

Standard Summary Project Fiche

Project Number 2002/000.601.04.03

1. Basic Information

- 1.1 CRIS-number** 2002/000.601.04.03
- 1.2 Title** Strengthening the administrative and technical capacity of the Financial Crime Investigation Service while implementing effective money laundering prevention measures
- 1.3 Sector** Justice and Home Affairs
- 1.4 Location** Financial Crime Investigation Service (FCIS) under the Ministry of Interior (MoI), Lithuania

2. Objectives

2.1. Overall Objective

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.

2.2. Project Purpose

- To approximate Lithuanian legislation in the field of money laundering with EU requirements.
- To enhance professional capacity of the FCIS and other institutions active in money laundering prevention.
- To enhance capacity of the Automated analysis system of the Financial Intelligence Unit (The Money Laundering Prevention Division) of the FCIS.

2.3 Accession Partnership and NPAA Priorities

The 1999 Accession Partnership defines strengthening capacities to deal with money laundering as a short-term priority. As a medium-term priority, it states that there is a need to strengthen police co-operation mechanisms in different fields, money laundering prevention being one of them. The same point is also expressed in Accession Partnership 2001 stating that one of the priorities in the field of Justice and Home Affairs is to ensure effective implementation of anti-money laundering measures.

Additionally, the strengthening of FCIS under MoI is also foreseen in NPAA 2002.

3. Description

3.1. Background and Justification

Lithuania's geographical position as a transit country increases its attraction to organised crime together with money laundering and contraband activities. Money laundering, in particular, has reached proportions, which make better prevention a very important priority. The point is expressed in both the Accession Partnership 1999 and Regular Report 2000. Both single out the capacity to deal with money laundering as being in need of further strengthening. Both the Accession Partnership and Regular Report 2001 mention the need for an effective implementation of anti-money laundering measures as well.

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From 1997, Lithuania has stepped up the fight against money laundering. Together with the 1997 Law on Money Laundering Prevention a number of legal acts regulating implementation of prevention measures were adopted. In 1999, Lithuania became a member of the Egmont Group. Considerable effort has gone into the anti-money laundering regime through the ratification of international conventions, criminalising money laundering and the creation of the Money Laundering Prevention Division of the FCIS (Financial Intelligence Unit - FIU).

However, various experts' reports evaluating recent anti-money laundering measures confirm that these steps have not led to fundamental improvements and suggest that further actions are necessary. The insufficient efficiency of the reporting system from financial and credit institutions was named as one of the reasons for lack of improvement of the situation. It was noted that the system was very successful in terms of numbers, but little was done with the information, and therefore the system did not appear to be working effectively. Additionally there was a remark concerning absence of secure premises, where the whole data bank should be located. Finally, one priority that came out clearly in all the reports was the requirement to equip the FIU with both trained personnel and IT to handle the reporting system effectively.

In order to ensure the effective implementation of money laundering prevention measures, the equipment, including software, hardware and security installations for the premises, of due quantity and quality (Annex 4) is required.

Currently financial, credit institutions, and notaries have the obligation, to report to the FCIS (in this case meaning the FIU) according to the Law on the Prevention of Money Laundering (adopted on June 19, 1997). The Law describes the type of information that reporting entities must provide. The Law also foresees that FIU may demand any additional information, which is necessary for its investigation activities or international organizations, which investigate money laundering.

According to this Law the FIU has also the right to inspect activities conducted by state institutions, financial and credit institutions and legal persons, which are related to the implementation of anti-money laundering measures. The inspection is started, when it is established that the financial institution did not provide information (or provided incomplete information) about monetary transactions, or did not identify its client, or client's representative.

Information about suspicious financial transactions, the investigation of which is conducted by FIU is filtered out from the general flow of information on financial transactions according to the criteria of suspiciousness (Resolution of Government and the Bank of Lithuania No.1381/9 of December 11, 1997 "Concerning Approval of Criteria for Suspicious Financial Transactions") and also by conducting investigation of reports on possible criminal activities, which are received from Tax Police territorial sub-divisions, foreign FIUs and other law enforcement institutions. The information received is stored in the data bank (Automated analysis system).

