THE SOCIAL REPORT
2014–2015
MINISTRY OF SOCIAL SECURITY AND LABOUR

The Social Report

2014–2015

Vilnius
2015
Dear Readers of the Social Report,

I am pleased to share with you the greatest achievements of all areas falling within the competence of the Ministry of Social Security and Labour, the key topical issues of social policy and the nearest plans. This year has been the year of important decisions aimed to improve social environment and covering the increase of sickness and unemployment benefits as well as compensation for and increase of pensions. We have been gradually yet with certainty approaching our goal to create a sustainable and reliable social environment in which every resident of Lithuania feels safe and receives necessary assistance in any situation.

This year we have been working hard and together with scientists have been pursuing the improvement of the Lithuanian social model, which suggests increasing the employment level, improving the regulation of labour relations, ensuring sustainability of the social insurance system and reducing social exclusion. The project is highly important, since it is the first time in the country’s history that a systematic rather than fragmentary approach to the social system has been presented.

In 2014, Lithuania recorded an increase in employed residents, the growth of the employment level, a decrease in economically inactive residents and further decline of the unemployment rate. The Youth Guarantee launched last year has gained momentum – 40 800 out of 94 400 young unemployed persons aged 16–29, registered in the labour market and participating in Youth Guarantee activities, became employed, and 14 100 young people took part in active labour market policy measures. Youth is very important for us; therefore, while pursuing youth policy in regions we try to involve young people in activities that are relevant and motivating to them, expand their horizon, and help to acquire new working skills and experiences. We have been successfully pursuing national youth policy, implementing the Erasmus+ programme, and encouraging youth to become actively involved in voluntary activities.

We are glad to have kept the promise made to residents – in recent years, with the recovery of our economy, the minimum monthly wage has on two occasions increased even and pensions have been raised as of 1 July 2015 for the first time over a period of six years. The process of compensating for pensions that were reduced due to the crisis is going on smoothly and will be continued until December 2016. Seeking a uniform amount of a sickness benefit during the entire period of sickness, we have increased the amount of a sickness benefit paid for days 3–7 of incapacity for work from 40 to 80 per cent of the recipient’s previous wage.

The greatest focus has been assigned to the of institutional care reorganisation, which was commenced last year. We understand that the process will be long and hard; therefore, in order to create an efficient network of services and protect children, the disabled and their family members from inconvenience we have signed a memorandum of cooperation with concerned institutions and subsequently with the Judicial Council. We try to make the reorganisation process as smooth as possible, thus we often communicate and meet with the heads, employees and residents of institutions under the reorganisation, representatives of municipal administrations, encourage them to discuss, share their insights and observations, and talk about the immediate actions of the reform.
We have been fostering an idea to develop a meaningful tradition, and this year is the second year in a row that we have organised the “Election of the Best Social Worker”, and the award ceremony will be held on a special day – the Lithuanian Social Worker’s Day. We believe that these awards are a good way to attract society’s attention to the activities of social workers, their merits and good deeds. We would like to raise public awareness of the level of commitment and efforts required by the occupation of a social worker.

Communities are the nucleus of society, rallying people for common goals, encouraging them to be active, create and share together, and promoting their citizenship. Community representatives are our very important partners; therefore, we constantly try to maintain a close and high-quality cooperation between the public and non-governmental sectors. The Council of Non-governmental Organisations that started functioning early this year contributes to the achievement of this goal. We have been successfully implementing the Programme of Local Communities since 2012; this year almost EUR 300 000 more than the previous year have been allocated for it. The programme is implemented by all municipalities which take care of their environment, occupation of children and youth, and organise educational events.

The year 2015 is highly significant to us as the citizens of the European Union, since we have joined the euro area as of 1 January 2015. Being part of the EU, we have been seeking common goals together with other member states: to create high-quality jobs, combat poverty and social exclusion, and encourage youth to learn and develop.

I would like to express my gratefulness to the entire team who exerted many efforts to make this report reach all residents interested in the relevant issues of social policy. I would also like to thank you all who read, show interest and are not indifferent to your country.

Ministry of Social Security and Labour Algimanta Pabedinskienė
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The Administration of the Ministry of Social Security and Labour pays heartfelt thanks to the team of editors for their work preparing this edition.
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1. Introduction

The Social Report 2014–2015 (hereinafter referred to as the “Report”) gives an overview of activities carried out by the Ministry of Social Security and Labour (hereinafter referred to as the “Ministry”) in the reporting period. The Report shows how the problems of the Lithuanian social security system are solved and how the social security system is improved.

