



NATIONAL AUDIT OFFICE OF LITHUANIA

PUBLIC AUDIT REPORT

STATE BORDER GUARD SERVICE: ASSESSMENT OF THE INFRASTRUCTURE DEVELOPMENT AND HUMAN RECOURCES MANAGEMENT UNDER THE SHENGEN TREATY REQUIREMENTS

29 October 2004 No. 2040-5
Vilnius

EXECUTIVE SUMMARY

Taking into account the importance of Lithuania's liabilities in EU membership to meet the requirements of the Shengen treaty to enhance the security and control of external borders and potential risks concerning effective use of investments and material and human resources, the National Audit Office of Lithuania conducted the performance audit *State Border Guard Service: evaluation of infrastructure development and human recourses management under the Shengen treaty*.

The auditors expressed the opinion, that the State Border Guard Service (hereinafter – SBGS, Service) performed a lot of work while enhancing the security and control of the State borders. However the public audit revealed the recourses, which were not used by the Service in order to improve the aforementioned activity, and detected the shortcomings of the activity. Part of investments was used ineffectively, inefficiently and uneconomically.

The mechanism of administration of Shengen means and the competence of the relevant institutions were not defined by the 5 May 2004.

In 2001 – 2003 in constructing unreasonably spacious frontier stations, one third of investments allocated for the construction (921.778 thousand Litass) were used uneconomically. The construction work has been done without having an approved concept for the security and infrastructure development of the State Border with Belarus.

7.575 thousand USD and 2.649 thousand Litass of investment for the state border surveillance system for installing the stationary night vision cameras were used inefficiently and uneconomically. Under the agreement signed by the Ministry of Interior it was bought French

equipment „THOMSON-CSF”, which very often has been getting out of order and has been broken down and unexploited for two years but the money from the state budget will be paid to the bank „BANQUE PARIBAS” till 2007.

Part of the investment allocated for the development of infrastructure of the state border was used for the wrong purpose, i.e. for reconstruction of the rest-house in Palanga (124.4 thousand Litas, 1999) and Juodkrantė (63.2 thousand Litas, 2003).

Using the part of the investments for the wrong purpose, the Service is lacking in cars, dogs, means of communication and computer equipment. Therefore there is a risk concerning proper state border protection and control.

The Service Schengen requirements were met partly in organizing the work of border crossing points and enhancing their infrastructure.

The districts are lacking in officers (from 4.9% to 16.5%) who are directly responsible for the protection of the state border. Therefore there is a risk that in particular sections of the state border the organization of protection is not effective enough.

The strategy of moving the staff from internal EU borders to external is not prepared. The tasks of SBGS at the internal borders were not defined so that to solve the issue of moving over 50 percent of the staff to the external borders of EU.

The results of the public audit revealed other activity shortcomings, which are summarised in the conclusions.

In order to eliminate the shortcomings, the National Audit Office of Lithuania (NAOL) presents suggestions and recommendations for the Lithuanian Government, the Ministry of Interior and the SBGS.

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INTRODUCTION

In 1985 in the town Schengen, Luxembourg, the Governments of Belgium, Luxembourg, Netherlands, France and Germany signed an agreement which stipulated for abolishment of all checks over passengers on internal borders, irrespective of their citizenship, as well as for unification of frontier control of external borders of the European Union (EU) and implementation of a common visa policy. This gave a start for a new territory – the so called Schengen area. The signed Schengen Treaty as well as Constitution and other legal acts which implement these agreements became an integral part of the EU treaties. The Schengen area expanded gradually. Starting with March 2001, all the Schengen rules have been applied in Ireland, Norway and 13 EU states (Austria, Belgium, Denmark, Greece, Spain, Italy, Luxembourg, Netherlands, Portugal, France, Finland, Sweden and Germany). Membership of the Lithuanian Republic in the EU is associated with its readiness to implement Schengen requirements. After accession of the Lithuanian Republic to the European Union, state borders with neighboring countries which do not belong to the EU – Russia and Belarus – and external border of the Baltic sea became external borders of the European Union. State borders with other new members of the EU – Latvia and Poland are the EU internal borders.

Length of the Lithuanian Republic state border is 1734,6 km, 1615 km of which is on land and 119,6 km – territorial sea. The border is intersected by 54 rivers and rivulets, 306 motorways, roads and public roads (59 are passable and 247 impassable), 15 railways, 83 bridges. There are Vilnius, Kaunas, Palanga and Šiauliai international airports, Klaipėda international seaport and 5 river ports in Lithuania. Seeking to ensure protection which meets standards of the European Union external borders' control and requirements of the Schengen Treaty as well as recommended performance methods and ways, it is necessary for the state to enhance protection and control of external borders.

The proper protection of the state border may be ensured by the staff, trained and acting according to the Schengen requirements, and using effectively the developed state border infrastructure.

The state borders on land, in the sea, in the Curonian Lagoon and in frontier inland waters of the Lithuanian Republic are guarded by the State Border Guard Service under the Ministry of the Interior of the Republic of Lithuania.

There were several reasons for the audit of the state border infrastructure: Lithuanian membership in the European Union is connected with its readiness to implement Schengen requirements. During the preparations for the membership the scope of appropriations for the state border infrastructure development increased every year; infrastructure development investment projects were financed from several sources, there were used funds of the state budget, Privatization Fund, European Union

PHARE programmes. Problems of implementation of the Schengen *acquis* requirements were discussed in the media and had a repercussion in the public.

The audit was performed upon Audit Assignment No. 2040-5, issued on 3rd February 2004 by Ms. B.Puzienė, Director of the Performance Audit Department 4, the National Audit Office of Lithuania (NAOL). The audit was performed by Mr. Antanas Tiškevičius, Principal auditor of the Performance Audit Department, NAOL, senior auditors Mr. Ričardas Zelenovas and Mr. Artūras Norkevičius, and senior specialist Mr. Irmantas Dobilas from the same Performance Audit Department.

The audit was conducted according to the Twinning Project, during which Mr. Bo Hillman - the expert from the National Audit Office of Sweden – gave technical support.

AUDIT PROCESS

Given the abundance and diversity of the state border infrastructure objects as well as the scope of allocations for their construction and equipment, auditing objects have been selected for assessment taking account of the Schengen *acquis* focus on the protection of the EU's external borders and the strengthening of border control.

Two main lines of activities of the Service have been identified in relation to the development and utilization of the infrastructure:

- utilization and development of and investments in the “green border” infrastructure, i.e. state border sections between border checkpoints;
- utilization of the border checkpoint infrastructure and personnel activities aimed at enforcing the border checkpoint regime.

The auditors examined the following priorities:

- planning and utilization of investment in infrastructure development; distribution of investments for the development of external and internal border infrastructure;
- construction of new frontier stations; surveillance towers and equipment; infrastructure objects unrelated to the guarding of the state border; assessment of economy, effectiveness and efficiency of investment utilization;
- assessment of equipment of the Service;
- assessment of the organisation of work of border checkpoints based on the Schengen *acquis* recommendations;

- SBGS HR management aspects. Personnel training with the Schengen *acquis* requirements; personnel distribution between external and internal borders.

The audit was carried out in accordance with the Audit Plan and the Public Audit Requirements. Auditing period: 2001-2003. Furthermore, legal acts and other information influencing the infrastructure development and the state border protection were also examined.

The following data collection and assessment methods were used: documentary (examination of written documents), statistical, logical and system analysis, and surveys (personnel interviews). Information about the SBGS activities aimed at implementing the Schengen requirements was obtained through questionnaires, interviews with SBGS headquarters and frontier district management, observation of activities of specific border checkpoints, and analyzing SBGS documents presented to the auditors.

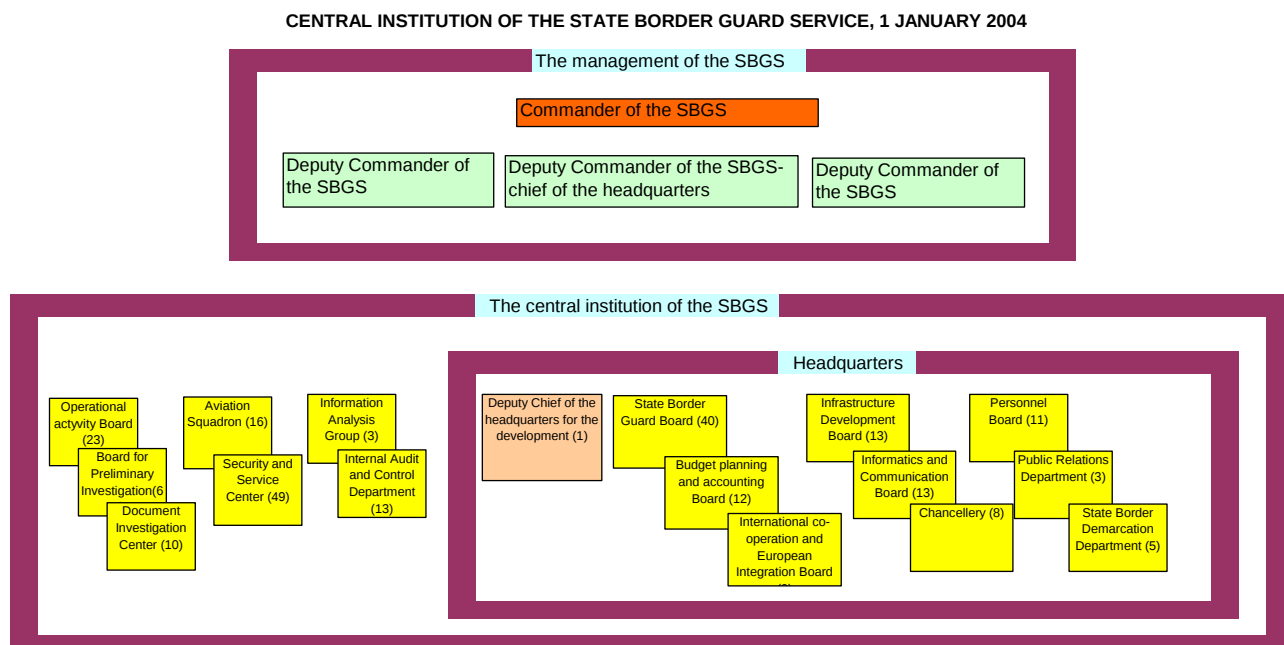
BUSINESS ENVIRONMENT OF THE CLIENT

Organizational aspects

State Border Guard Service (hereinafter – SBGS, Service) under the Ministry of the Interior is a public institution conducting border activities of the Republic of Lithuania. SBGS is a legal person which has a bank account, a seal carrying Lithuanian coat of arms and its name on it, a flag and a sign. Institution code is 8860825, address: Savanorių ave. 2, 2009 Vilnius, Lithuania, official home page: <http://www.pasienis.lt>, electronic address: rvp@pasienis.lt.

124.1 million. Litas was allocated to SBGS from the state budget in 2001, 145.1 million. Litas in 2002, 150.6 million. Litas in 2003.

According to the approved structure of the institution, the SBGS is headed by the Service Commander and his 3 deputies. Central Institution of the Service, which includes the Service Headquarters, is considered to be a separate subdivision.

Figure 1. The structure of the central institution of SBGS, 1 January 2004

There are 7 Frontier Police Districts which are directly subordinate and accountable to the SBGS (Ignalina, Vilnius, Varėna, Lazdijai, Pagėgiai, Coast Guard and Šiauliai Frontier Districts) and which include 38 Frontier Stations and Border Checkpoints of Vilnius and Kaunas airports (1 table). These subdivisions safeguard directly the state border protection and control. Moreover, there are 3 specialized subdivisions in the Service: Ignalina Nuclear Power Plant Security Brigade, Visaginas Border Guards School and Foreigners Registration Centre.

Table 1

Districts and frontier stations of the SBGS under the Ministry of the Interior						
Šiauliai district: In total 6 frontier stations: all of them secure the border with Latvia.	Ignalina district: In total 5 frontier stations: 1 secures the border with Latvia and 4 – with Belarus	Vilnius district: In total 6 frontier stations: all of them secure the state border with Belarus.	Varėna district: In total 5 frontier stations: all of them secure the state border with Belarus.	Lazdijai district: In total 4 frontier stations: 1 secures the state border with Belarus and Russia, 4 – with Poland.	Pagėgiai district: In total 7 frontier stations: all of them secure the state border with Russia.	Coast Guard district: In total 5 frontier stations: all of them secure the state border in the see and coasts, 1 with Russia and 1 with Latvia.
Skuodas FS	Zarasai FS	Pavoverė FS	Tribonai FS	Kapčiamiestis FS	Kybartai FS	Neringa FS
Mažeikiai FS	Visaginas FS	Mickūnai FS	Purvėnai FS	Akmeniai FS	Liepona FS	Palanga FS
Joniškis FS	Tverečius FS	Kėna FS	Dubičiai FS	Kalvarija FS	K.Naumiestis FS	Vitė FS
Pasvalys FS	Adutiškis FS	Padvarionys FS	Kabeliai FS	Girėnai FS	Slavikai FS	Malkų įlanka FS
Biržai FS	Švenčionys FS	G.Žagūnis FS	Druskininkai FS		Viešvilė FS	Kopgalis FS
Rokiškis FS		Dieveniškės FS			Pagėgiai FS	
					Vileikiai FS	
3 districts and 8 frontier stations secure the state border with Latvia.	4 districts and 16 frontier stations secure the state border with Belarus.	1 district and 4 frontier stations secure the state border with Polland.	3 districts and 9 frontier stations secure the state border with Russia.	1 district and 5 frontier stations secure state border in the see and coasts.	1 district secures Ignalina Nuclear Power Plant.	
4 districts and 12 frontier stations secure the forthcoming internal EU border.			6 districts and 25 frontier stations secure the forthcoming external EU border.			