The data bank itself is divided into 4 parts: 1) Operations in cash – withdrawal; 2) Operations in cash – cash deposits; 3) Exchange of currency; 4) Transfer of money (non-cash). The data is divided into several groups of risk where the first place is given to information on operations in cash (both – withdrawal and cash deposits). The sub-group of risk related to this type of operation is frequency and amount of money involved, and also whether the client is from Lithuania or not. The most frequent clients, which conduct this type of operations, are selected and analysed. The aim of

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analysis is to determine whether such operations are usual for this client. If it is established that they are not usual or that the client is related to the criminal world the investigation begins. Additionally, if an offshore company conducts this type of operation, the investigation is started automatically.

While analysing the next group of information – exchange of currency - the sub-group of risk relates to the type of currency involved. Additionally, the frequency and the amount involved in the operation are also taken into account. Concerning the last group of information – the transfer of money - offshore companies and foreign citizens conducting the transfer are regarded as belonging to the first sub-group of risk.

At the moment the whole information to FIU is provided in floppy disks since current Automated analysis system does not support electronic supply of data. The electronic supply of data would enable to ensure secure transmission of information; the information could be supplied in different formats (i.e. as a Word or Excel document), facilitating its analysis. Additionally, possible mistakes, which might occur during the process of information's transmission, would be avoided.

The Government of the Republic of Lithuania and the Board of the Bank of Lithuania adopted the Resolution No. 1382/10 "On Approval of Regulations for Keeping Register of the Monetary Transactions Performed by the Customer" under which the approved regulations regulate the keeping of the register of monetary operations conducted by the customer involving a sum in excess of 50.000 LTL or equivalent in foreign currency as well as suspicious monetary operations, the data registered and verification of the keeping of the register.

Concerning tax administration, the Law on Tax Administration (adopted on June 28, 1995) sets out the list of responsible institutions. Among those are the State Tax Inspectorate under the Ministry of Finance, Customs Department under the Ministry of Finance and the Ministry of Environment. FCIS is not a tax administrator.

The Article 326 of the Penal Code of the Republic of Lithuania does not explicitly mention, which are the predicate offences for money laundering activities. Therefore the Article is interpreted in a way that all money acquired in a criminal way (drugs trade being one of them) can be regarded as a predicate offence for money laundering activities. At the moment money laundering activities based on drugs money are quite insignificant. The biggest part of money laundering activities is based on financial or related crimes, also contraband and fraudulent acts.

Fast implementation of this project will put in place all the necessary measures for better work at the FIU of the FCIS and other related institutions, which will be involved in the training provided by this project.

During the preparation of the project, the Lithuanian Banks Association and Chamber of Notaries Public of Lithuania were consulted and the majority of the comments were taken into account.

3.2. Linked Activities

In November 1998 a PC-R-EV team of examiners, accompanied by colleagues from the Financial Action Task Force (FATF) prepared a report on the situation of money laundering prevention in Lithuania. The report identified three policy objectives:

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- Encourage co-operation with corresponding institutions of other countries and international organisations;
- Bring the legal system in line with the European Union requirements and international standards;
- Ensure co-ordination internally between the various institutions responsible for money laundering issues.

Concerning assistance on the bilateral basis, the only donor was the Federal Ministry of Interior of Germany, which provided FIU with some equipment (2 licences for i2 software).

In the future it is planned to develop co-operation with Member States services, which are responsible for investigation of financial crime.

Additionally there was a Phare project LI9809.03 on Establishment of a Group for the Investigation and Analysis for Economic Crime, where the beneficiary was the State Security Department (SSD). The aim of the project was to help in training of SSD officers in the analysis and investigation of economic crime and provide SSD with computer capability assisting in analysing and investigation of economic crime. The project is already completed and its overall assessment stated that it helped to strengthen SSD's capabilities in the field of economic crime investigation and analysis.