The second chapter of the Report discusses the issues of the labour market, labour relations, occupational safety and health policy. It gives the statistical data of employment and unemployment and presents the tendencies of changes in the labour market, improvement of the legal framework of the labour market, and the relevant issues of occupational safety and health. Legal regulation of collective and individual labour relations, changes in wages and social responsibility of enterprises are explored.

The third chapter of the Report analyses the issues of social insurance and pensions. The chapter describes the relevance of financial stability of the social insurance system and the improving collection of the budget of the State Social Insurance Fund. It gives an overview of the changes in the social insurance and state pension system and describes pension accumulation in private pension funds. It discusses the mechanism of compensation for old-age pensions and lost capacity for work (disability) pensions that were not paid in 2010–2011.

The fourth chapter of the Report describes applied measures of cash social assistance for families and children aimed at as targeted assistance as possible and able to mitigate the consequences of scarcity for the most vulnerable groups. The chapter presents changes in the system of cash social assistance and tendencies emerging from 1 January 2015, after transition to the single model of the provision of cash social assistance having assigned the provision of social allowances and compensations for heating, hot and drinking water expenses as the independent function of municipalities and financing it from municipal budget funds in all municipalities. The chapter discusses transition from institutional guardianship to the services provided to the disabled and children deprived of parental care in the family and community, which commenced in 2014, and acquaints with the training of social workers as well as elected best social workers. It also discusses the functioning of the system of support for the acquisition or rental of housing, the financing issues of subsidised housing and future prospects. Major emphasis is put on the issues of equal opportunities: social integration of the disabled, the return of political prisoners and deportees as well as their family members to Lithuania, social integration of foreign nationals who have been granted asylum, and migration policy. These are sensitive issues relevant to all members of society.
The fifth chapter of the Report describes cooperation between the public and non-governmental sectors, the activities of local communities and their involvement in decision-making, meeting the public needs of local communities. Considerable attention is paid to child and youth rights and the current situation. The chapter discusses how family policy is shaped and implemented with regard to emerging challenges.


The seventh chapter is concerned with gender equality issues. It discusses the programmes, measures and projects implemented for the purpose of solving gender equality related issues.

The eighth chapter of the Report presents information about the use of support from the European Union Structural Funds and gives an overview of implemented measures and achieved results.

The ninth chapter of the Report explores activities related to Lithuania’s membership in the European Union, discusses international cooperation, participation in the activities of international organisations, and defines the country’s social security system in the international context. Membership in the European Union and active international cooperation lay down new guidelines over and over again, set new requirements and open new opportunities in the area of social policy.

The Report provides references to respective sources. Every reader can also use the websites of the Ministry of Social Security and Labour (www.socmin.lt, www.socialiniszemelapis.lt; data mart module of the information system of social assistance for families, etc.), which provide them with information on various relevant issues.
The year 2014 witnessed the growing number of population in employment, rising employment rate, declining number of economically inactive people, further decrease in unemployment in Lithuania.

In 2014, 1,319 million population was in employment, or 26,200 (2%) more than in 2013. The most significant increases in the number of jobs were witnessed in agriculture, forestry and fishery industries (12,000), transport and storage (6,900), and retail companies (5,300), while industry and professional, research and technical companies suffered a drop in the number of jobs: 3,900 and 3,100, respectively. In 2014, employed population by gender distributed as follows: 647,100 men and 671,900 women. In the course of the year, the number of men in employment increased by 11,000 (1.7%), women by 15,200 (2.3%).

Table 1 shows that employment rate of 15–64 year old population was 65.7% in 2014, it increased by 2% during the year. In 2014, the employment rate of 15–64 year old male population was 66.5%, female 64.9%, and the latter rates increased by 1.8% and 2.1%, respectively. Youth employment rate was 27.6% in 2014, and experienced the rise of 3% during the year. Employment rate of 55–64 year old population increased by 2.8% and accounted for 56.2%.

