim Evaluation Report No IER/LT/JHA/22.04.05 drafted by the Public Policy and Management Institute (hereinafter – IER) within the scope of Phare project.
2002/000.601.04.03 pointed to a rather slow progress of the project, caused by initial absence of stronger leadership from senior officials. Therefore, senior officials at managerial positions will be involved in the project management at the very start of the project.

IER noted significant delays in terms of time-schedule in the previous project file. Consequently, the preparation and approval of the tender documentation is to be monitored very closely in order to launch the relevant tenders in time.

IER also suggested developing training-for-trainers arrangements in the existing and future projects in view of ensuring better sustainability of training activities in the context of staff turnover.

Assessment of Phare multi-country Anti-fraud programme PH/2002/1412 implementation specified that more specialized trainings need to be organized particularly through workshops in small groups. Accordingly, training needs assessment and a specific training strategy are foreseen to be carried out in the present project.

4. Institutional Framework

The main institution responsible for the implementation of this project will be FCIS. At the moment FCIS is comprised of about 463 employees in 10 counties divisions including 60 employees in the central office.

In January 2003 in the FCIS there was established the OLAF Lithuania Subdivision (5 officers). It is responsible for co-operation with OLAF.

In February 2005 the Illegal Use of Support Investigation Division was established within the FCIS.

In addition, FCIS has appointed 17 officers in 10 local units in the counties. They are responsible for disclosure and investigation of acts related to fraud and other irregularities affecting the EC financial interests. 23 auditors of FCIS are responsible for the submission of the auditor’s conclusion while carrying out pre-trial investigation concerning illegal receipt and use of the EC’s financial support.

Concerning inter-institutional co-operation during the project implementation, it should be noted that FCIS has established connections with all the institutions, which deal with the control of the EU funds, including Customs Department under the Ministry of Finance, Prosecutor’s Office, Police Department under the Ministry of the Interior, Special Investigation Service, State Security Department, National Audit Office. The institutions have signed the interagency co-operations agreements to collaborate in inter-institutional working groups and are ready to facilitate the investigations of fraud related to the EU funds.

It is essential that FCIS can also count on the support of the other institutions, which are responsible for selection, contracting and utilization of the EU funds (such as: the Central Project Management Agency, the National Paying Agency under the Ministry of the Agriculture, the Lithuanian Business Support Agency, the Transport Investment.

Prepared by the FCIS, 15/12/2005

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Directorate under the Ministry of Communications, the Environmental Projects Management Agency of Ministry of Environment, the Human Resources Development Programmes Foundation). The agreements have been signed by FCIS almost with all the above-mentioned institutions in order to reduce the risk concerning the EU funds and establish mechanism of the information exchange.

The co-ordination and information exchange among the institutions involved in the project will be ensured at the regular meetings of the Steering Committee (STC) established for the project implementation. The Committee will consist of the representatives of all the institutions involved in the project and will be chaired by the SPO. The Steering Committee meetings will be held upon the need and regularly once in a quarter.

The FCIS will become the owner of delivered equipment after project completion.

5. Detailed Budget (€ Million)

<table>
<thead>
<tr>
<th>€M</th>
<th>Transition Facility Support</th>
<th>Co-financing</th>
<th>Total Cost (TF plus Co-financing)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total Transition Facility (=I+IB)</td>
</tr>
<tr>
<td>Twinning</td>
<td>-</td>
<td>0.560</td>
<td>0.560</td>
</tr>
<tr>
<td>Supply</td>
<td>0.105</td>
<td>0.035</td>
<td>0.105</td>
</tr>
<tr>
<td>Total</td>
<td>0.105</td>
<td>0.560</td>
<td>0.665</td>
</tr>
</tbody>
</table>

(*) all the co-financing is joint co-financing and will be provided from the state budget. The requested sum will be earmarked for the beneficiary institution in its budgetary appropriations for the year 2006-2007. In the case where the final overall cost is lower than foreseen in the project fiche, the National Public and Transition Facility Co-financing are reduced proportionally so as to maintain the agreed rate of co-financing.

(**) private funds, FIs loans to private entities.