Legal aspects of the activity

The activity of the SBGS is regulated by the Law on State Border Guard Service, which stipulates for the status of the State Border Guard Service, its functions, structure, basis for the Service organization, funding, rights and responsibilities of the officers.

Regulations of the SGBS are approved by the Resolution of the Government No. 194 of the Lithuanian Republic of 22 February 2001. According to the delegated tasks the Service performs the following functions:

- protects the state borders on land, in the sea, in the Curonian Lagoon and in frontier inland waters;
- exerts control over persons and means of transport crossing the State border;
- enforces the regulations of the frontier and, within the scope of its competence, the regulations of border crossing points;
- enforces the regulations of environmental protection at State border protection facilities and controls the use of natural resources in the frontier zone;
- within the scope of its competence, takes part in the enforcement of customs regulations;
- takes part in the implementation of State control over migration;
- takes part in search and rescue activities in the sea, in the Curonian Lagoon and in frontier inland waters;
- takes part in ensuring public peace and implements other law enforcement functions in the frontier zone;
- defends the State in time of war as an integral part of the military forces;
- implements other functions established by laws and other legal acts.

The main national legal acts which regulate the State border guarding and frontier control are the Law on State Border Guard Service (Official Gazette, 2000, No. 42-1192) of the Lithuanian Republic, Resolution of the Lithuanian Republic Seimas, May 30 2002, No. IX-911 „On Approval of the Programme of the State Border Guard System Development“, Resolution of the Government of the Lithuanian Republic, July 19 2002, No. 1194 „On Action Plan for Adoption of National Schengen *acquis*“ (Official Gazette, 2002, No. 74), Resolution of the Government of the Lithuanian Republic, October 1 2001, No. 1176 „On Approval of Development Strategy of Border Checkpoints“ (Official Gazette, 2002, No. 118).

The main regulations on modernization of the state external borders' control are formulated in the Schengen National Action Plan, Implementation Plan of the Programme of the LR Government and

in the Development Programme of the Lithuanian Republic State Border Protection System approved by the Seimas. The above mentioned documents provided for the following development states and priorities according to the border sections:

Stage I covered pre-accession period to the European Union (this stage is finished already).

Stage II covers period which will last until the full implementation of the Schengen acquis requirements. At the end of this transitional period the Lithuanian Republic will have to apply Schengen acquis requirements on control of external and internal borders without reservation.

External border of the European Union is guarded by 6 Frontier Police Districts (hereinafter – FPD, Districts) and 25 Frontier Police Stations (hereinafter – FPS, Stations).

The state border with Belarus (651 km) is demarcated. In line with the established sections the border is guarded by 16 Stations which belong to Ignalina, Vilnius, Varėna and Lazdijai Districts. Control over persons and means of transport crossing the state border is conducted by 16 Border Crossing Points (hereinafter – BCP).

The state border with the Russian Federation (272,2 km) is marked, but not demarcated. The border is protected by 9 Stations which belong to Coast Guard, Pagėgiai and Lazdijai Districts. There are 3 BCPs for vehicles, Nida Passengers Port BCP, 2 Railway BCPs and 2 River BCPs.

Sea border section is guarded by 5 Stations which belong to the Coast Guard District.

Internal border of the European Union is guarded by 4 Districts and 12 Stations.

The state border sections with Poland (103,7 km) are protected by 4 Stations, with Latvia (588,1 km) – 8 Stations.

AUDIT RESULTS

1. PLANNING OF INVESTMENTS FOR INFRASTRUCTURE DEVELOPMENT.

ALLOCATION AND UTILISATION OF APPROPRIATIONS.

Construction and acquisition of infrastructure objects is planned in advance based on the Strategic Planning Methods approved by the Government of the Republic of Lithuania. Strategic action plans of the Service are drawn up and the scope of necessary allocations is estimated. By his order No. 4-514 of 15-10-2003 the Commander of the Service approved the Programme for the Implementation of the Public Security Development Strategy by the Year 2010 in the Area of Guarding of the State Border. Based on long-term strategic plans a set of tasks and action plans is approved on annual

basis. The action plans form a basis for the drawing up of operational and budget plans that provide for the financing of infrastructure objects depending on the size of allocations made.

In order to secure financial and technical conditions for compliance of the state border guard and border control with the Schengen requirements, SBGS estimated the requirements of investments (extraordinary expenditure) and submitted requests for funding from the state budget: LTL 54.9 m in 2001, LTL 67.9 m in 2002, and LTL 66.5 m in 2003, totaling LTL 189.3 m.

The sizes of allocations (capital expenditure) approved for SBGS were as follows: LTL 18.9 m in 2001, LTL 23.2 m in 2002, and LTL 21.3 m in 2003, totaling LTL 63.4 m, which accounts for 33.5% of the amount requested.

Apart from the state budget, the Privatization Fund and EU Phare funding has been used by SBGS for the development of the state border infrastructure.

The state budget allocations for SBGS investments were allocated and utilized in 2001-2003 under several key SBGS programmes:

1.4. *Guarding of the state border of the Republic of Lithuania on land, in the sea and in the Curonian Lagoon. Implementation of the Schengen acquis requirements in the area of border control.* This is the main programme implemented by SBGS and covering the following key tasks: prevent crossing of the state border at places not designed for this purpose and conduct checks over passengers and vehicles at border checkpoints. In addition, the programme includes the SBGS operations and management, providing divisions with technical means and other material values, functioning and development of infrastructure preparing to implement the EU and Schengen requirements in the border control area and securing the repayment of loans.

1.7. *Equipment of the state border.* The programme covers the demarcation of the state border and the equipment of border patrol paths, barriers and alarm systems in the most vulnerable border sections.

50.1. *EU Phare co-financing programme.* The programme was included in the SBGS strategic plan and its implementation was started in 2003. It is designed for infrastructure development projects co-financed jointly with EU.

During the audit period (2001-2003) SBGS utilized LTL 113.7 for the implementation of programs and development projects and for the acquisition of other fixed assets including LTL 62.4 m from the state budget (55%), LTL 27 m from the Privatization Fund (24%), and LTL 24.3 m from the Phare (21%).

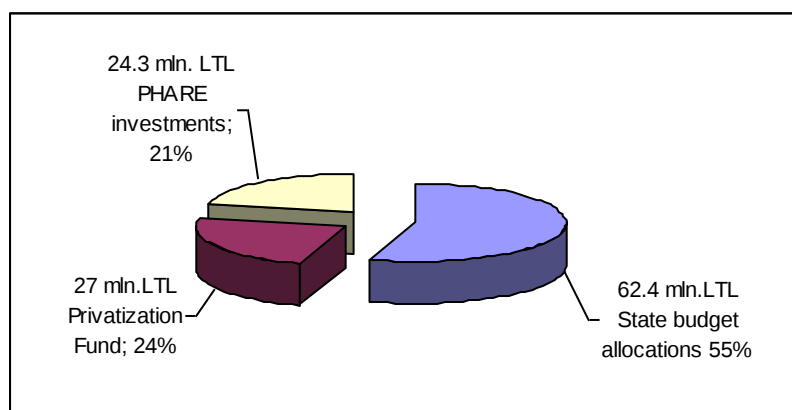


Figure 2. SBGS Investments in the State Border Infrastructure Development by Financing Sources. 2001-2003

Use of allocations for the development of infrastructure: LTL 30.2 m in 2001, LTL 34 m in 2002, and LTL 49.4 m in 2003.

Conclusions:

- **1.1. The planning of investments in the development of the state border infrastructure includes drawing up of SBGS strategic operational plans/programmes and providing for measures to implement them. In 2001-2003, allocations from the state budget accounted for 33.5% of the investment requirements estimated by SBGS. The funds utilized for the infrastructure development included LTL 62.4 million from the state budget (55%), LTL 27 million from the Privatization Fund (24%), and LTL 24.3 million from the Phare (21%).**
- **1.2. In the audit period the scope of investment increased, compared with 2001, by LTL 3.8 million (13%) in 2002 and by LTL 19.2 million (63%) in 2003.**

2. DISTRIBUTION OF INVESTMENTS

The funding received for infrastructure development was distributed as follows:

- construction of objects, equipment and demarcation of the state border – LTL 57.3 million. or 50%;
- acquisitions of fixed assets – LTL 22.6 million, or 20%;
- Repayment of loans – LTL 33.6 million, or 30%.

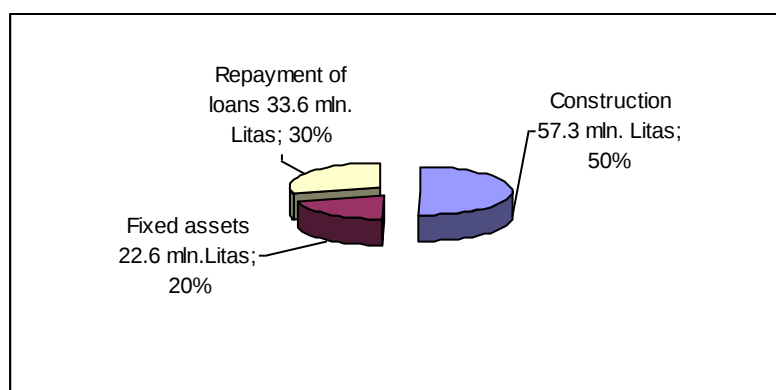


Figure 3. Utilisation of Allocations for State Border Infrastructure Development by Purpose of Investment 2001-2003.

Out of LTL 24,351,700 of EU funds allotted to SBGS in 2001-2003, LTL 12,856,300 were used for the construction of frontier stations, LTL 1,104,400 for the construction of surveillance towers, and LTL 10,391,000 for the equipment of a tracing belt and patrol path along the external EU borders.

In 2001, SBGS completed an important state border guard project – a EU Phare project LI 98 04-01-01 *New Border Police Stations. Southern and Eastern Parts*. Four frontier stations were constructed under this programme. Kabeliai and Purvėnai frontier station buildings were constructed and commissioned in the section guarded by Varėna Frontier District; Adučiškis and Tverečius frontier stations were constructed in the section guarded by Ignalina Frontier District.

In 2003, two analogous frontier stations were constructed under a EU Phare project LI 0013 *Three Infrastructure Components at the Eastern Border of Lithuania*: in Padvarionys (at the Belarus border) and Kudirkos Naumiestis (at the Russian border). In addition, 7 equipped surveillance towers were built at the Belarus border.

LTL 62.4 million received from the state budget were used as follows:

- construction of objects, equipment and demarcation of the state border – LTL 21,658,100 (35%) including LTL 9,816,400 for co-financing of EU projects;
- acquisitions of fixed assets – LTL 7,170,600, or 12%;
- repayment of loans – LTL 33,583,400, or 54%.

State budget funds were utilized to build and commission in 2002 new frontier stations in Dubičiai and Švenčionys, to acquire two helicopters and vehicles etc.

The financing from the Privatization Fund (LTL 27,043,200) was used for construction – LTL 11,097,300 (41%) and for acquisition of fixed assets – LTL 15,945,900.

An analysis of the investments of LTL 57.3 m utilized by SBGS in 2001-2003 for construction (buildings, surveillance towers, demarcation of the state border, engineering systems and equipment) (from all financing sources) has shown that:

- 77% of investment (LTL 43,950,500) was utilized for the development of infrastructure of the state border coinciding with the EU external border;
- 4% of investment (LTL 2,480,000) was utilized for the development of infrastructure of the state border coinciding with the EU internal border;
- 19% (LTL 10,912,000) was utilized to meet the general needs of the SBGS divisions including LTL 7,303,000 – for the reconstruction of the Headquarters' buildings and engineering systems.

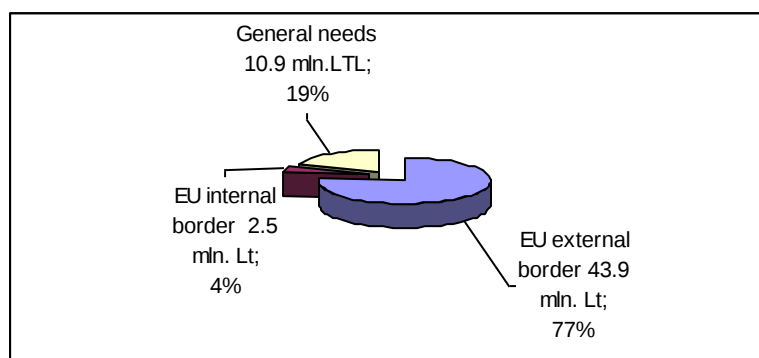


Figure 4. Distribution of SBGS Investments in Infrastructure Development (Construction) by Type of State Order and for Other Purposes. 2001-2003.

Conclusions:

2.1. The structure of SBGS investments in infrastructure development in 2001-2003 is as follows: construction, state border facilities and demarcation – LTL 57.3 m (50%); acquisition of fixed assets – LTL 22.6 m (20%); repayment of loans – LTL 33.6 m., or 30%;

- **2.2. The total amount of LTL 57.3 m invested in construction, state border facilities and demarcation was split as follows:**
 - **76.7% of investment (LTL 43,950,500) was utilized for the development of infrastructure of the state border coinciding with the EU external border;**
 - **4.3% of investment (LTL 2,480,000) was utilized for the development of infrastructure of the state border coinciding with the EU internal border;**
 - **12.7% (LTL 7,303,600) was utilized for the reconstruction of the Headquarters' buildings and engineering systems;**

- **6.3% (LTL3,608,600) were utilized to meet the general needs of the Service and SBGS divisions.**
- **2.3. The majority (80%) of investments in the construction of infrastructure objects were earmarked for the strengthening of control over the EU external border.**

3. CONSTRUCTION OF NEW FRONTIER STATIONS. ASSESSMENT OF ECONOMY OF INVESTMENT UTILISATION

During the audit period SBGS built 8 new frontier stations at the external EU border using state budget funds and the EU Phare funding. The total cost of this construction is LTL 21,778,00 including state budget funding LTL 8,922,000 and EU finding LTL 12,856,000.