<table>
<thead>
<tr>
<th>Year</th>
<th>15–64 year old population</th>
<th>male</th>
<th>female</th>
<th>15-24 year old population</th>
<th>20-64 year old population</th>
<th>55–64 year old population</th>
</tr>
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<tr>
<td>2013</td>
<td>63.7</td>
<td>64.7</td>
<td>62.8</td>
<td>24.6</td>
<td>69.9</td>
<td>53.4</td>
</tr>
<tr>
<td>2014</td>
<td>65.7</td>
<td>66.5</td>
<td>64.9</td>
<td>27.6</td>
<td>71.8</td>
<td>56.2</td>
</tr>
</tbody>
</table>

Data of the Statistics Lithuania

Table 2.1.1-1
2. LABOUR MARKET, LABOUR RELATIONS, OCCUPATIONAL HEALTH AND SAFETY

According to the Statistics Lithuania, there were 11,600 jobs available for employees in 2014, or 900 (8.5%) more than in 2013. During the year, professional, research and technical companies (400), transport and storage and administrative and service industries (200, each) experienced the greatest increase in jobs available, while building, human health care and social work companies (100, each) witnessed the decrease.

Most jobs available in 2014 were recorded in industry – 2,600 (22.3% of all jobs available), transport and storage – 1,400 (12.1%), public administration and defence, compulsory social insurance and retail – 1,300, each (11.6% and 10.9%, respectively).

As it is shown in the Picture 1, according to the data of the Labour Force Survey of the Statistics Lithuania, the unemployment rate in 2014 was 10.7% and was 1.1% lower than in 2013. Youth (15–24 year old) unemployment rate in 2014 was 19.3%, which was 2.6% lower than in 2013. Long-term unemployment rate in 2014 was 4.8% and was 0.3% lower than in 2013. Male unemployment rate was 12.2% and female 9.2% in 2014. In the course of the year, the male unemployment rate dropped down by 0.9%, female by 1.3%.

According to the Lithuanian Labour Exchange, territorial labour exchange offices had 263,600 unemployed registered in 2014. If compared with 2013 job supply dropped down by 12% (299,600 unemployed were registered in 2013). Women accounted for 43.4% and men for 56.6%, accordingly, of the total registered unemployed. Persons receiving additional support on the labour market accounted for 64.5% of the total unemployed registered on the labour exchange, 39.2% jobseekers applying to labour exchange offices did not have any professional background, every fifth was unemployed for over 2 years (19.3%), every fifth was over 50 year old (21.8%). The number of young jobseekers under 25 year old registered with the labour exchange offices was 57,400, 16–29 year old jobseekers accounted for 35.8% of all unemployed, there were 94,400 registered of them. In 2014, 17,100 graduates applied to the labour exchange offices, or 20.1% fewer than in 2013, 63.1% of them had higher education degree.

As Picture 2 shows, the biggest numbers of working age jobseekers registered on 1 January 2015 resided in the following municipalities: Ignalina – 17.8%, Lazdijai – 16.8%, and Alytus – 16.6%. Smallest rates of unemployed working age population were registered in Kretinga – 5.5%, Elektrėnai – 5.6%, and Trakai – 5.8%. Among the largest
cities, Panevėžys has the highest unemployment rate – 9%, while Šiauliai has the smallest – 5.9%. In the course of 2014, the rates of registered unemployed were decreasing in all 60 municipalities of the country. The share of unemployed in the total working age population was experiencing the greatest drop in Kelmė – 4.1%.

**Number of working age residents registered as jobseekers by municipalities, (%)**

1 January 2015

During 2014, 177,800 jobseekers found employment, 85% of whom were employed under indefinite term employment agreement. About 38.5% employed persons were under 29 year old. Jobseekers over 50 years old accounted for 19.1%. In 2014, 71,500 (59,700 in 2013) persons became self-employed by acquiring business licences.

Active labour market policy measures had 64,100 job seekers involved, including 59,200 involved in 2014.

In order to satisfy the demand for qualified labour in certain economic sectors, with production necessity reported in a company, the Lithuanian labour exchange issued 5,400 work permits to foreigners to work in the Republic of Lithuania in 2014 (300 work permits more than in 2013), including: 4,600 – work permits to foreigners employed under employment agreement in the Republic of Lithuania, 200 – work permits to foreigners on business trips. During this period, 500 work permits were renewed for foreigners in Lithuania. Most permits were issued for employment in services (89%) and industry sectors (9%). Among the work permits issued to foreigners, the following trades were most frequent: international freight vehicle drivers – 80%, metal hull assemblers – 5%, welders – 4%, chefs – 3% of the total work permits issued in the Republic of Lithuania. In 2014, the Lithuanian Labour Exchange adopted 131 decisions on conformity of high professional qualifications of foreign workers to the needs of the labour market of the Republic of Lithuania. The decisions were made regarding foreigners from 13 countries. Most permits were issued to foreigners for employment in services (89%) and industry sectors (33%). Their wages vary from LTL 4,612 to 35,966.
2.1.3. YOUTH GUARANTEE INITIATIVE

Youth integration into social and professional life and better use of their potential play an important role in ensuring sustained development of the state. But with the labour market constantly changing and facing structural problems, youth find it increasingly difficult to establish themselves on the labour market; they are under higher risk of social exclusion.