6. Implementation Arrangements

6.1 Implementing Agency

PAO: Mr Aloyzas Vitkauskas
Director of the Central Project Management Agency
Address: J.Tumo-Vaižganto str. 8A/2
01108 Vilnius, Republic of Lithuania
Telephone: +370 5 251 4400
Fax: +370 5 251 4401
e-mail: info@cpva.lt

SPO: Mr Valdas Grendelis
Deputy Director of the FCIS
Address: Šermukšnių str. 3
01106 Vilnius, Republic of Lithuania
Telephone: +370 5 271 7447
Fax: +370 5 262 1826
e-mail: info@fntt.lt
6.2 **Twinning**
The institutional Twinning partner will be FCIS, which will assume the overall responsibility for the project. The Twinning Team will be deployed at FCIS. The contact person for the Twinning Component will be Mr Igoris Kržečkovskis, Head of the International Relations Division of the FCIS; Šermukšnių str. 3, LT-01106 Vilnius, Republic of Lithuania; tel.: +370 5 271 7443, fax: +370 5 271 74 26, e-mail: krzeckovskis.i@fntt.lt.

6.3 **Non-standard aspects**
The project will be implemented in compliance with the EDIS procedures.

6.4 **Contracts**
There are two tenders foreseen for the implementation of the project activities:

- **Value of Twinning Contract**: 0.560 (€ Million)
- **Value of Supply Tender**: 0.140 (€ Million), including 0.035 (€ Million) 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>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning</td>
<td>3Q/05</td>
<td>1Q/06</td>
<td>1Q/07</td>
</tr>
<tr>
<td>Supply</td>
<td>4Q/05</td>
<td>2Q/06</td>
<td>4Q/06</td>
</tr>
</tbody>
</table>

8. **Sustainability**
The International Relations Division of the FCIS will be the counterpart for the twinning project. To ensure smooth operations, the FCIS will provide office premises and office equipment to the project. The FCIS will cover the costs for maintenance and up-date where necessary.

Sufficient number of qualified staff is foreseen in order to implement the project timely.

9. **Conditionality and sequencing**
Effective implementation of the protection of the Communities’ financial interests is the priority in policy of financial control of the Lithuanian Government. As such, the primary conditions for commencement of the project are fulfilled.

The Lithuanian side will contribute 0.035 (€ Million) in line with the Transition Facility co-financing requirements.

FCIS and other involved institutions for the timely implementation of all the planned operations will make sufficient human resources available.

Any special preparatory work for the twinning component is needed until the stage of selection of the Twinning partner. The beneficiary institution is ready to implement the project.

All tendering activities can start as outlined in section 7 and detailed in Annex 2.
The key milestones in this project are:
⇒ Appointment of Twinning Member State;
⇒ Commencement of Twinning;
⇒ Completion of a risk assessment methodology / a specific training strategy;
⇒ Supply tender launched;
⇒ Equipment delivered, implemented and tested.
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
### Logframe Planning Matrix
#### for Project:
**Protection of the Communities’ financial interests and fight against fraud**