The frontier stations were constructed according to a model design elaborated by SBGS. The construction programme for the frontier stations was approved, by minutes of the meeting No. 3 dated 28-01-1999, by a commission for determining the dislocation of the border police districts and their divisions and other border guard objects. The commission was headed by First Deputy Chief Commissar of the Border Police – Commander of the Headquarters. The frontier station model design was approved by the Chief Border Police Commissar by his order No. 408 of 19-11-1999. The approved design provides for the total area of buildings 1116.6 m² including main block 762.12 m² and technical/household block 354.48 m². The main and technical blocks are joined by a corridor, which is also linked to a surveillance tower 18 m high. The rooms and their areas have been designed for 84-110 staff of the frontier station (35-50 in a shift). The technical block includes 7 garages for service cars including 2 heated garages.

Data has been collected about the above-mentioned eight frontier stations including data on maintenance of buildings, staff, vehicles etc. A comparison with design indicators has been made:

Table 2***Data on Maintenance of Buildings, Staff Numbers, Vehicle Numbers etc. As Compared with Design Indicators***

Name of frontier station	Cost of construction, LTL '000	Staff in complement, 2003	Ratio between staff in complement and design number of staff, %	No. of staff per shift	Ratio between shift staff No. and design number of staff per shift %	No. of vehicles used	Ratio between the No. of vehicles used and design No. %
Ignalina FD Tverečius FS	3092	60	54	30	60	4	57
Ignalina FD Adutiškis FS	2841	61	55	40	80	4	57
Ignalina FD Švenčionys FS	2955	56	51	40	80	8	114
Vilnius FD Padvarionys FS	2161	163	110	35	70	7	100
Varėna FD Purvėnai FS	2557	87	79	20	40	6	86
Varėna FD Dubičiai FS	2759	66	60	14	28	7	100
Varėna FD Kabeliai FS	2683	56	51	14	28	4	57
Pagėgių PPR K.Naumiestis FS	2730	44	40	5	10	2	28
Total:	21778	593	67	198	50	42	75

The findings show that in the course of construction of new frontier stations according to the SBGS model design (estimated for 110 staff) in 2001-2003 no account was taken of the fact that the staff approved for frontier stations is much smaller. The number of vehicles allotted for some of the frontier stations is smaller than the number of garages available to them. According to the design indicators, eight frontier stations have been designed for 880 workplaces of border police staff, however, at the beginning of this year the staff in complement was only 593, i.e. around 33% of design capacity of the frontier stations are not utilized. The number of border guards per shift is twice as small as the design number. The occupancy of garages is 75%.

The auditors have noted that, at Padvarionys frontier station of Vilnius Frontier districts and in some other frontier stations, the newly built surveillance towers are almost not in use. The staff on duty monitor the frontier station area using a video system. Around 6 staff are present in the frontier station building in the daytime and 2 – in the night time. Maintenance of the building in winter costs LTL 15,000.

Most commanders of the frontier stations are of negative opinion about construction of such frontier stations.

Lately changes have been observed in this area: in the design for a new frontier station in Druskininkai the building area was reduced to 800 m².

Based on the Guidelines for the Development of SBGS for 2004-2006, the Service prepared the Concept for the Guarding and Equipment of the State Border with the Russian Federation (the concept was approved by the SBGS Commission on the Improvement of Strategic Planning and Management on 12-02-2004) and the Draft Concept for the Guarding and Equipment of the State Border with the Republic of Belarus. The concepts contain descriptions of objectives, general characteristics of the state border section, current environment and main landmarks for future development.

The concepts provide for making the frontier station network denser. 7 new FS are to be built on the border with Belarus. Then the average length of the state border section per FS would be about 28 km (at present – 43 km). On the state border with Russia, 2 new FS are to be built (Girėnai and Slavikai), 1 to be established in Šilgaliai and 1 to be reconstructed (Liepona).

The concepts identify the following aspects of frontier station development: the response time (from the FS to the place of violation) will be shortened, fuel costs related to the taking of border guards to places of service will be reduced, and management will be able to ensure a more effective organisation of work of the Service. The negative aspects include an increase in the building maintenance costs and in the requirement of staff not directly engaged in the guarding of the border (FS management, persons on duty, service personnel).

The auditors have noted that the negative aspects were identified without quantification and stating them in financial terms. Thus there is no possibility to make an economic assessment of the drafts. Furthermore, there is no estimation of how many staff will remain in the frontier stations already in operation.

In our opinion, making the network of the border guard infrastructure objects would strengthen border control, however, it is necessary to make an analysis in order to determine whether the capacities of the big FS built according to the model design and already in operation will be used effectively.

Conclusions:

3.1. The construction of 8 new frontier stations according to the SBGS model design in 2001-2003 did not take account of the fact that the staff in complement of certain frontier stations is much smaller. A comparison of the design staff and actual staff in complement, about 33% of space equipped for border guards in these FS is under-utilized.

3.2. Without analyzing and assessing the utilization of FS capacities in the future, it should be considered that 1/3 of the funding allotted for the FS construction was used uneconomically.

3.3. Construction of new FS was conducted without an approved Concept for the Guarding and Equipment of the State Border with the Republic of Belarus.

4. STATE BORDER SURVEILLANCE EQUIPMENT. ASSESSMENT OF EFFICIENCY OF INVESTMENT UTILISATION

The auditors' attention was attracted by ten surveillance towers 33 m high that were built on the border with Belarus for the border surveillance using stationary thermal imaging equipment acquired from a French company Thomson-CSF. At present the towers are not used according to the intended purpose; the thermal imaging equipment has been dismantled. According to the information provided by the Frontier Districts, 2 out of 10 of such towers (at Petruliškės of Vilnius Frontier District and Baušiai of Varėna Frontier District) are not in use, and daytime video cameras have been installed in the rest towers; from time to time border guards conduct surveillance of border sections with field glasses. Radio relaying equipment has been installed at Padvarionys surveillance tower, which is far from the state border. The cost of these towers is LTL 2,649,400; the towers were financed from the state budget.

The thermal imaging equipment supplied from France was installed at the towers in 1998-1999. Six cameras were put into operation in August 1998, followed by the rest 4 cameras in August 1999. The operation of the equipment was not efficient: as a result of its use, 20 violations of the state border were recorded in Varėna District section (3 towers), 1 – in Vilnius District section, and no violations – in Ignalina District section. Due to frequent failures of the equipment its use was discontinued and it was dismantled after the end of the warranty period (12 months or 1500 hours of operation): 2 in 2000, 7 in 2001, and 1 in 2003.

5. OBJECTS OF INFRASTRUCTURE NOT RELATED TO THE STATE BORDER PROTECTION. EFFECTIVENESS OF INVESTMENT UTILISATION

The SBGS strategic plan states that the tasks under the programme **1.4 Guarding of the State Border of the Republic of Lithuania on Land, in the Sea and in the Curonian Lagoon, Implementation of the Schengen *acquis* Requirements in the Area of Border Control** include the prevention of crossing of the state border at places not designated for this purpose and conducting of passenger and vehicle checks at border checkpoints. In addition, the programme is designed for the funding of infrastructure development projects related to the preparations to implement the EU and Schengen requirements in the border control area.

Familiarization with the infrastructure objects, their use and funding at the Coast Guard District has shown that funds allotted for the development of state border infrastructure and strengthening of control in some cases were used not according to the intended purpose, i. e. for the funding of functions not included in SBGS operations.

In 1999, 8 rest rooms were fitted out at Palanga Frontier Station (Bangų St. 1) as part of reconstruction and extension of the building. By order of the Chief Commissar of Border Police No. 180 of 5 May 1999, Palanga Rest House of the Coast Guard District was established in these premises, with a branch at Neringa Frontier Station (not in operation now) in Juodkrantė. Allocations from the Privatisation Fund (intended for the state border infrastructure development) under the approved programme 1.1. Ensure Protection and Inviolability of the State Border on Land and Sea and Secure the Border Checkpoint Regime were used for the purchase of furniture for the Palanga Rest House (LTL 116,000); TV sets for LTL 8,400 were bought using state budget funds.

During the audited period (2003) furniture and TV sets were purchased for LTL 63,200 for a branch of the rest house at Juodkrantė Frontier Station using the state budget funds intended for the state border infrastructure development under the programme 1.4 Guarding of the State Border of the Republic of Lithuania on Land, in the Sea and in the Curonian Lagoon, Implementation of the Schengen *acquis* Requirements in the Area of Border Control.

The auditors also noted that the costs of repairs and equipment of the rest house premises as well as costs of acquisition of furniture, TV sets etc. had not been included in the income and expenditure estimates of the rest house.

Conclusion

5.1. Part of the allocations for the development of the state border infrastructure was used by SBGS not according to their intended purpose and ineffectively. In the audit period LTL 63,200 allotted from the state budget for the programme 1.4 Guarding of the State Border of the Republic of Lithuania on Land, in the Sea and in the Curonian Lagoon, Implementation of the Schengen *acquis* Requirements in the Area of Border Control were used for the equipment of the Juodkrantė branch of Palanga Rest House of the Coast Guard District. The expenditure from the state budget was not included in the income and expenditure estimate of the rest house. Legal acts regulating SBGS operations do not provide for the provision of recreation services.

6. EVALUATION OF SBGS SUPPLIES

The effectiveness of border guards' work depends on a number of factors, however, provision with vehicles, radio communication equipment and computer equipment is of particular importance. The auditors attempted to assess the provision of SBGS divisions with these supplies as well as the need for and distribution of supplies.

Transport

The limit numbers of vehicles for the Border Police Department under the Ministry of Interior and its divisions were approved by order of the BPD No. 89 of 02-04-1998. The number of service and operative vehicles allotted to the divisions had to secure proper operations of the border police.

Upon reorganization of the Border Police Department into the State Border Guard Service the limit numbers of vehicles approved for the SBGS divisions were altered by order No. 90 of 14-06-2001, No. 284 of 01-07-2002, No. 389 of 27-09-2002 and No. 4-679 of 17-12-2003.

Table 3**SERVICE VEHICLES OF SBGS DIVISIONS (actual No./limit No./provision %)**

Item No.	Division	Cars	Cross-country cars	Buses & minibuses	Spec. equipped	Goods vehicles	Vehicles total	Tractors	Sailing facilities	Aviation facilities	Total
1.	SBGS Security & Service Centre	20/20/100	5/8/63	4/5/80	4/4/100	2/2/100	35/39/90	1/1/100	-	-	36/40/90
2.	SBGS Air Squadron	-	-	-	-	-	-	-	-	3/7/43	3/7/43
3.	Foreigners Registration Centre	4/4/100	1/1/100	2/2/100	2/2/100	3/3/100	12/12/100	-	-	-	12/12/100
4.	Ignalina NPP Guard District	6/7/86	6/8/75	1/1/100	2/2/100	1/1/100	16/19/75	1/1/100	-	-	17/20/75
5.	Visaginas Border Guards School	4/4/100	1/3/33	3/3/100	-	1/2/50	9/12/75	-	-	-	9/12/75
6.	Šiauliai FD + SPD*	11/14/79	28/65/43	9/10/90	2/-	2/8/25	52/97/54	1/2/50	-	-	53/99/54
7.	Ignalina FD + SPD	5/6/83	28/44/64	7/8/88	-/1	2/7/29	42/66/63	1/3/	2/4/50	-	45/73/62
8.	Vilnius FD + SPD	13/9/144	31/68/46	7/16/44	2/5/40	3/7/43	56/105/53	3/3/100	-	-	59/108/55
9.	Varėna FD + SPD	5/7/71	41/60/68	5/8/63	2/5/40	2/7/29	55/87/63	1/1/100	1/2/50	-	57/90/63
10.	Lazdijai FD + SPD	12/15/80	27/46/59	5/7/71	4/5/80	3/8/38	51/81/63	5/8/60	3/4/75	-	59/93/63
11.	Pagėgiai FD + SPD	6/10/60	22/55/40	6/5/120	4/7/57	4/10/40	42/87/48	1/2/50	12/15/80	-	55/104/57
12.	Coast Guard District	7/13/54	9/22/41	7/7/100	1/4/25	2/5/40	26/51/49	2/2/100	7/19/37	-	35/72/47

The development of vehicle supply rates has been based on specific criteria which are constantly updated and used for establishment of limit run rates. The limit run rates for vehicles used by frontier stations are established according to:

- length of section guarded by a FS;

- vulnerability of the section guarded by a FS;
- number of border guards that may be appointed to guard the green belt;
- funds available for the maintenance of the vehicles.

It is estimated that, according to the newly approved limit numbers, SBGS divisions should have 730 vehicles, however, 440 vehicles are available and are operated, i. e. provision rate is 60%. It should be noted that at the SBGS Security and Service Centre that services the headquarters this rate is 90%, Visaginas Border Guards School – 75%, and the Foreigners Registration Centre, although its functions are not directly related to the guarding of the border, is the only SBGS division that has a 100% rate. Provision of the Border Police Districts with vehicles is insufficient and varies between 47% and 63%. Part of the vehicles are worn out, with the exceeded limit service time, which makes it difficult for the SBGS divisions to ensure comprehensive fulfillment of their tasks and functions, i.e. to enhance the state border control and ensure protection of the border.

The auditors have established that the approved service vehicle limit rates do not correspond to the criteria used to set the limit runs for the SBGS divisions' vehicles.