Integration of socially vulnerable youth into labour market and/or educational system is a vital problem. Youth find integration difficult because of their early withdrawal from secondary education system and inadequate educational background, lack of professional qualification, motivation to work and study and social and psychological issues. Majority of vulnerable people have skills and internal resources to change the situation, but lack of social skills prevent them from looking for possible ways to improve their quality of life.

In order to overcome the latter challenges, in early 2014 Lithuania launched Youth Guarantee Initiative (hereinafter – YGI), aimed at offering jobs, studies or apprenticeship to youth not in employment, education or training within 4 months from the day they lost their jobs, finished education or studies, dropped out from educational system. Differently from other European Union Member States, where YGI opportunities are accessible to youth under 25 year old, Lithuania has set higher limit, i.e. 29 year old.

The YGI is implemented following the YGI implementation plan approved by the Minister of Social Security and Labour of the Republic of Lithuania, which in 2014, in co-operation with the Ministries of Education and Science, of Economy and Lithuanian Youth Council was improved and recast

During the YGI implementation, substantial attention is focused on identification of youth’s needs and provision of services tailored to such needs. For this purpose, Lithuania is actively expanding the network of youth job centres at territorial labour exchange offices – in 2014, seven new youth job centres were opened. In 2015, the country had 29 youth job centres in operation. In the course of 2014, the latter centres organised over 5,600 information and training events and workshops for youth, which were attended by 76,100 people. The goal is to ensure that services provided by youth job centres would cover all municipalities of the country by 2016 and would help local youth to integrate into labour market, would develop their skills, needed in order to be able to compete on the labour market, and would motivate them to learn all their life.

The network of open youth centres and spaces is also under active development, which is in operation in 45 municipalities at present. These centres are intended for young people looking for safe environment, new forms of being together, who have free time and do not know how to spend it. Special attention is focused on young people who do not fit into the group of peers or adult society because of their behaviour or looks, cannot see any purpose in life, lack motivation to study and power to manage their life creatively, tend to commit crimes, abuse alcohol and other intoxicating substances.

In 2014, after launching implementation of the YGI, the following results have already been achieved:

1) In 2014, out of 94,400 registered young unemployed aged 16–29, participating in the Youth Guarantee Initiative, 40,800 (or 43.2% of all registered jobseekers) found employment, 14,100 (or 14.9% of all registered jobseekers) took part in the active labour market policy measures.

2) YGI offer (employment/ participation in active labour market policy measures) was given to 57.5% of all the participants of the YGI within 4 months.

3) Nearly 2,000 young jobseekers aged 16–25 took part in the programme of intensive long-term assistance to youth not in employment and education in 2014, 835 (42%) of whom successfully integrated into the labour market or educational system;

4) National youth volunteering programme received participation of 356 persons aged 16–29, 102 (44.5%) of whom successfully integrated into labour market or education system.

Year 2014 also witnessed preparations being made for implementation of the targeted YGI projects financed within the framework of the Youth Employment Initiative: identification of the services designed for the target group, preparation of their descriptions, development of the plan and institutional framework of project activities implementation, determination of the functions and responsibilities of the institutions involved. The Lithuanian Labour Exchange started development of the information system by adapting it to administration of YGI projects. This way, attempts are made to facilitate implementation of these projects, information processing, and calculation of indicators.

Project proposal of the YGI initial intervention project Discover Yourself was approved in June 2014. Department of Youth Affairs under the Ministry of Social Security and Labour announced the results of YGI implementation partners’ selection.

The funds of EUR 89.7 million are planned to be assigned to YGI measures to be implemented by the Ministry of Social Security and Labour in 2014–2020, including: EUR 63.6 million from Youth Employment Initiative funds, EUR 17.5 million from European Social Fund, EUR 8.6 million co-funding. YGI measures are integrated into the future co-funding programmes of the European Union long-term financial programme 2014–2020.

2.1.4. IMPROVING LABOUR MARKET LEGISLATION

Amendments to the Law on Support for Employment of the Republic of Lithuania came into effect from 1 September 2014, which concern vocational training of the unemployed and of the employees who have been given a notice of dismissal.