<table>
<thead>
<tr>
<th>Overall Objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Source of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve the system of protection of EC’s financial interests and comply it with the EU requirements.</td>
<td>System of the protection of the Communities’ financial interests enhanced and it operates with the same efficiency as the system of the twinning partner by the end of the project</td>
<td>National and international reports, studies and statistics</td>
<td>Continued Government commitment to EU financial control</td>
</tr>
<tr>
<td><strong>Project Purpose:</strong></td>
<td></td>
<td>Implementation Status Reports for JMC</td>
<td>Qualified staff can be retained in the long term</td>
</tr>
<tr>
<td>• Development of fraud and irregularities prevention system for the FCIS</td>
<td></td>
<td>Monitoring reports for SMSC</td>
<td></td>
</tr>
<tr>
<td>• Enhancement of the administrative capacity of the FCIS and other institutions active in the protection of the Communities’ financial interests and fight against fraud</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Strengthening of operational and technical capacity within the FCIS for applying investigative methods in the fight against fraud</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Objectively Verifiable Indicators</strong></td>
<td><strong>Source of Verification</strong></td>
<td><strong>Assumptions</strong></td>
<td></td>
</tr>
<tr>
<td>• Member States practice in the field of fraud and irregularities prevention introduced by 2Q/07</td>
<td></td>
<td>Institutions responsible for management and control of the Communities’ funds cooperate in fraud prevention as planned</td>
<td></td>
</tr>
<tr>
<td>• Training programme included in the human resources development scheme of the FCIS and other related institutions by 1Q/07</td>
<td></td>
<td>Government support and State budget available</td>
<td></td>
</tr>
<tr>
<td>• Equipment performs as specified in the user requirements study</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td><strong>Objectively Verifiable Indicators</strong></td>
<td><strong>Source of Verification</strong></td>
<td><strong>Assumptions</strong></td>
</tr>
<tr>
<td>• Risk assessment methodology for FCIS developed and approved</td>
<td>• Risk assessment methodology documented by 4Q/06</td>
<td>Experts and Project leaders progress and final reports</td>
<td></td>
</tr>
<tr>
<td>• Training needs assessment carried out and specific training strategy developed</td>
<td>• Training needs assessment carried out and documented by 2Q/06</td>
<td>Documents prepared by experts available on FCIS website</td>
<td></td>
</tr>
<tr>
<td>• Training modules prepared and staff trained</td>
<td>• Specific training strategy approved and put in force by 4Q/06</td>
<td>Equipment delivery reports</td>
<td></td>
</tr>
<tr>
<td>• Trained staff has increased its competence</td>
<td>• Training programme documented, and 40 officers of the FCIS, 130 officers of other institutions graduated from programme</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Equipment for the division of the FCIS purchased, delivered and fully operational</td>
<td>• All supplies delivered in time and at the right levels of quality, as planned</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td><strong>Means</strong></td>
<td><strong>Preconditions</strong></td>
<td><strong>Assumptions</strong></td>
</tr>
<tr>
<td>• Develop a risk assessment methodology</td>
<td>• 1 Twinning arrangement</td>
<td>Government commitment concerning co-financing</td>
<td>Availability of a suitable Twinning partner</td>
</tr>
<tr>
<td>• Carry out training needs assessment</td>
<td>• 1 Supply tender</td>
<td>Office with facilities for the RTA and STE made available by the FCIS</td>
<td></td>
</tr>
<tr>
<td>• Develop a specific training strategy</td>
<td></td>
<td>High-quality project management provided by the FCIS</td>
<td></td>
</tr>
<tr>
<td>• Prepare training modules and carry out training</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Arrange a limited number of study visits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Procurement of equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Programme Name:** Transition Facility 15/12/2005  
**Transition Facility Budget:** 0.665 (€ Million)  
**Contracting Period expires:** 4Q/07  
**Disbursement Period expires:** 4Q/08  
**Total Budget:** 0.7 (€ Million)
### Protection of the Communities’ financial interests and fight against fraud

#### Annex 2

**DETAILED IMPLEMENTATION TIME CHART**

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6 7 8 9 10 11 12</td>
<td>1 2 3 4 5 6</td>
</tr>
<tr>
<td>Twinning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Twinning**
- **Supply**
- **Design**
- **Tendering**
- **Implementation**
Annex 3

Protection of the Communities’ financial interests and fight against fraud
(Transition Facility contribution only – 0.665 € Million)

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

<table>
<thead>
<tr>
<th>(€ Million)</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30/09</td>
<td>31/12</td>
<td>31/03</td>
</tr>
<tr>
<td>Contracting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Twinning</td>
<td>0.560</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Supply</td>
<td>0.105</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>0.560</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Twinning</td>
<td>0.280</td>
<td>0.280</td>
<td>0.504</td>
</tr>
<tr>
<td>• Supply</td>
<td>0.021</td>
<td>0.021</td>
<td>0.105</td>
</tr>
<tr>
<td>Total</td>
<td>0.280</td>
<td>0.301</td>
<td>0.525</td>
</tr>
</tbody>
</table>