During the audited period SBGS acquired 63 new vehicles, which were distributed among the divisions and the SBGS headquarters by order of the Commander. In assessing the distribution of vehicles the auditors have noted that new vehicles were allotted not only to the divisions in greatest need of them. 9 new vehicles were allotted to the headquarters and 1 to the Foreigners Registration Centre (the functions of which are not related to the guarding of the state border).

Conclusions

6.1. The provision of SBGS divisions with service vehicles is insufficient, most vehicles are used after expiration of the normative service period, therefore, there is a risk that the state border protection and control is inadequate.

6.2. The distribution of vehicles, both those acquired in 2001-2004 and those acquired earlier, is not efficient. Only SBGS divisions not directly related to the border guard services have sufficient numbers of vehicles.

Radio communication equipment and computer equipment

The length of service for the SBGS divisions' radio communication and computer equipment has been established by order of the SBGS Commander Concerning Fixed Asset Depreciation Norms No. 405 issued on 04-10-2002. The order states that the depreciation norm for computers, computer networks and network equipment is 4 years, stationary, vehicle and portable radio stations – 5-7

years, video surveillance cameras (thermal imaging equipment), switchboards and other communication equipment – 5 years.

The norms for radio communication equipment are established according to the Methodology for the Calculation of Radio Stations Requirement for the SBGS Divisions approved by order of the Commander No. 4-244 of 12-05-2003. Each workplace of staff on duty at SBGS structural divisions and frontier stations must be equipped with 2 stationary radio stations, while state border guard objects and other objects with round-the-clock duty must have at least 1 permanent radio station (p. 3.1 and 3.2 of the Methodology).

The portable radio station limit numbers are estimated so as to ensure work in four shifts; each officer in a shift must have a portable radio station. At border checkpoints that are not open round the clock, in the frontier section and other places of service where officers are not able to hand the radio stations over to officers of the new shift, two shifts must be provided with portable radio stations. At places of service where such handing over is possible, one of four shifts is provided with portable radio stations (p. 4.1, 4.2 and 4.3 of the Methodology).

It has been estimated, according to the approved limit numbers (order of the Commander of the Service Concerning Limit Numbers of Radio Communication Equipment No. 4-154 of 06-04-2004), the divisions should have 835 stationary and car radio stations and 1,628 portable radio stations. However, actually 379 stationary/car and 767 portable radio stations are used by the divisions (provision rate 45-47%).

According to the approved limit numbers (order of the Commander of the Service Concerning Limit Numbers of Computer Equipment No. 240 of 06-06-2004), the divisions should have 953 pc. of computer equipment but the actual number is 648 (provision rate 68%).

It should be noted that the established limit numbers for radio and computer equipment do not conform with the Methodology for the Calculation of Radio Stations Requirement for the SBGS Divisions approved by order of the Commander No. 4-244 of 12-05-2003.

During the audit questionnaires were drawn up and sent out to randomly selected SBGS FS. An evaluation of the responses received shows that *Motorola* radio stations available at SBGS divisions are outdated and worn out, while quantities of optical equipment (night-vision field glasses), radiation measuring equipment (both portable and stationary), searchlights and thermal imaging equipment are insufficient. Not all the divisions have a local telephone network, the speed of data interchange via computer lines is unsatisfactory, not all FS have a document check program installed. In addition, most divisions use radio communication and computer equipment over the set

service period. No testing of devices and equipment has been conducted at SBGS divisions; a warranty period is granted at acquisition.

SBGS has pointed out that no extension of radio communication had taken place as the analogue (unencoded) radio communication used is susceptible to interception by amateur radio stations. The Ministry of Interior has prepared a project for the installation of a digital radio communications network at EU's external borders that will service both SBGS and police. The project is funded by PHARE, with the Ministry of Interior responsible for its implementation.

The present status of provisions with radio and computer equipment does not meet the needs of the Service's divisions. Each year LTL 300,000 are spent on acquisition of computer equipment which is distributed among divisions, however, this is not sufficient.

The SBGS division staff are able to make use of the equipment's possibilities; they constantly improve and update their skills. As available equipment is quite scarce and not complicated no problem of its use and personnel training arises.

The Service has pointed out that replacement of all computer equipment at the divisions is to be funded by the allocations for the implementation of the Schengen *acquis* (a project description has been submitted to the Ministry of Interior).

Stationary thermal imaging equipment supplied by THOMSON-CSF, a French company, had been in use since 1998 in the towers constructed in border sections guarded by Vilnius, Varėna and Ignalina FD. However, the equipment went out of order during the warranty period (except for 2 cases). Part of the equipment was repaired, however, the length of their faultless operation after repairs varied from 8 to 194 hours. The cost of repairs per piece of equipment is LTL 55,000. The equipment was dismantled and is now stored at SBGS divisions.

Conclusion

6.3. The rate of provision of SBGS divisions with radio communication and computer equipment is insufficient. Not all the equipment is functional and reliable, therefore, there is risk that the state border control and protection is not ensured.

War Dogs

The limit numbers of war dogs have been established based on the Instructions for Cynological Activities of the SBGS approved by order of the SBGS Commander No. 4-190 of 14-04-2003.

P. 13 of the Instructions states that the following circumstances must be taken into account in determining the number of cynologists and dogs for a structural division:

- length of the border section the FS is in charge of or, in case of other structural divisions - special tasks performed;
- geographical conditions – terrain, forests, swamps, rivers, lakes;
- location of settlements in the border section including settlements adjacent to the state border;
- numbers and location of surveillance towers;
- numbers and importance of roads crossing the border;
- road network in the border section including roads adjacent to the state border;
- ability of dogs to check a distance of 10 km per shift on average;
- cynologists' leave schedule.

It should be noted that the limit numbers for dogs at all the divisions do not conform with the Instructions for Cynological Activities of the SBGS.

Table 4

Limit and Actual Numbers of War dogs at SBGS Divisions

Name of frontier district	Limit number of dogs at divisions	Actual number of dogs at divisions
1	2	3
Ignalina FD	49	22
Vilnius FD	65	29
Varėna FD	57	40
Lazdijai FD	49	17
Pagėgiai FD	50	13
Coast Guard District	32	13
Šiauliai FD	30	8
Ignalina NPP Guard District	5	6
Foreigners Registration Centre	5	4
Cynological Activities Department at SBGS Headquarters	4	2
TOTAL	346	154

It is estimated that according to the limit numbers of war dogs approved (order of the SBGS Commander Concerning Approval of Documents Regulating Cynological Operations of SBGS No. 4-190 of 14-04-2003), 346 dogs should be available at SBGS divisions, however, the actual number is 154 (i.e. provision rate 44%).

Conclusion

6.4. Provision of SBGS divisions with war dogs is insufficient, therefore, there is a risk that the state border control and protection is inadequate.

7. ORGANIZATION OF WORK AT BORDER CHECKPOINTS. ASSESSMENT OF IMPLEMENTATION OF SCHENGEN REQUIREMENTS

In assessing the border checkpoint activities in implementing the Schengen *acquis* the auditors took guidance from the Schengen Catalogue Volume 1 (hereinafter referred to as the “Catalogue”). Five groups of recommendations for infrastructure have been formulated in the Catalogue (hereinafter referred to as the “Recommendations”):

- entrance and exit checks;
- organization of border surveillance;
- organization of border crossing points;
- separation of passenger flows;
- number of lanes for checks.

By its resolution No. 1176 of 1 October 2001 the Government of the Republic of Lithuania approved The Strategy for the Development of Border Checkpoints including appointment of authorities responsible for the implementation of specific measures. The Transport Investment Authority and not SBGS has been charged with responsibility for the development of border checkpoints, therefore this audit is limited to the assessment of organization and conditions of work at border checkpoints in the light of the Schengen *acquis*.

Entrance and Exit Checks

In assessing whether conditions for conducting compulsory checks at entry to/exit from the Republic of Lithuania are appropriate, the auditors observed work at border checkpoints and put questions to the SBGS staff. It has been established that appropriate condition have been created at all BCP, however, much more modern conditions fully compliant with the EU requirements are ensured at newly built Lavoriškės and Raigardo road checkpoints. Vehicle blocking equipment and radiation control equipment must be installed and reconstruction of staff workplaces is necessary at Kybartai, Medininkai, Šalčininkai, Ramoniškės and Nida border checkpoints.

Cruise ship quay reinforcement and port area dredging works were carried out at Pilies BCP (former Marių BCP) in the Klaipėda State Seaport, however, according to the SBGS staff, border checking infrastructure necessary for checking cruise ships has not been provided. The main reason for checking-related problems is that there was no firm demand to create proper working conditions for border guards in the design and reconstruction stages.

Railway border checkpoints have a well-developed infrastructure: railway surveillance systems have been installed, viaducts constructed, railway station areas fenced, with the exception of Pagėgiai railway station which has no infrastructure necessary for border checks. According to SBGS staff, check conditions at Palanga and Vilnius airports are inadequate. The premises are not adapted to increasing passenger flows and the airport administration is reluctant to cooperate in improving conditions for the border guards. Officers working at the Vilnius Airport BCP, which is the main air gate of the Republic of Lithuania, have no premises for the BCP officer on duty, keeping of detained persons, communication with citizens, and storage of weapons and special facilities.

Conclusions:

6.5. Conditions for compulsory border checks complying with the EU requirements have been created only at road and most rail BCP.

7.2. No conditions have been created for compulsory checks complying with the EU requirements at the Klaipėda Seaport BCP, Vilnius Airport BCP and Pagėgiai railway BCP.

As part of analysis of implementation of specific Schengen recommendations the auditors assessed the separation of incoming and outgoing vehicle flows at checkpoints located at land and sea borders.

It has been established that there is appropriate separation of incoming/outgoing vehicle flows and passenger/cargo vehicle flows at international BCP (road and rail).

Lack of coordination between customs inspection and border checks at the Klaipėda state seaport poses problems preventing the border guards from doing their work effectively. After leaving the ferry cargo vehicles queue at the border checkpoint and start the completion of customs formalities all at the same time, however, SBGS officers have to carry out the control first in accordance with the Regulations for the Border Checkpoints approved by resolution of the Government of the Republic of Lithuania No. 126 of 02-02-2001. Thus a situation is created when cargo vehicles and drivers complete customs formalities prior to actual crossing the state border. There have been cases when, upon entry to the Republic of Lithuania, drivers park their trailers in the port area and leave in a truck without the trailer; the trailer is collected on the next day or is taken by a truck that does

not cross the state border. In order to avoid delay, truck drivers sometimes leave cargo vehicles in the port area and cross the state border by foot. Furthermore, the customs is located outside the border checkpoint territory so the drivers have to leave it to prepare documents for customs inspection. In case of any problems with customs clearance the drivers may not return to the checkpoint territory even though no border check has been completed.

According to SBGS staff, similar problems related to flow separation and management arise both at entry to and exit from Lithuania. After passing border control the driver completes customs procedures beyond the boundaries of the border checkpoint. In case of problems or lack of space on the ferry, the driver may leave on next day though SBGS has recorded the date of check as the date of exit. At Malkū Įlanka BCP, particularly in the former territory of Kuršių BCP, there is no separation of incoming and outgoing persons/vehicle flows.

In SBGS staff's view, unwillingness of the port land users to make additional investments and provide appropriate conditions for border checks is one of the reasons for the above-mentioned problems.

The rights and duties of port land users are established in the Republic of Lithuania Law on the State Seaport⁴, governmental resolution Concerning Enforcement of Protection of the Klaipėda State Seaport No. 275 of 10 March 1999, and the Regulations of Use of the State Seaport approved by order of the Ministry of Transport No. 264 of 7 July 1997 (edition of 06-04-2001). These legal acts establish conditions for enforcement of the border regime: the port land user organizes and is responsible for the protection of the leased port area and must coordinate the guarding and permit system with the Coast Guard District. The port land user must also coordinate any agreements on guarding of port area concluded with firms providing guard services. In addition, the design and installation of the port area (both land and water) surveillance systems must provide for technical possibilities to link other institutions conducting checks and enforcing security in the port area so that they could receive necessary information as stipulated in the laws and other legal acts of the Republic of Lithuania.

Knowing that above-mentioned problems exist and that legal acts have created preconditions for the resolution of such problems, one may conclude that the Coast Guard District has the right to demand that the economic entity provide territorial control facilities, however, has no legal grounds for restricting its economic activities in case it does not fulfill SBGS requirements. Neither Lithuanian nor EU legal acts establish a procedure for unilateral termination of activities by SBGS if an economic entity does not respond to legal demands.

⁴ *Žin.*, 2000, No. 53.

In the opinion of the auditors, organization and conditions of work at BCP must be improved; current infrastructure is not adequate. Installation of new facilities, amending of BCP regulations and other normative documents related to the Schengen *acquis* is underway. Vitė and Malkū Įlanka frontier stations have no infrastructure of their own, the issue of power supply has not been resolved at all BCP. At Malkū Įlanka BCP, there is no separation between EU and non-EU vehicles; there is a lack of modern video surveillance cameras at BCP.

Conclusion

7.3. The Schengen *acquis* requirements have not been fully met at Klaipėda State Seaport BCP as there is no separation of vehicle flows between the vessel and the border check in the seaport and no conditions have been created for compulsory checks of vehicles at entry and exit.

Organization of Border Surveillance and Patrolling

The watch and patrol of the State border is being organized according to FD orders concerning the state border guard within respective frontier districts. The orders are being prepared for spring-summer and autumn-winter periods. Taking into account the risk factors the following is indicated in the orders: guards, particular sections, etc. Commanders fill in situation assessment logs, in which they may correct guard dislocation and patrol paths.