The present project will be closely coordinated with the Phare multibeneficiary Anti-Money Laundering project which will be initiated shortly. The project aims at strengthening the capacity of all institutions cooperating in the identification, investigation and prosecution of money laundering activities in the beneficiary countries in full compliance with the EU acquis and international standards.

3.3. Results

Twinning

- National legislation against money laundering revised, amended in line with EU requirements and adopted.
- Methodical recommendations for financial and credit institutions developed and approved, guidelines on money laundering prevention ready.
- Training programmes for investigators and analysts designed and training for specialists of different institutions conducted. The training will enable the trainees to act as trainers at their home institutions.

Technical Assistance

- Operational software for the Automated analysis system of the Financial Intelligence Unit of the FCIS, including transfer of information currently stored in the existing system.

Supply

- The Financial Intelligence Unit of the FCIS and sub-divisions of the FCIS in 10 counties equipped with new analytical equipment and modern databases. Central database will be located in FCIS in secure premises.

3.4. Activities

The project consists of Twinning, Technical assistance and Supply components.

3.4.1 Twinning and Training package

Guaranteed results/expected outputs

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- Legal basis of money laundering prevention reviewed and recommendations for its amendment prepared.
- Recommendations developed and guidelines on money laundering prevention in Lithuania for credit and financial institutions prepared.
- New training modules prepared and training for Financial Intelligence Unit and other related institutions delivered. 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.

Scope of the twinning

- Revision of the legal basis related to money laundering prevention and preparation of recommendations for its improvement;
- Development of the methodical recommendations and guidelines concerning money laundering prevention for credit and financial institutions;
- Facilitation and improvement of co-operation between different institutions responsible for money laundering prevention, including credit and financial institutions;
- Support in preparation of annual statistical bulletin on money laundering prevention situation in Lithuania;
- Preparation of new training modules for Financial Intelligence Unit (Financial Crime Investigation Service) and other related institutions officials' qualification improvement and delivery of training. The training will be divided into the following courses (the number of officials participating in training is indicated in Table No.1¹):
 - Course on effective processing and analysis of suspicious financial transaction reports;
 - Course on methods and tendencies of money laundering;
 - Course on investigation process of money laundering crimes;
 - Course on exchange of information and co-operation with other national and international institutions;
 - Course on prevention of terrorism financing;
 - Course on terrorism financing and risks to financial institutions;
 - Course on drugs based money laundering (related to Council Directive 91/308/EEC);
 - Special course on effective use of reporting system for representatives of financial and credit institutions that are responsible for implementation of anti-money laundering measures.
 - Course on European Union, its institutions, and its legal system focusing on legal acts related to the field of money laundering prevention and delivery of the training.
- Assistance in preparation of Terms of Reference for TA to create software for Automated analysis system for the analysis of suspicious or unusual financial transactions.
- Assistance in preparation of the final technical specifications and final list of equipment for the Supply component.
- Terms of Reference and technical specifications mentioned above will be prepared on the basis of the needs assessment, and system and control analysis conducted

¹ These are preliminary numbers, the exact number of representatives participating in training will be identified while preparing the Twinning Covenant in consultation with the Twinning partner

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by the beneficiary together with the PAA and STEs and agreed before the tendering of the software design for the automated analysis system.

Required inputs

One PAA over a period of 12 person/months with good administrative and management skills and 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 EU requirements in the field of money laundering prevention. Ability to provide an advice concerning the design of the system for the analysis of suspicious or unusual financial transactions would be an advantage. Additionally the PAA will possess the following qualifications:

- At least 5 years of working experience in the field of money laundering prevention;
- Experience in solving co-ordination and co-operation issues;
- Good knowledge of anti-money laundering legislation in the European Union;
- Practical experience of financial intelligence work in the field of money laundering prevention;
- Practical experience of analysis work in the field of money laundering prevention.

Short and medium term experts

A group of short-term experts (STEs) for 12 person/months. All must be familiar with the EU operations in the field of money laundering, have experience in preparing and delivering of training programmes in the areas identified under 3.4.1, and have good knowledge of spoken and written English. Additionally some of the experts must possess enough experience to provide assistance in preparation of the ToR for the TA component.