The external border with Belarus is marked with 678 polygonometric piles, 1,845 frontier signs (posts) have been erected, in some sections protective metal fencing has been installed (totaling 64.98 km), protective trenches have been provided (totaling 82.6 km), access roads have been built. The following has been provided in frontier sections: control footprint tracking belt 402 km long, earth banks 75.3 km long, 5 boat berths, 19 surveillance towers, 2 communication masts. It has been established during the audit that different funding is allocated for the maintenance of the footprint-tracking belt (LTL 5,000 for Vilnius Frontier District and LTL 1,000 for Lazdijai Frontier District). The frontier patrol path is without covering (soil), narrow, fit only for lightweight motor vehicles (quadrocycles, motorbikes, etc.), therefore, it is difficult to drive a car on the frontier roads during rainy days. Therefore, effective responding to state border violations is problematic. Mobile thermal sensors received as a charity are rarely used for the state border protection. Centralized procurement of this equipment was not organized although use of this equipment in the places difficult to reach would enable to detect state border violations and to respond effectively.

The state border with the Russian Federation is marked but not demarcated. Therefore, the infrastructure has not been adequately developed. 7 surveillance towers were built but they do not have any surveillance equipment. Observation cameras have been fitted on communication masts at Lieponos and Girėnų frontier stations, which can monitor part of border sections in the daytime.

Conclusion

7.4. The Schengen recommendations concerning surveillance and patrol of the future external EU border are being implemented.

Border Control Point Operations

While observing the situation during visits to BCPs it has been established that information on frontier procedures in Lithuanian, Russian and English is posted at entrance to BCP. In some cases it has been noted that the information on anonymous trust phone numbers was announced only in Lithuanian.

BCP limits on land roads are clearly visible and BCP territories are fenced.

The Klaipėda seaport is fenced at most places but vehicle lanes are neither marked with signs nor separated, therefore, transport flows get crossed.

The limits of BCP at Kybartai and Kėna railway stations are clear, the railway territory is fenced, but Pagėgiai BCP (rail) has no infrastructure, which is necessary for the international border crossing points at railway stations.

The frontier check procedures are governed by the Republic of Lithuania Law on the State Border and Its Protection (edition of 24-04-2003), resolution of the Government of the Republic of Lithuania No. 126 of 02-02-2002 (edition of 06-12-2002), and order of the Minister of Interior Concerning the Approval of the Border Check Procedures, No. 154 of 28-03-2002 (valid until 01-05-2004). By order of the Minister of Interior of 28-04-2004, a new edition of the Frontier Check Procedures compliant with the provisions of Lithuania's EU accession was approved. In order to improve activities of SBGS divisions related to checking and examination of travel documents in accordance with the EU requirements, a Programme for Checking and Examination of Travel Documents was approved by order of the SBGS Commander No. 112 of 04-07-2001. The equipment necessary for specific BCPs was also established by this order.

Checks are conducted in designated control booths in accordance with the methodology prepared by SBGS. Border guards use loupes, Waldman stationary devices, microscopes, electronic indicator panels and substances.

Most BCPs have premises for detailed personal examination. In addition, there are rooms for keeping stationary document examination equipment. In administrative premises of newly built BCP there is a room with equipment necessary for conducting preliminary detailed evaluation of whether personal documents are not forged.

It has been established during the audit that there are no adopted standard criteria for production of control booths. SBGS uses not standardized control booths.

The auditors have noted that in many cases SBGS officers do not have an opportunity to look the queue over. Furthermore, none of the BCPs visited had booths provided with mirrors enabling to notice children.

Control booths face passengers, while monitors used by border guards face officers. Besides, the officer responsible for the frontier check takes the documents from the person crossing the border by himself, so the person does not need to enter the BCP.

SBGS uses wire telephone communication, electronic mail, mobile phones and wireless radio communication. According to experts, the *Motorola* radio communication standard which is being used has no capability for connection to the fixed telecommunications network, furthermore, this

standard does not allow transmission of data. The border guards have pointed out to a problem that radio communication is operative not at all frontier sections, there are places from which communication with the FS person-on-duty is not possible. There are problems related to radio set batteries: in wintertime they discharge in three hours and it is not possible to replace them while patrolling. In cases like this the border guard protecting the green border is left without radio communication and cannot effectively transmit information about violations.

Only commanders of the headquarters, frontier districts and frontier stations as well as FS shift managers are provided with mobile phones. The BCP border guards are not allowed to use mobile phones while working (exception: operational staff and response squad staff).

Conclusions

7.5. The Schengen *acquis* recommendations concerning organization of border crossing points, i.e.:

- *to familiarize passengers with frontier procedures;*
- *to conduct border checks at special control booths or at the tables or, if needed, using portable equipment;*
- *to fit in special tables or booths for checking purposes inside the buildings;*
- *to turn control booths toward passengers; not to allow passengers to observe the operation of control equipment (particularly computer systems);*
- *concerning establishing of limits of border crossing points and visibility of applicable requirements (in road transport)*

have been implemented.

7.6. The Schengen *acquis* recommendations:

- *concerning control booths with necessary equipment outside buildings;*
- *concerning the establishment of limits of border crossing points and visibility of applicable requirements (in railway transport)*

have been implemented in part.

7.7. The Schengen *acquis* recommendations:

- *concerning appropriate communications system which should constantly provide information on every important situation at any time to all divisions;*

- *to establish standard criteria for production of control booths (taking account of security and technical equipment used in the booths);*
- *concerning the establishment of limits of border crossing points and visibility of applicable requirements (in sea transport)*

have been implemented in part.

Separation of Passenger Flows

Separation at the Sea Port

In assessing the separation of flows at the sea border between the ship and the frontier check it has been established that there is no necessary infrastructure at the port in order to separate the flows of vehicles. The flows of people who work at the seaport and those who cross the state border are not separated (for instance around 2000 people go to work to the Ship Repair Company). The flows of people arriving to and departing from the Republic of Lithuania are not separated. Passengers coming to or from the ferry by bus are not observed between the ship and frontier checkpoint. Malkū Įlanka BCP's passenger terminal is not adapted to large numbers of passengers, therefore, part of them have to wait for the check outside. There is a risk that some passengers can elude the frontier check. In conducting check of vehicles, the flows of passenger and goods vehicles are not separated (a ferry carries approx. 120 goods vehicles and 40-50 cars). Departure gates at the port are fitted only for one car, which results in long queues of vehicles.

It should be noted that there is no proper traffic organization at Malkū Įlanka BCP; incoming and outgoing flows are not separated. Both incoming and outgoing goods vehicles are waiting on the same ground. The vehicles not crossing the state border are waiting there as well.

Conclusion

7.8. The Schengen *acquis* recommendation concerning separation of passengers of the ferry so that the flow crossing the external border never mixes with internal flow between the ship and the frontier check has not been implemented.

Separation at Airports

At present there is no need to separate Schengen and non-Schengen flights at Vilnius and Palanga airport BCPs. According to SBGS staff, it is not possible to fully separate passenger flows and to avoid mixing of persons and documents of the Schengen area and non-Schengen area.

While visiting these BCPs it has been established that the territory is supervised by cameras of the airport security service, however, SBGS border guards working at the airport cannot see the view. At Palanga airport, visual observation of arriving passengers is conducted, with passenger flows separated at passport checkpoints.

SBGS staff cooperates with the airport security services, there is constant communication with the flight control centre. Officers of the Vilnius airport explained to us that while organizing frontier checks attention is focused on transfer flights and flights from non-EU countries. According to SBGS staff, one of the main problems is lack of co-operation with airport administration. Airport administration do not tend to cooperate with the SBGS staff in a constructive way; information about planned new flights is not furnished effectively. Information about flights is presented to the border guards only by radio communication.

Conclusions

7.9. The Schengen *acquis* recommendations:

- *concerning as close co-operation as possible with third parties at the airport focusing attention on transfer flights;*
 - *to timely present necessary information to border management institutions as well as to liaise with the aviation information system*
- have been implemented.**

7.10. The Schengen *acquis* recommendation concerning separation of flows by organizing supervision and escorting passenger flows at airports where this is permitted by the scope of traffic has been implemented in part.

Lanes for Checks

Separation of (a) EU and EEA citizens and (b) non EU/ EEA citizens (airports and seaports)

During the visits to border checkpoints at the airports it has been established that the flows of EU and EEA citizens and non EU/EEA citizens were separated. The auditors recorded a good practice example at the Vilnius Airport's Border Checkpoint: SBGS officers are able to respond effectively to the content of incoming flow of passengers changing the purpose of the lane accordingly.

The flows of EU and EEA citizens and non EU/EEA citizens are not separated at the Klaipėda seaport BCP (for separation of lanes at Klaipėda BCP, see above).

The auditors have assessed whether there is any cooperation with the neighboring country's BCP in managing the cross-border traffic. There are no uniform practices in this area at SBGS. Communication takes place on the frontier district commander level; two working meetings with management of the neighboring country's border guard institution are organized on an annual basis to discuss cooperation problems. According to FD management, there is closer cooperation between operational services investigating specific facts of violation of the state border.

Commanders of Vilnius and Varėna FD have stated (and it has been noted during the audit) that no cooperation on BCP level is taking place; all cooperation is conducted at FD level. BCP only exchange operational information required for traffic management.

In the state border section guarded by Lazdijai FD, there are common shifts with the Polish border guards.

Officers working at Neringa and Lavoriškės BCP maintain telephone communication with the border guards of the neighboring country and use it when necessary.

In road transport sector, there are separate lanes for different categories of vehicles crossing the border. There are problems in the BCP within Klaipėda seaport: no separation of flows, no signposts to inform about the purpose of a specific lane, capacity of sea gate is one vehicle.

The auditors have established that stationary signposts are used for lanes for checks in road transport. The BCP staff has explained that usually lane purpose is not changed. An example of good practice was recorded by the auditors at Vilnius Airport: dynamic signs are used for the separation of passenger flows at BCP. The shift manager carrying out the check has the possibility to respond effectively to changes in the composition of the passenger flow and to organise the lanes in a flexible way.

Giving priority to entry is one of the border checking standards established by the Schengen *acquis*. During visits to BCP most officers have indicated that there are no essential differences between procedures in organising checks, i. e. same checking of entry and exit flows. In addition, the auditors noted that the actions by an officer checking a road vehicle are limited to bringing of the passport to the officer in the checking booth and to visual inspection of the driver/passenger section of the vehicle. Furthermore, SBGS staff does not check whether persons entering Lithuania have sufficient means for subsistence.

Conclusions:

7.11. The Schengen *acquis* recommendations:

- *concerning hand-in-hand management of traffic flows by all competent authorities of both neighboring states;*
 - *concerning flexible organization of lanes and effective response;*
 - *concerning separate lanes for the different types of traffic crossing the border*
- have been implemented in part.

7.12. The Schengen *acquis* recommendation concerning separation of lanes for (a) EU and EEA citizens and (b) non-EU/non-EEA citizens (airports and sea) has been implemented at the airport BCPs.

7.13. The Schengen *acquis* recommendation concerning separation of lanes for (a) EU and EEA citizens and (b) non EU/ EEA citizens has not been implemented at the Klaipėda Seaport, therefore, there is a risk that passengers may elude compulsory frontier check.

7.14. The Schengen *acquis* recommendation concerning organization of border checks with priority on entry into the State has not been implemented.

8. SBGS HUMAN RESOURCES MANAGEMENT ASPECTS

SBGS human resources management general aspects

The maximum permissible number of positions for SBGS and subordinate institutions has been approved by resolution of the Government of the Republic of Lithuania Concerning Maximum Permissible Number of Public Servants Positions and Number of Employees Working under Employment Contracts and Receiving Salaries from the State Budget and Public Funds No.1641 of 29-12-2003: for SBGS Headquarters – 250, for SBGS subordinate institutions – 4,892.

The resolution provides for the following numbers of positions at headquarters of other law enforcement institutions under the Ministry of Interior and the Ministry of Justice:

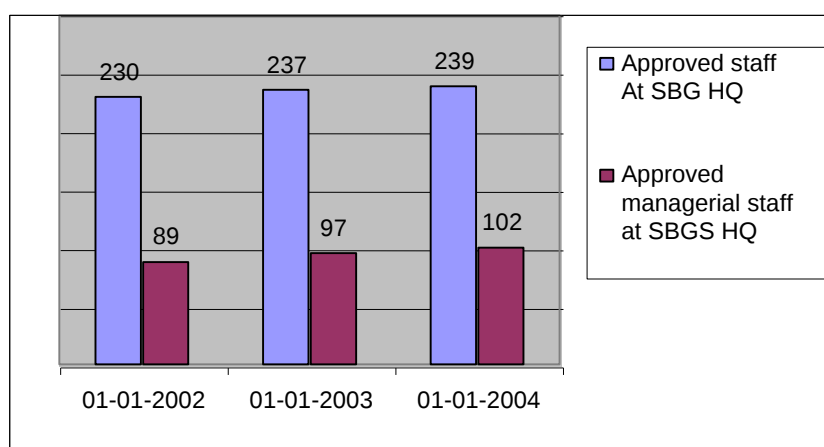
Table 5**Maximum Numbers of Positions at Headquarters of Law Enforcement Institutions Subordinate to the Ministry of Interior and the Ministry of Justice**

It. No.	Name of headquarters	No. of positions approved for headquarters	No. of positions approved for subordinate institutions	Ratio between approved staff at headquarters/subordinate institutions, %
1.	State Border Guard Service under the Ministry of Interior	250	4,892	5.1
2.	Police Department under the Ministry of Interior	198	15,398	1.2
3.	Fire Safety and Rescue Department under the Ministry of Interior	98	4,779	2.05
4.	Prisons Department under the Ministry of Justice	97	3,969	2.4

According to statistical information provided by SBGS, 230 staff were approved for SBGS headquarters as of 1 January 2002 and 2003 and 239 – as of 1 January 2004.

The ratio of staff approved for headquarters and subordinate institutions is the highest in SBGS (5.1%) among law enforcement institutions subordinate to the Ministry of Interior.

During 2002-2004, the number of approved staff at SBGS has grown by 3.7%: from 230 in 2002 to 239 in 2004, while in the SBGS headquarters alone – by more than one tenth (12.7%): from 89 in 2002 to 102 in 2004.

**Figure 5. Approved Staff at SBGS Headquarters Including Managerial Positions**

During 2002-2004 the number of officers approved for SBGS Headquarters has increased by 11.6%:

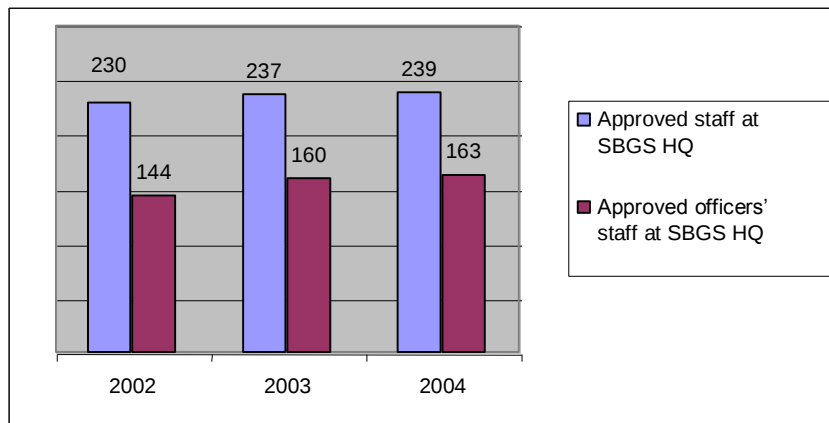


Figure 6. Approved Staff at SBGS Headquarters

A comparison of SBGS organizational structure in 2002, 2003 and 2004 shows that the Commander of the Service had 2 deputies in 2002 and 3 – in 2003-2004.

The number of SBGS structural divisions has been changing too. As of 1 January 2002 SBGS had 17 divisions; as of 1 May 2003 – 18, and as of 1 January 2004 – 16.

The change in the number of SBGS structural divisions is related to the new border control tasks entrusted to the Service in accordance with the Schengen *acquis*.

Conclusions

8.1. The number of staff positions at SBGS headquarters is increasing. During 2002-2004, the number of staff approved for SBGS headquarters increased by 3.7%, while that of management and officers – by more than 1/10 (12.7 and 11.6% respectively).

8.2. The ratio of approved staff at headquarters and subordinate institutions is the highest in SBGS (5.1%) among law enforcement institutions subordinate to the Ministry of Interior.

8.3. The change in the number of SBGS structural divisions is related to the new border control tasks entrusted to the Service in accordance with the Schengen *acquis*.

The ratio between the number of officials performing administrative functions in the entire border guard system (officers) and the number of personnel directly involved in the guarding of the border (non-commissioned officers) has been analyzed during the audit:

Table 6

Ratio between the number of officials performing SBGS administrative functions (officers) and the number of personnel directly involved in the guarding of the border (non-commissioned officers)

DATE	Officials performing SBGS administrative functions (officers)		Personnel directly involved in the guarding of the border (non-commissioned officers)		Total SBGS staff
	Figure	%	Figure	%	
01-01-2000	1,341	34	2,600	66	3,941
01-01-2001	1,349	34	2,664	66	4,013
01-01-2002	1,242	30	2,869	70	4,111
01-01-2003	1,194	29	2,983	71	4,177
01-12-2003	1,193	28	3,047	72	4,240

The table shows that the number of personnel directly involved in the border guarding (non-commissioned officers) is increasing every year, while that of administrative staff (officers) is decreasing.

In 2002-2004, the actual number of the lower-rank border guards in all the SBGS FD was smaller than the approved number of staff, whereas FD management staff is substantially in complement. For this reason the ratio between management staff and personnel directly involved in the guarding of the border is relatively high in FDs.

13% of all FD staff work at FD headquarters.

During the audit commanders of some FDs have expressed critical opinions of human resources management by the SBGS headquarters.

Turnover (rotation) of senior officers is considered an important component of management. During 2003, two commanders of frontier districts, one commander of headquarters and every fourth border station commander (9 out of 38 existing border stations) have left the Service. Long-term work as a commander of the same division gives experience, however, at the same time the ability to see errors and to find new ways to improve work decreases⁵. However, in the opinion of SBGS, there are no financial conditions for implementing the principle of rotation of senior officers as the payment of accommodation money provided for in the Statutes of Interior Services has been postponed until 1 January 2006, with no service living area allotted.

⁵ Analysis of SBGS Commander's report on the results of operation of the Service and issues of work improvement (Visaginas) in 2003 dated 23-01-2004.

Most FDs have stated that SBGS Headquarters activities in organizing, coordinating and controlling the implementation of the Schengen *acquis* at FDs are substantially adequate, however, issues of staff reduction at internal EU borders and increasing at EU external borders (by transfer of part of the staff to external borders) should be resolved more effectively⁶.

Assessment of Implementation of the Schengen acquis Requirements in the Area of Human Resource Management

Implementation and control over the Schengen acquis requirements on inter-departmental level

SBGS is responsible for the implementation of the Schengen *acquis* requirements in the area of border control and human resource management included in the annual action plans of the Ministry of Interior (MoI) and reports to the MoI.

MoI has stated that control over operations of subordinate institutions in implementing the Schengen *acquis* requirements is exercised according to general procedures and no significant problems arise in this area.

According to MoI, SBGS has a developed personnel training and skills improvement system in the personnel management and training areas. The Service has achieved that an increasing number of officers meet qualifications requirements; the ratio between the number of non-statute civil servants and persons working under employment contracts as well as the ratio between number of officials (statutory civil servants) and officers and non-commissioned officers is optimal; much attention is devoted to the organization of foreign languages teaching.

MoI has not established criteria for the training of subordinate institutions personnel in the area of the Schengen *acquis*. MoI's subordinate institutions including SBGS organize personnel skills improvement and training on Schengen *acquis* independently.

In order to implement the requirements of the Schengen *acquis*, MoI should both establish such criteria for subordinate institutions and directly participate, as a higher and controlling institution, in SBGS resolving various problems related to the provision of necessary facilities for personnel training.

The auditors have noted that before 5 May 2004 no mechanism of administration of implementation of the Schengen *acquis* has been established on national level and the scope of competence of

⁶ The issue is dealt with in another section of this Report.

competent authorities was not defined. It was only on 5 May 2004 that by order of the Government of the Republic of Lithuania No. 549 Concerning Administration of the Schengen Measure in Lithuania MoI was appointed as competent authority, Central Projects Management Agency as the implementing authority, and the Ministry of Finance as the paying authority.

Before the above-mentioned date, heads of MoI divisions, institutions under MoI and organizations established by MoI used to report on the implementation of the Governmental Programme and the National Schengen Action Plan measures to the MoI Department of International Relations and European Integration, which, on its turn, reported to the General Services Department.

Conclusion

8.4. No mechanism of administration of the Schengen measure and no scope of competence of responsible institutions had been established before 5 May 2004.

Identification of SBGS personnel management problems

Shortage of officers directly engaged in the guarding of the state border is one of the main personnel management problems of SBGS.

FDs lack from 6.9 to 16.5% of such officers. This is an important factor in organizing the guarding of the state border at the EU external borders.

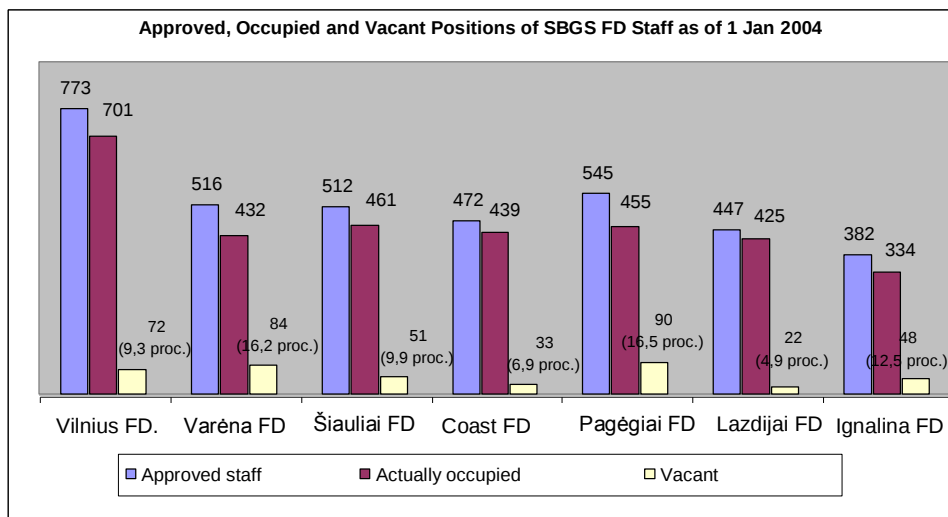


Figure 7. Occupation of staff positions at SBGS Frontier Districts

As of 1 January 2004, Vilnius, Varėna, Coastal Guard, Pagėgiai and Ignalina FDs guarding the EU external borders lacked 327 officers (15.2%) and Šiauliai and Lazdijai FDs guarding the EU internal borders – 73 officers (7.6%). After elimination of this shortage the FDs could organize

guarding of the border more effectively by concentrating more officials at individual border sections characterized by high risk.

Though SBGS and its FDs constantly invite young specialists for work in the border guard system and propagate SBGS at educational establishments and in the media, these activities are not efficient as shown by the high percentage of vacant staff in individual FDs.

The location of and the numbers of specialists prepared for direct border guarding functions at Visaginas Border Guards School, which organizes basic professional training of SBGS officers, does not correspond, for objective reasons, to the needs of filling the vacant positions by levels and categories.

The Service has no personnel strategy that would comprise recruitment, training, career and other professional, legal and social issues.

According to SBGS, these issues are regulated by the Statutes of the Internal Service, therefore, approval of a separate document on personnel strategy is an issue to be considered. In the opinion of the auditors, the personnel strategy should not be paralleled with existing legal acts. This unified and systematic document should include provisions specific to SBGS and its personnel, guidelines for the officials training and qualifications, etc.

One of the reasons for the shortage of border guards is high qualifications requirements, particularly concerning educational attainment and service record, set in order of the SBGS Commander Concerning Setting of Qualifications Requirements No.109 of 22-03-2002.

During the audit, FDs and FSs specified analogous problems related to personnel management: shortage of lower-rank officers (senior border guards and border guards); the number of officers with a service record of 10 and more years is decreasing. Many officers are dismissed due to health problems; FD officer training needs are not met as only a limited number of officers can be sent to the Visaginas School.

Only 8 of 20 FS (20%) have stated that they experience no problems related to personnel management and training.

Conclusions

8.5. The Service has no personnel strategy that would comprise recruitment, training, career and other professional, legal and social issues.

8.6. FDs lack from 4.9 to 16.5% of personnel to be directly engaged in the guarding of the state border. Therefore, there exists a risk that guarding of the state border at individual frontier sections is inadequate.

Organisation of training in accordance with Schengen acquis

The success of implementation of the Schengen *acquis* depends on the awareness of persons directly engaged in the implementation, i. e. border guard officials performing their functions at certain border sections and stations.

SBGS acquainted the FDs with the Schengen *acquis* by sending out a letter Concerning the Schengen *acquis* No.(21)-14-1944 of 09-06-2003. The General Guidelines and the EU Schengen Catalogue Volumes 1 and 2 were appended to this letter.

In 2003, commanders and deputy commanders, junior specialists of border stations took part in the courses organised at Visaginas Border Guards School Effects of the Schengen *acquis* upon Border Guarding and Control and Schengen *acquis* in the Area of Personal Travel Documents and Visas (on 3-7 February, 24-28 March, 22-26 September). In 2004, (23-27 February, 12-16 May) analogous courses were attended by senior specialists and officials. Those officials who took part in the courses acquainted their colleagues with the knowledge acquired and methodical materials received during the training organized at BS on a monthly basis (1-2 hours).

Participants in the above-mentioned courses received handouts on the Schengen *acquis* that were later distributed at FDs and FSs. Characterizing the dissemination of Schengen *acquis*, SBGS has stated that there were no opportunities and no need for acquainting officials of all levels.

Officials from Pagėgiai, Coastal Guard and Lazdijai FDs indicated that they had not been invited to any training and familiarized themselves with the Schengen *acquis* independently from materials received from FD headquarters.

Other FDs and FSs have indicated that SBGS Headquarters did not consult them concerning implementation of the Schengen *acquis* in personnel management area at structural divisions.

Item 4.1 of Part I of Volume 1 of the Catalogue emphasizes the importance of basic training including relevant EC and EU provisions.

As part of the officials professional training, the Commander of the Service approves, by its order issued on an annual basis, plans for personnel training, skills improvement and other exercises that include specific issues related to the Schengen *acquis*⁷.

⁷ Orders Concerning Professional Training by the Service Commander No. 11a of 14-01-2002, No. 4-36 of 27-01-2003 and No. 4-34 of 16-01-2004.

SBGS has informed that 1700 officials (40%) took part in the skills improvement courses at Visaginas School, which focused on the Schengen *acquis*. However, even this does not meet the requirements of training of FD and FS.

In 2003 and 2004, training for SBGS officials was organized on the same subject: Effects of the Schengen *acquis* upon Border Guarding and Control.

An analysis of SBGS training plans for 2002-2004 has shown that more attention was devoted to training on Schengen *acquis* in 2002 when 6 subject workshops were organized.