Operating environment of the Twinning

The FCIS under the MoI will be the counterpart for the twinning project. To ensure smooth operations, the Service will provide office accommodation and office equipment to the project. It will also contribute to covering the expenses of seminars in Lithuania and of local travel.

Table No.1

Name of Institution	Number of persons to be trained
Financial Crime Investigation Service under the MoI	50
Tax Administration Institutions (Customs Department under the Ministry of Finance, State Tax Inspectorate)	20
Law Enforcement Institutions (Police Department under the MoI, State Border Guard Service under the MoI, Prosecutor's Office, Special Investigation Service, State Security Department)	50
Financial Institutions Supervisory Authorities (the Bank of Lithuania, State Insurance Supervisory Authority under the Ministry of Finance, Lithuanian Securities Commission)	10
Credit and financial institutions (the list of institutions is enumerated in the Law on Prevention of the Money Laundering)	35
Total	165

3.4.2 Technical Assistance

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A private IT company will be contracted to develop the software for the Automated analysis system. Its task will consist of:

- Programming
- Software test and summary of results
- Installation of software
- Development of computer network and assurance of the system's security
- Training on how to work with the new software for persons who will be working with the Automated analysis system.²

Technical Assistance component should result in newly created software for the Automated analysis system including transfer of information, which is currently stored in the existing system.

Terms of Reference for Technical Assistance will be prepared by the FCIS with the advice of the PAA and STEs.

3.4.3 Supply contract

Equipment for the Financial Intelligence Unit of the Tax Police, including software, hardware and security installations for the premises, funded by Phare and co-financed by the FCIS under the MoI will be acquired in one international tendering operation. This will include installation of equipment and training of personnel, which will be working with this equipment.

The initial technical preparations have been completed, and a preliminary equipment list is provided in Annex 4. The final technical specifications and final list of equipment will be prepared with the advice of the PAA and STEs.

3.5 Lessons learned

There have been no previous Phare projects in the area of money laundering. However, conclusions of Interim Evaluation Report No.R/LI/JHA/01027 on Justice and Home Affairs (prepared by EMS Consortium on 17 January 2002) state that there are quite few recommendations from the point of view of Programme management. It also proposes a number of Programme design related recommendations, which have been taken into account.

4. Institutional Framework

The main institution responsible for the implementation of this project will be the FCIS under the MoI. The main task of this Service consists of the investigation of tax crimes and other crimes related to taxes as well as implementation of the measures for the prevention of money laundering. Concerning money laundering there are 8 officials, who conduct analytical work and 90 officials (including local sub-divisions) conducting investigative work.

In order to ensure the co-ordination of institutions responsible for the prevention of money laundering a working group has been established (Decree of the Prime Minister dated December, 6 1999). The group has representatives from institutions such as the Bank of Lithuania, the Ministry of Finance, the Association of Lithuanian banks, the Commission of Securities, the Law Institute, Financial Crime Investigation

² The number of persons to be trained will be specified and it will include representatives from all institutions, which will be using this Automated analysis system.

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Service, the Police Department, the State Tax Inspectorate, the Customs, the State Security Department. Its tasks consist of accumulation, analysis and summarising of the information on possible ways of legalisation of assets obtained in criminal ways and co-ordination of the preventive activities. The head of the group is Director, Chief Commissioner of FCIS. The same group will be responsible for the co-ordination of project activities and its smooth implementation. The group will have regular meetings at least once per month and more often if necessary.

Concerning inter-institutional co-operation during the project, it should be noted that the FCIS has established connections to all the institutions, which deal with the prevention of money laundering, including Customs Department under the Ministry of Finance, Prosecutor's Office, State Tax Inspectorate, Police Department under the MoI, Special Investigation Service, State Security Department and State Border Guard Service under the MoI. The institutions have signed the interagency co-operation agreements to collaborate in inter-institutional working groups and are ready to facilitate the investigation of money laundering cases. Additionally the detailed list of the institutions participating in the project is listed in section 3.4.1, Table No.1.