At Visaginas School, no separate training on Schengen *acquis* was organised, the Schengen issues were included in other training cycles. It is not impossible to determine the number of FD and FS officials that had participated in training exclusively on Schengen *acquis*.

Training organized by SBGS meets the needs of FD officers. All FDs acknowledge that SBGS activities in organizing FD and FS staff training on Schengen *acquis* is effective despite certain organizational difficulties related to official's leaving for training.

33 out of 38 FDs (86%) acknowledge that FDs organize training on the subject and that such training is both necessary and effective. Vilnius, Šiauliai and Coastal Guard FDs have emphasised that frequency of the training is insufficient and too small numbers of FD staff participate in it. Half of Pagėgiai frontier stations have stated that Pagėgiai FD organizes practically no training for officers on Schengen *acquis*.

The FDs have also indicated inconvenient location of the Visaginas School, which increases business trip costs.

Dissemination of information on the Schengen *acquis* and presentation to lower-rank officers is not sufficient. Officers of lower rank learn mostly by themselves, obtain information from FD and FS officers that have participated in the courses, and use the literature received.

Conclusions

8.7. Training of SBGS officials on Schengen *acquis* is not effectively organised.

Problems of administration at Visaginas Border Guards School

State border guard officials attend skills improvement courses at the Visaginas School and the Medininkai Training Centre.

SBGS has informed that a commission had been formed at the Border Police Department in 1996, which, upon comprehensive evaluation of opportunities and needs, in 1998-1999 approved of the

use of the Medininkai FS for border guard training needs: it was planned to transfer the school from Visaginas to Medininkai FS, to adapt the FS facilities to training needs and to further develop the existing infrastructure. The decision was agreed with the Ministry of Education and Science and approved by the Panel of MoI (decision No. 1K/2 of 04-03-1999). By its decision No. 18-1(104-15/140) of 05-05-1999, the Seimas proposed that the Government would approve of the school transfer and to make a comprehensive analysis of the issues of moving and funding.

The Measures to Implement the Programme of the Government of the Republic of Lithuania for 2002-2004 approved by governmental resolution No. 149 of 09-02-2001 provide for the establishment (transfer) of the SBGS Border Guard School (the measure has been identified as important for the pre-accession); timeframe of implementation – 1Q 2001 – 4Q 2003. The Action Plan of MoI for 2001 also includes such establishment/transfer.

The Action Plan for the Implementation of Measures of the Programme for the Development of the State Border Guarding System approved by governmental resolution No. 1562 of 03-10-2002 provides for changing of location of the SBGS Border Guard School and for creating environment suitable for learning in 2002-2008.

Based on these decisions the Government of the Republic of Lithuania allotted, by its resolution No. 317 of 05-03-2002, LTL 250,000 for the school designing and other designing works including LTL 150,000 for the preparation of a design for the Medininkai school. By its resolution No. 1595 of 11-12-2003 it allotted LTL 253,000 for further works; by resolution No. 140 of 09-02-2004 – LTL 59,000 for the completion of the design. All the funds were utilised and the design was completed.

As part of implementation of the above measures, an English Language Centre was established, jointly with the British Council, at Medininkai FSs as a branch of Visaginas School (since 2004 – Visaginas Border Guards School Medininkai Training Centre), at which SBGS officers and employees undergo skills improvement.

By order of the Minister of Interior No.1V-267 of 15-07-2003 a working group was established for the preparation of an action plan for the establishment of a EU border guard services training school in the Republic of Lithuania. The idea of such training centre has been expressed in the Lithuanian Prime Minister's speech at the European Council in Thessalonica on 19-06-2003 and noted in the minutes of the meeting of the Ministers No. 26 held on 23-06-2003. The working group for the preparation of the action plan analyzed the situation and proposed that the issue of establishing a training centre would be resolved by transferring the school to Medininkai, i. e. to combine the improvement of training facilities intended for Lithuanian border guards and the establishment of an international training centre.

Funding of the needs of SBGS training facilities and construction of an international training centre at Medininkai in 2005-2007 is to be allotted from the Schengen measure.

Conclusions

8.8. Although the issue of transferring of the Visaginas School to Medininkai has been under consideration since 1996, relevant provisions are included in legal acts each year, and LTL 462,000 have been allotted for this purpose, no actual transfer is taking place. Therefore, there is a risk of ineffective utilization of funds.

Assessment of the SBGS Personnel Allocation for Border Guarding Purposes

During the audit all FDs have stated that the number of FD officials is not sufficient to ensure effective guarding of the border, border controls, surveillance and patrolling. 5 out of 7 FDs (Varėna, Pagėgiai, Coastal Guard, Vilnius and Ignalina) have stated that the number of FD officials is not optimal and not coordinated with the border guarding risks assessment.

27 FSs out of 37 (69%) have confirmed that the number of FS officials is not sufficient to ensure effective guarding of the border, border controls, surveillance and patrolling.

More than ½ of FSs (56%) have stated that the number of FS officials is not optimal and not coordinated with the border guarding risks assessment; more than 1/5 of FSs (23%) – that the number of FS officials is optimal and coordinated with the border guarding risks assessment; no response was received from the rest FSs.

An analysis of statistical data provided by SBGS shows that in 2001-2004 the number of officials at the EU external borders with Belarus and Russian and in the Baltic Sea has increased by 14.3% as part of organization of border guard operations; at the internal EU borders with Latvia and Poland the number has decreased by 9.14%.

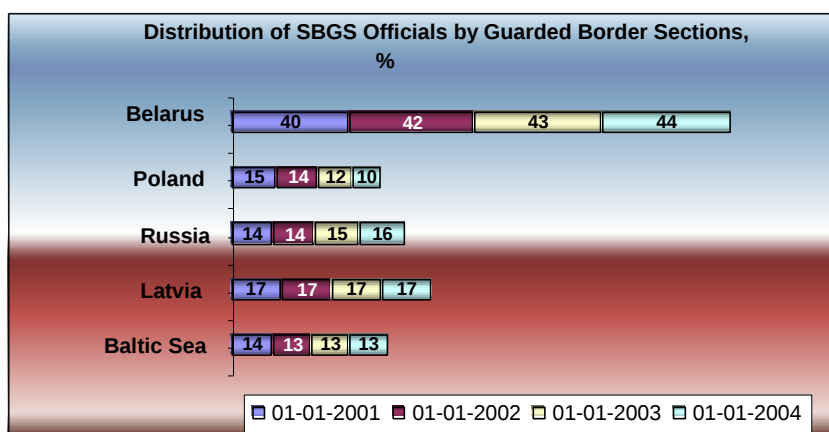
Table 7

Change in the Numbers of SBGS Officials at the EU External and Internal Borders

	Number of officials				Increase/decrease, %
Border with:	01-01-2001	01-01-2002	01-01-2003	01-01-2004	
Latvia	655	637	621	605	- 7.6% (50 staff)
Belarus	1,469	1,542	1,569	1,632	+ 10% (163 staff)
Poland	395	415	397	349	- 11.6% (46 staff)
Russia	458	517	543	589	+ 22.2% (131 staff)
Baltic Sea	429	449	477	472	+ 9.1% (43 staff)

The trends of personnel redistribution in specific border sections show that in 2001-2004 the greatest increase was observed in the guarded section of border with Russia (+ 22.2%) and Belarus (+ 10%.); the greatest decrease – in the Polish border section (-11.6%).

In 2001-2004 the largest number of positions were transferred to the sections of state borders with Belarus and Russia.

**Figure 8. Distribution of SBGS Officers By Borders**

EU documents governing the organization of protection of the state borders do not contain any specific norms (e.g., number of border guards per 1 km of state border, etc.) that a state should take guidance from when organizing the protection of the EU external border.

The elimination of internal border controls provided for in the Schengen *acquis* may result in the decrease in staff at internal borders in 2007-2008.

According to SBGS, at present the number of staff at the EU internal borders is sufficient, however, there is a shortage of staff for the external border. As of 1 January 2004, 3,135 officials staff were approved for Vilnius, Varėna, Coastal Guard, Ignalina, Pagėgiai FDs guarding the EU external border (except for Šiauliai FD and partially Lazdijai FD that guard part of the EU internal border); actual staff in complement was 2,786 or 88.7%. 349 staff positions were vacant.

Due to shortage of officials, objective natural conditions and geographical location of border sections the number of officials per 10 km of the EU external border varied at different FDs as of 1 January 2004.

Table 8

Number of Border Guards per 10 km of State Border Section

FDs guarding the EU external border				
Name of FD	Total length of state border guarded by the FD, km	Length of the EU external border guarded by the FD, km	Staff in complement directly engaged in the guarding of the state border (actual)	No. of officials per 10 km of the EU external border
Varėna	217.45	217.45	408	18.7
Pagėgiai	212.90	212.90	426	20
Vilnius	214.85	214.85	667	31
Coastal Guard	158.73	139.94	401	25
Ignalina	242.43	184.46	306	16.5
Lazdijai	176.95	73.25	383	21.5

SBGS states that in order to achieve more effective protection of the EU external border the number of positions should be increased. This will be done through redistribution of positions from internal to external EU borders upon elimination of internal border guarding after accession to the Schengen Convention (2007-2008).

Distribution of SBGS staff is regulated by the Methodology for Determining Numbers of Officials at Frontier Stations⁸ ("the Methodology") and the staff distribution norms⁹. The Methodology states that personnel should be distributed among FS in such a way so as to ensure that the length of the state border section guarded by the FS per official would be in line with the relative (compared to

⁸ Order by the Service Commander No. 4-232 of 02-05-2003.

⁹ (Order by the Service Commander No. 4-232 of 02-05-2003).

other FSs) risk of violations in the area of operation of the FS (probability of illegal border-crossings) and with objective factors.

The relative disproportion among FDs is determined by the status of the border (EU internal or external border) and objective natural conditions.

An analysis of SBGS statistical data shows that the disproportion in staff distribution is persistent. The length of border section per officer varies at different FSs.

The disproportion is most obvious in FS guarding both external and internal borders. E. g. at Šiauliai FD that guards 511 km of the EU internal border, the average length of border section per FS official is 15.6 km on average, whereas at Pagėgiai FD that guards the EU external border this figure is 6.8 km; Lazdijai – 6.56 km., Varėna – 4.4 km., Vilnius – 4.12 km., Ignalina – 8.36 km.

All the FDs have stated the Methodology does not meet the needs of the border guarding as too small numbers of officers are appointed compared to the set criteria.

The needs of border control and number of officers at FSs are assessed prior to every period of the state border guarding and submitted to FDs for approval. FD management do not always take account of the assessment of status of FS areas submitted by FS.

According to SBGS, the numbers of positions stipulated in the Methodology are based on relevant criteria. An assessment of efficiency of personnel distribution and use is made on a continuous basis including the use of the system for calculation of the Service's performance.¹⁰

Conclusions

8.9. During 2001-2004 the number of officers at the EU external borders increased by 14.3% or 337 staff and the EU internal borders decreased by 9.14% or 96 staff.

8.10. The trends toward increasing staff at the EU external borders and reducing staff at the EU internal borders is formally in line with the provisions of guarding the external borders set out in the 19 June 1990 Convention on the Application of the Schengen Agreements of 14-06-1985. Under these provisions, a Member State commits itself to allot sufficient number of officials for surveillance of the external border between the border crossing points (using mobile patrols) in order to prevent crossing of the border avoiding checks at BCP.

8.11. The reduction of staff at the EU internal borders and the increase in staff at the EU external borders have not been based on an analysis of risk trends and are not planned systematically. There is a threat that SBG human resources may be allocated inefficiently.

¹⁰ Order by the Service Commander No. 262 of 22-10-2001.

8.12. There remains a disproportion between FD/FS guarding the future EU external borders and FS guarding the future EU internal borders as the methods for establishing FS officer numbers are not fully in line with the border guarding needs.

SBGS Activities in Reinforcing the Guarding of the EU External Border

In order to join the Schengen space and to apply the Schengen *acquis* Lithuania must reinforce the guarding of the EU external borders.

The issues of transferring SBGS staff to the EU external borders have been dealt with in various legal acts.

Paragraph 17 of Section V of the resolution of the Seimas Concerning Approval of the Programme for the Development of the State Border Guarding System No. IX-911 of 30-05-2002 stipulates that “part of the resources used for the protection of the future internal border will be gradually transferred to the future external border”.

Paragraph 11 Reorganization of Protection of the Future Internal Border of the National Schengen *acquis* Adoption Plan approved by resolution of the Government No. 1194 of 19-07-2002 states that “after elimination of control at internal borders more than 50% of personnel of SBGS will be transferred to the borders with Belarus and Russia. The time of transfer and personnel numbers will be specified after formulation of the SBGS tasks at the internal borders”.

Paragraph 41 of the Guidelines for the Development of SBGS for 2004-2006 approved by order of the SBGS Commander No. 4-3169 of 17-07-2003 stipulates “gradual reduction of the number of positions at the state border with Poland and Latvia, with a corresponding increase in the numbers of personnel at the future EU external borders”.

Analogous provisions for the transfer of part of personnel from the EU internal borders to EU external borders are established in the Strategic Development Plan of the Ministry of Interior for 2004-2006 approved by resolution of the Government No. 70 of 27-01-2004.

According to SBGS, the issues of the staff transfer are being considered and will have to be resolved by 2007-2008 before Lithuania’s acceding to the Schengen space.

Officials of FDs and FSs guarding the EU internal borders have expressed a wish that the resolution of the transfer issue would be speeded up because this involves moving of officials and their families to another place of service.

By 1 October 2004, a working group formed by order of the Service Commander Concerning Approval of the Action Plan for Strengthening the Guarding of the State Border with the Russian Federation for 2003-2006 No. 4-689 of 19-12-2003 (paragraph 22) has been charged with the task of examining the reduction of positions and personnel of FDs guarding the future EU internal borders and of drawing up a plan for transferring positions to the FDs guarding the EU external border.