5. Detailed Budget (in MEUR)

Project Components	Investment Support	Institution Building	Total Phare (I + IB)	National Co-financing	IFI	TOTAL
Twinning and training package		0.50	0.50			0.50
Technical Assistance	0.095		0.095	0.03		0.125
Supply	0.58		0.58	0.195		0.775
TOTAL	0.675	0.50	1.175	0.225		1.40

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.

6. Implementation Arrangements

6.1 Implementing Agency

PAO: Zilvinas Pajarskas
Director of Central Financing and Contracting Unit under the Ministry of Finance

Address: J.Tumo-Vaižganto 8A/2 Telephone: 370 2 685367
2600 Vilnius Fax: 370 2 225335
Lithuania e-mail: info@cfcu.lt

SPO Darius Samuolis
Director, Chief Commissioner of Financial Crime Investigation Service under the MoI

Address: Sermuksniu 3 Telephone: 370 2 717447

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2600 Vilnius
Lithuania

Fax: 370 2 621826
e-mail: vmpd@stt.lt

(SPO: Sector Programme Officer)

6.2 Twinning

The Twinning Team will be located in the FCIS under the MoI. The contact person for the Twinning Component will be Mr. Igoris Kržečkovskis - Commissar of Money Laundering Prevention Unit of the FCIS; tel. 370 2 717443; fax: 370 2 717474; e-mail: vfiu@stt.lt.

6.2. Non-standard aspects

The i2 software will be contracted via negotiated procedure. The PRAG and the Twinning Manual will be applied fully.

6.3. Contracts

There are three tenders foreseen:

Value of Twinning Covenant	0.5 MEUR
Value of Technical Assistance Tender	0.125 MEUR, including 0.03 MEUR of national co-financing
Value of Supply Tender³	0.775 MEUR, including 0.195 MEUR of national co-financing

7. Implementation Schedule

Component	Start of Tendering	Start of Project Activity	Project Completion
Twinning	3Q/02	1Q/03	1Q/04
Technical Assistance	2Q/03	4Q/03	2Q/04
Supply	2Q/03	4Q/03	1Q/04

8. Equal Opportunity

The Constitution of Lithuania, the Law on Equal Opportunity between Men and Women, and other legal acts explicitly forbid the discrimination on the basis of sex, nationality, and religion. A Controller on equal opportunities between men and women is appointed by the Seimas (the Parliament).

Institutions involved in the project will observe equal opportunity of men and women in its recruitment and human resources development. Vacancies are equally open to both genders. The beneficiary will also ensure equal access of men and women to the project activities and results.

The working group responsible for the co-ordination of the project activities will also ensure equal opportunities for both genders.

³ It is expected that i2 software (approximately EUR 136 000) will be contracted via negotiated procedure

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9. Environment

The investment component of this project relates to institution building activities.

10. Rates of Return

The investment component of this project relates to institution building activities.

11. Investment Criteria

The investment component of this project relates to institution building activities.

12. Conditionality and sequencing

At the time when this project was drafted for the first time the main beneficiary was Tax Police Department under the MoI. At the end of March 2002 the Department was reorganised into Financial Crime Investigation Service under the MoI (Law on Financial Crime Investigation Service adopted on March 30, 2002). However, the main responsibilities and functions of the new Service remained the same, as those of the previous Tax Police Department and it will be able to implement this Phare project.

Effective implementation of money laundering prevention measures is priority in the Justice and Home Affairs policies of the Lithuanian government. As such, the primary conditions for starting the project are fulfilled.

Lithuanian side will contribute 0.225 MEUR in line with the Phare co-financing requirements.

Lithuanian side will ensure further maintenance of the Automated analysis system after it is established. It commits itself to guarantee the proper functioning of the system in the future also the allocations of financial resources needed in order to sustain, support and further develop the system.

Reporting system and control analysis shall be prepared in accordance with the legal framework stipulating the reporting system. Any changes related with the adopted Law on Financial Crime Investigation Service will be respected accordingly.

All tendering activities can start as outlined in section 7 and detailed in Annex 2. Sufficient human resources will be made available by the FCIS under the MoI and other involved institutions for the timely implementation of all the planned operations.

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ANNEXES TO PROJECT FICHE

- 1. Logical framework matrix in standard format**
- 2. Detailed implementation chart**
- 3. Contracting and disbursement schedule**
- 4. Reference to feasibility /pre-feasibility studies**

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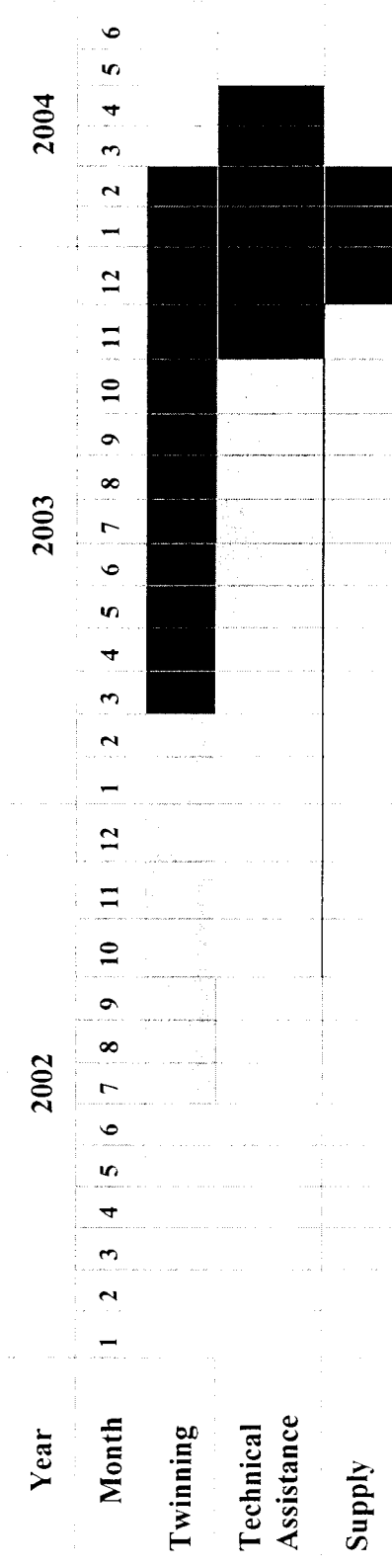
LOGFRAME PLANNING MATRIX FOR Project:					
Strengthen the administrative and technical capacity of the Financial Crime Investigation Service while implementing effective money laundering prevention measures					
Programme Name and Number		Money Laundering Prevention I.12002-X-XX		Disbursement Period Expires: 3Q/05	
Contracting Period Expires: 3Q/04		Total Budget: 1.4 MEUR		Phare Budget: 1.175 MEUR	
Overall Objective:		Objectively Verifiable Indicators:		Source of Verification	
<ul style="list-style-type: none">Money laundering prevention system corresponds to EU requirements and operates at the proper level.		<ul style="list-style-type: none">Lithuanian Financial Intelligence Unit operates with the same efficiency as the unit of the twinning partner.		<ul style="list-style-type: none">Statistical data on money laundering prevention situation.	
Project Purpose:		Objectively Verifiable Indicators:		Source of Verification	
<ul style="list-style-type: none">To approximate Lithuanian legislation in the field of money laundering with EU requirementsTo enhance professional capacity of the FCIS and other institutions active in money laundering prevention.To enhance capacity of Automated analysis system of the Financial Intelligence Unit (The Money Laundering Prevention Division) of the FCIS		<ul style="list-style-type: none">Legislation enacted and publishedTraining programmes included in the human resources development scheme of the FCIS and other related institutions and properly documentedAutomated analysis system performs as specified in user requirements study		<ul style="list-style-type: none">National, EU and international reports, studies and statistics.Financial Crime Investigation Service statistics on crime investigation.Reports drafted by PAAs and project leaders.	
Results		Objectively Verifiable Indicators		Source of Verification	
<ul style="list-style-type: none">National legislation against money laundering revised, amended in line with EU requirements and adopted.Methodical recommendations for financial and credit institutions developed and approved, guidelines on money laundering prevention ready.Training programmes for investigators and analysts designed and training conductedCreated and operational software for Automated analysisFinancial Intelligence Unit equipped with new analytical equipment and modern databases in secure premises.		<ul style="list-style-type: none">Draft national legislation against money laundering corresponding to the relevant EU standards adoptedRecommendations and guidelines on money laundering prevention approvedTraining programme prepared and 165 officials graduated from the programmeAll supplies delivered in time and at the right levels of quality, as planned		<ul style="list-style-type: none">PAA and Project leaders reportsHanding-over notes.	
Activities		Means		Assumptions	
<ul style="list-style-type: none">Review legal basis of money laundering prevention and prepare recommendations for its amendment.Develop recommendations and prepare guidelines on money laundering prevention in Lithuania for financial and credit institutions.Assist in preparation of ToR for the TA component.Assist in preparation of the final technical specifications and final list of equipment for the Supply componentConduct needs assessment, and system and control analysis related to the preparation of ToR and technical specifications mentioned above.Prepare new training modules for Financial Intelligence Unit and other related institutions and delivery of training.Study visits to MS.		<ul style="list-style-type: none">Twinning arrangementSupply contractTechnical assistance contract		<ul style="list-style-type: none">Financial Intelligence Unit premises are suitable for secure installation of the data processing system	
Preconditions		<ul style="list-style-type: none">Government commitment concerning co-financing.Suitable Twinning partner can be found			