Conclusions

8.13. The SBGS has not formulated its tasks in the area of transfer of more than 50% of staff from the EU internal border to the EU external border.

8.14. The SBGS has no strategy for the transfer of staff from the EU internal border to the EU external border.

SUMMARY OF CONCLUSIONS

1. Concerning planning of investment in infrastructure development and utilization of appropriations:

1.1. The planning of investments in the development of the state border infrastructure involves drawing up of SBGS strategic operational plans/programmes and providing for measures to implement them. In 2001-2003, allocations from the state budget accounted for 33.5% of the investment requirements estimated by SBGS. The funds utilized for the infrastructure development included LTL 62.4 m from the state budget (55%), LTL 27 million from the Privatization Fund (24%), and LTL 24.3 million from the PHARE (21%).

1.2. In the audit period the scope of investment increased, compared with 2001, by LTL 3.8 million (13%) in 2002 and by LTL 19.2 million (63%) in 2003.

2. Concerning allocation of investments:

2.1. Total appropriations received by SBGS in 2001-2003 from various sources for the development of infrastructure were utilized as follows: construction, facilities and demarcation of the state border LTL 57.3 (50%); acquisition of fixed assets LTL 22.6 m (20%); repayment of loans LTL 33.6 m (30%).

2.2. The total amount of LTL 57.3 million invested in construction, state border facilities and demarcation was split as follows:

- 76.7% of investment (LTL 43,950,500) - for the development of infrastructure of the state border coinciding with the EU external border;
- 4.3% of investment (LTL 2,480,000) - for the development of infrastructure of the state border coinciding with the EU internal border;
- 12.7% (LTL 7,303,600) - for the reconstruction of the Headquarters' buildings and engineering systems;
- 6.3% (LTL 3,608,600) - to meet the general needs of the Service and SBGS divisions.

2.3. The majority (80%) of investments in the construction of infrastructure objects were earmarked for the strengthening of control over the EU external border.

3. Concerning economy in building new frontier stations and utilization of investments:

3.1. In eight new frontier stations of equal size built according to the SBGS model design approved in 1999, about 33% of space equipped for border guards in these FS is under-utilized as the actual number of staff is smaller than the approved number.

3.2. Without analyzing and assessing the utilization of FS capacities in the future, it should be considered that 1/3 of the funding allotted for the FS construction was used inefficiently (the construction cost is LTL 21,778,000).

3.3. Construction of new FS was conducted without an approved concept for the guarding and equipping of the state border with the Republic of Belarus.

3. Concerning border surveillance equipment and efficiency of investment utilization:

4.1. The technical and financial terms of the contract No. 137-10-96 for the supply of the state border surveillance and control system for the border with Belarus, concluded on 09-07-1997 by and between the Ministry of Interior and the French company THOMSON-CSF, differ from the terms and approved results of the international tendering procedure announced for this project. CATHERINE night-vision equipment offered in the tender by the company to which the contract was awarded, in the contract has been replaced by SOPHIE cameras; a 3-year warranty period stipulated in the tender regulations was reduced to 12 months; the loan repayment period was shortened from 13 years to 7.5 years, and the loan interest grew up from 6.84% to 7.32%.

4.2. The night-vision equipment installed in the surveillance towers was inefficient and failures occurred frequently. Eight cameras went out of order during the warranty period. The equipment was dismantled due to expensive repairs and high operating costs. Ten surveillance towers constructed for stationary surveillance equipment do not serve their purpose, including two towers not in use; utilization of other ones is not effective. As of 1 January 2004 the debt to Banque Paribas accounted for 43% of the loan amount, i. e. USD 2,867,000.

4.3. The amounts invested in the state border surveillance and control by concluding a contract with THOMSON-CSF (including the principal amount, the advance payment and the tower construction costs), i.e. USD 7,575,000 and LTL 2,649,000 – were used inefficiently and not economically.

5. Concerning infrastructure objects not related to the guarding of the state border and effectiveness of investments:

5.1. Part of the allocations for the development of the state border infrastructure was used by SBGS not according to their intended purpose and ineffectively. In the audit period LTL 63,200 allotted from the state budget for the programme 1.4 Guarding of the State Border of the Republic of Lithuania on Land, in the Sea and in the Curonian Lagoon, Implementation of the Schengen *acquis* Requirements in the Area of Border Control were used for the equipment of the Juodkrantė branch of Palanga Rest House of the Coast Guard District. The expenditure from the state budget was not included in the income and expenditure estimate of the rest house. Legal acts regulating SBGS operations do not provide for the provision of recreation services.

6. Concerning SBGS supplies:

6.1. The provision of SBGS divisions with service vehicles is insufficient, most vehicles are used after expiration of the normative service period, therefore, there is a risk that the state border protection and control is inadequate.

6.2. The distribution of vehicles, both those acquired in 2001-2004 and those acquired earlier, is not efficient. Only SBGS divisions not directly related to the border guard services have sufficient numbers of vehicles.

6.3. The rate of provision of SBGS divisions with radio communication and computer equipment is insufficient. Not all the equipment is functional and reliable, therefore, there is risk that the state border control and protection is not ensured.

6.4. Provision of SBGS divisions with war dogs is insufficient, therefore, there is a risk that the state border control and protection is inadequate.

7. Concerning organization of work at border checkpoints and implementation of the Schengen requirements:

7.1. Conditions for compulsory border checks complying with the EU requirements have been created only at road and most rail BCP.

7.2. No conditions have been created for compulsory checks complying with the EU requirements at the Klaipėda Seaport BCP, Vilnius Airport BCP and Pagėgiai railway BCP.

7.3. The Schengen *acquis* requirements have not been fully met at Klaipėda State Seaport BCP as there is no separation of vehicle flows between the vessel and the border check in the seaport and no conditions have been created for compulsory checks of vehicles at entry and exit.

7.4. The Schengen *acquis* recommendations concerning surveillance and patrol of the future external EU border are being implemented.

7.5. The Schengen *acquis* recommendations concerning organization of border crossing points, i.e.:

- *to familiarize passengers with frontier procedures;*
- *to conduct border checks at special control booths or at the tables or, if needed, using portable equipment;*
- *to fit in special tables or booths for checking purposes inside the buildings;*
- *to turn control booths toward passengers; not to allow passengers to observe the operation of control equipment (particularly computer systems);*
- *concerning establishing of limits of border crossing points and visibility of applicable requirements (in road transport)*

have been implemented.

7.6. The Schengen *acquis* recommendations:

- *concerning control booths with necessary equipment outside buildings;*
- *concerning the establishment of limits of border crossing points and visibility of applicable requirements (in railway transport)*

have been implemented in part.

7.7. The Schengen *acquis* recommendations:

- *concerning appropriate communications system which should constantly provide information on every important situation at any time to all divisions;*
- *to establish standard criteria of for production of control booths (taking account of security and technical equipment used in the booths);*
- *concerning the establishment of limits of border crossing points and visibility of applicable requirements (in sea transport)*

have been implemented in part.

7.8. The Schengen *acquis* recommendation concerning separation of passengers of the ferry so that the flow crossing the external border never mixes with internal flow between the ship and the frontier check has not been implemented.

7.9. The Schengen *acquis* recommendations:

- *concerning as close co-operation as possible with third parties at the air port focusing attention on transfer flights;*
- *to timely present necessary information to border management institutions as well as to liaise with the aviation information system*

have been implemented.

7.10. The Schengen *acquis* recommendation concerning separation of flows by organizing supervision and escorting passenger flows at airports where this is permitted by the scope of traffic has been implemented in part.

7.11. The Schengen *acquis* recommendations:

- *concerning coordinated management of traffic flows by all competent authorities of both neighboring states;*
- *concerning flexible organization of lanes and effective response;*
- *concerning separate lanes for the different types of traffic crossing the border*

have been implemented in part.

7.12. The Schengen *acquis* recommendation concerning separation of lanes for (a) EU and EEA citizens and (b) non-EU/non-EEA citizens (airports and sea) has been implemented at the airport BCPs.

7.13. The Schengen *acquis* recommendation concerning separation of lanes for (a) EU and EEA citizens and (b) non EU/ EEA citizens has not been implemented at the Klaipėda Seaport, therefore, there is a risk that passengers may elude compulsory frontier check.

7.14. The Schengen *acquis* recommendation concerning organization of border checks with priority on entry into the State has not been implemented.

8. Concerning human resource management:

- 8.1. The number of staff positions at SBGS headquarters is increasing. During 2002-2004, the number of staff approved for SBGS headquarters increased by 3.7%, while that of management and officers – by more than 1/10 (12.7% and 11.6% respectively).
- 8.2. The ratio of approved staff at headquarters and subordinate institutions is the highest in SBGS (5.1%) among law enforcement institutions subordinate to the Ministry of Interior.
- 8.3. The change in the number of SBGS structural divisions is related to the new border control tasks entrusted to the Service in accordance with the Schengen *acquis*.
- 8.4. No mechanism of administration of the Schengen measure and no scope of competence of responsible institutions had been established before 5 May 2004.
- 8.5. The Service has no personnel strategy that would comprise recruitment, training, career and other professional, legal and social issues.
- 8.6. FDs lack from 4.9% to 16.5% of personnel to be directly engaged in the guarding of the state border. Therefore, there exists a risk that guarding of the state border at individual frontier sections is inadequate.
- 8.7. Training of SBGS officials on Schengen *acquis* is not effectively organized.
- 8.8. Although the issue of transferring of the Visaginas School to Medininkai has been under consideration since 1996, relevant provisions are included in legal acts each year, and LTL 462,000 have been allotted for this purpose, no actual transfer is taking place. Therefore, there is a risk of ineffective utilization of funds.
- 8.9. During 2001-2004 the number of officers at the EU external borders increased by 14.3% or 337 staff and the EU internal borders decreased by 9.14% or 96 staff.
- 8.10. The trends toward increasing staff at the EU external borders and reducing staff at the EU internal borders is formally in line with the provisions of guarding the external borders set out in the 19 June 1990 Convention on the Application of the Schengen Agreements of 14-06-1985. Under these provisions, a Member State commits itself to allot sufficient number of officials for surveillance of the external border between the border crossing points (using mobile patrols) in order to prevent crossing of the border avoiding checks at BCP.
- 8.11. The reduction of staff at the EU internal borders and the increase in staff at the EU external borders have not been based on an analysis of risk trends and are not planned systematically. There is a threat that SBG human resources may be allocated inefficiently.

8.12. There remains a disproportion between FD/FS guarding the future EU external borders and FS guarding the future EU internal borders as the methods for establishing FS officer numbers are not fully in line with the border guarding needs.

8.13. The SBGS has not formulated its tasks in the area of transfer of more than 50% of staff from the EU internal border to the EU external border.

8.14. The SBGS has no strategy for the transfer of staff from the EU internal border to the EU external border.

RECOMMENDATIONS

In order to strengthen the guarding of the state border in preparation for joining the Schengen space we recommend and propose that:

The State Border Guard Service:

1. In resolving strategic issues of the state border guarding and control, increasing the number of frontier stations and transfer of staff to the EU external borders, make an economic analysis of infrastructure development in order to utilise the existing FS buildings, supervision towers and equipment as efficiently as possible.
2. Ensure efficient allocation of vehicles for the divisions engaged in the guarding of the state border.
3. Where possible increase the number of officers using war dogs and provide officers' training at SBGS divisions.
4. Create conditions for border checks in compliance with the Schengen *acquis* requirements at the State Klaipėda Seaport BCP, Vilnius Airport BCP and Pagėgiai rail BCP.
5. Develop communications and information systems compliant with the Schengen *acquis* requirements in order to enhance the state border guarding and control.
6. Prepare standard criteria for the manufacture and installation of BCP control booths.
7. Make a detailed assessment of BCP infrastructure and operations taking account of existing requirements and planned changes in connection with the Schengen *acquis*; draft development plans for individual BCP identifying specific measures, responsible persons, financing sources and timeframes.
8. In order to improve personnel management, draft a personnel strategy including recruitment, training, career and other professional, legal and social aspects.

9. Improve and deepen FD and FS officer's knowledge of the Schengen *acquis*.
10. Develop the process and scope of on-the-job training.
11. Put forth efforts to transfer the Visaginas Border Guards School in order to improve the border guards training process and ensure efficient utilization of funds allotted for this purpose.
12. Improve the methodology for determining the number of frontier stations' officers, introducing station-specific additional criteria for determining the number of officers.
13. Formulate a strategy for the transfer of staff from the EU internal borders to the EU external borders including anticipated transfer stages, timing, etc. so that the process is properly organized and haste is avoided.

The Ministry of Interior:

14. Carry out a financial audit of rest homes of the State Border Guard Service since their founding taking account of the fact that investments earmarked for the state border guarding were used for the rest homes and that these funds were not included in the rest homes' expenditure estimates; assess economy and lawfulness of rest home activities related to the provision of services to natural persons.
15. Resolve the issue of transfer of the Visaginas Border Guards School taking account of the issues emphasized in this Report.
16. Establish criteria for the assessment of implementation of the Schengen *acquis* requirements.

The Government of the Republic of Lithuania:

17. Clarify reasons why the terms and conditions of the contract No. 137-10-96 dated 9 July 1997 concluded by the Ministry of Interior with THOMSON-CSF for the supply and installation of the state border surveillance and control system at the Belarus border differ from the terms and results of the international tendering procedure announced for this project and why the investments were used ineffectively and inefficiently.

Birutė Puzienė, Director, Performance Audit Department No. 4

Antanas Tiškevičius, Chief Public Auditor

I am conversant with the Report:

Gen. Jurgis Jurgelis, Commander of the State Border Guard Service