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Annex 2

Detailed Implementation Chart for the Project



Design
Tendering
Implementation

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CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (1.175 MEUR)

	2002			2003			2004			
	31/03	30/06	30/09	31/12	31/03	30/06	30/09	31/12	31/03	30/06
<i>Contracting</i>										
• Twinning					0.5					
• Technical Assistance								0.095		
• Supply								0.58		
Total contracting (cumulative)					0.5			1.175		
<i>Disbursement</i>										
• Twinning					0.25	0.3	0.35	0.4	0.45	0.5
• Technical Assistance								0.029	0.062	0.095
• Supply								0.35	0.525	0.58
Total disbursement (cumulative)					0.25	0.3	0.35	0.779	1.037	1.175

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Reference to Feasibility/Pre-feasibility Studies

Preliminary List of Equipment for Investment Component⁴

The preliminary calculations were conducted by the FCIS under the MoI in consultation with private company "Prototechnika" Ltd., which was creating application software for current Automated analysis system, which capabilities needs to be enhanced. Calculations were done in the year 2001. The capabilities of equipment currently possessed by the FIU are not sufficient for expanded Automated analysis system and therefore more powerful equipment needs to be acquired.

The list contains the name of i2 producer due to the reasons that such software is also used by FIUs (or adequate structures) of United Kingdom, Germany, the Netherlands and Italy. On the initiative of Dutch FIU there was published a manual "Strategic Analytical Techniques and Money Laundering". While preparing it, there was made a survey among acting FIUs of other states and there was a set of questions concerning the software, which is used by them. The i2 software was named among those used the most often and among the most recommended ones.

In Lithuania i2 software is used by the Police Department under the MoI, Special Investigation Service, and Customs Department under the Ministry of Finance. Similar software used by institutions will facilitate information analysis and its exchange among institutions.

	Quantity	Price per unit	Amount, EUR
Technical Assistance component			125 000
Data management servers	3	8 335	25 005
CPU(2 unit) PIII or equivalent (L2 Cache 2048KB), 1.13 MHz. 8GB RAM, SDRAM DIMM modules (using ECC). 1" or 1.6" hot-swap Ultra160 SCSI hard drives 5 unit, each of them min. 40 GB (80 pin/hotswap). Redundant hot-swap power supplies and fans. Ultra160 SCSI controller integrated on board. Video card at least 16 MB (may be on board). Fully two redundant 375W power supplies and fans.			
Equipped with RAID Levels 0, 1, 5, and 10. RAID – 64MB RAM with two channels. Monitor 17", 0.24 dot, supported 95 Hz refresh rate under 1024x768 resolution. DVD-ROM, FDD, PS/2 keyboard, PS/2 mouse. "Smart" UPS (urgency power supply) unit			
Windows 2000 Advanced Server (OEM)			
Database servers for counties' divisions	10	6 945	69 450
CPU PIII or equivalent (L2 Cache 2048KB), 1.13 MHz. 4GB RAM, SDRAM DIMM modules (using ECC). 1" or 1.6" hot-swap Ultra160 SCSI hard drives 5 unit, each of them min. 20 GB (80 pin/hotswap). Redundant hot-swap power supplies and fans. Ultra160 SCSI controller integrated on board. Video card at least 16 MB (may be on board). Fully two redundant 375W power supplies and fans.			
Equipped with RAID Levels 0, 1, 5, and 10. RAID – 64MB RAM with			

⁴ This is a preliminary list with preliminary calculations. The final list will be prepared by the beneficiary in co-operation with the Twinning team.

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two channels. Monitor 17", 0.24 dot, supported 95 Hz refresh rate under 1024x768 resolution. DVD-ROM, FDD, PS/2 keyboard, PS/2 mouse. "Smart" UPS (urgency power supply) unit Windows 2000 Advanced Server (OEM)			
Data management software: ORACLE or equivalent (Sybase , SQL, SUN, etc.)	1	55 560	55 560
Notebooks	15	5 000	75 000
CPU PIII or equivalent (L2 Cache 256KB), 900 MHz, 256 MB RAM, 30GB HDD, FDD, DVD-ROM, sound card, video card at least 16 MB, 15" SXGA+ or 15" UXGA displays Windows XP or Windows2000 Professional (OEM).			
Scanners with software	12	1 390	16 680
desktop, optical resolution 4800 dpi, True 42-bit colour depth, interface with computer USB, Windows2000 driver. Optical Character Recognition system Recognize text and graphic objects (pictures, tables, etc.), support English, German, French, Spanish, Italian, Polish, Russian, Lithuanian, Latvian, Estonian and other languages. Formal languages recognition, subscript and vertical character recognition, saving in RTF, DOC, XLS, HTML and TXT formats with full Unicode encoding. Support Export via ODMA.			
Desktop computers	30	1 670	50 100
CPU(1 unit) PIII or equivalent (L2 Cache 256KB), 1000 MHz, 256 MB RAM, 40GB HDD, FDD, DVD-ROM, sound card (may be on board), video card at least 32 MB (may be on board), monitor 17", 0.24 dot, supported 95 Hz refresh rate under 1024x768 resolution. PS2 keyboard Lithuanian standard, PS2 mouse, headphone with microphone, mousepad. Windows XP or Windows2000 Professional (OEM).			
Laser printers	15	2 500	37 500
printing resolution 1200x1200 dpi, printing speed 24 pages (A4 format) per minute, minimum 128 MB of internal RAM. Interface with computer LPT or/and USB, network 10/100TX ,duplex, 2x500 papers, Windows2000 driver.			
Tools for computer network: hubs, switches	1	27 780	27 780
Installation and modernisation of computer network	1	33 340	33 340
i2 software:⁵			
Analyst's Notebook	3	5270	15 810
iBase Designer	3	6 110	18 330
iBase User	3	1 890	5 670
Analyst's Workstation Designer	3	18 000	54 000
Analyst's Workstation User	3	13 890	41 670
Doors "Šarvas"	10	470	4 700
Coded locks	10	1 390	13 900
Jalousie - grating	200	28	5 600
Armoured safes	10	695	6 950
Passing and observation systems	10	8 195	81 950
Fire-extinguishers and other fire technique	1	27 800	27 800
Air-conditioners	3	4 165	12 495
Works for office equipment	1	95 830	95 830
Total			900 120

⁵ The i2 software will be contracted via negotiated procedure.

Handwritten signature/initials

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