Amendments to Article 23 of the Law on Support for Employment establish a possibility for persons to stop vocational training at their own request, shortened the term during which the employer must maintain employee’s workplace (from 12 down to 6 months), regulated in greater details vocational training participant’s duties to find employment, acquire or improve qualification and/or competence, and in case of default of such duties, reimburse the labour exchange for expenses incurred.

In order to save state funds and to ensure smoother training process and more responsible involvement of persons, it is established that persons, who stop their participation without any good reasons, will not be allowed to be registered in the territorial labour exchange office for the period of six months. The purpose of this action was to achieve greater involvement of employers in this measure. It was established that unemployed can be repeatedly sent for training after minimum three years, save for exceptional cases (e.g. when further employment under the acquired qualification or competence is prevented by health condition or a person has competence, but lacks certificates confirming such qualification).

To increase attractiveness and flexibility of the measure for employers and measure participants, a possibility for agreements to contain agreement amendment clauses is established. It is established that scholarship will be paid to unemployed only, not to employees who have been given a notice of dismissal, since they still have a source of income.

To secure social justice, amounts of the scholarships have been changed – they are reduced from 0.7 minimum monthly wage (MMW) down to 0.6 MMW to prevent big differences between the scholarships paid to vocational training students.

Law No. XII-999 on amendment of Article 1, 2, 3, 13, 23, 24, 26, 29, 32 and supplement with Articles 261, 341 and annex to the Law on Support for Employment of the Republic of Lithuania, No. X-694.
Unemployed sent to vocational training according to the labour market forecasts are provided with a possibility to take up jobs they found, the obligation of the territorial labour exchange office to offer adequate jobs to the unemployed is included.

Starting from September 2014, the amendments to the Law on Support for Employment came into effect which provided more opportunities for youth under 29 to start their own business, to acquire professional experience. Three measures have been legalised: subsidised job creation, agreement on the acquisition of professional skills and volunteer practice. Amendments to the Procedure of financing support measures for acquisition of professional skills were adopted, according to which an employer who appointed a responsible person to train a new employee will have bigger amount reimbursed, provided the appointed responsible person is over 50 year old, while the newly-employed is under 29 year old (thus, trying to sustain older persons on the labour market and to employ youth).

Amendments to the Description of the terms and conditions and procedure of implementation of active labour market policy measures (hereinafter – the Description)³, regarding implementation of local employment initiative projects (hereinafter – LEI projects), were drawn in consideration of the suggestions of employers and territorial labour exchange offices regarding improvement of LEI project selection and in order to deal with other problems identified during the implementation of the above-mentioned measure in 2014.

The description specified the following: cases when workplaces can be abolished, financing expenses of subsidies for job creation and repayment term of subsidies for job creation. Furthermore, the Description contains additional requirements for jobs created during the implementation of the LEI projects. When establishing additional requirements, comments made by the National Audit Office of the Republic of Lithuania on 11 July 2014 regarding granting subsidy irrespective of the type of job created, type of profession, but rather based on the amount requested in the employer's application were taken into consideration. Having considered LEI implementation practice, it is believed that only jobs that require qualification or professional training should be established.

Referring to the comments made by the National Audit Office, additional requirement for applicants was established in the applications for support for job creation. Application form is supplemented with a new clause requiring provision of information on comparison of prices of planned job and/or technical assistance means (of equivalent characteristics) (in order to establish average market price). At least three suppliers’ offers must be enclosed to each application. This clause establishes that the amount of funds planned by the applicant may not exceed the average price specified in three suppliers’ offers.

It was decided to drop the idea of establishing LEI project supervising committee in the Lithuanian Labour Exchange. It was stipulated that the Director of the Lithuanian Labour Exchange will approve the list of financed LEI projects within the established term, which was prior approved by the Tripartite Commission under the Lithuanian Labour Exchange.

Amendments to the Law on the Legal Status of Aliens of the Republic of Lithuania (hereinafter –the Law) were adopted in 2014. Based on the latter amendments, effective orders of the Minister of Social Security and Labour of the Republic of Lithuania were amended and a new law regulating aliens’ employment was drawn.

Implementing the adopted amendments to the Law⁴ on 26 June 2014, clauses concerning legal activities of aliens in the Description of the terms and conditions and procedure of issuing work permits to aliens⁵ were repealed (these clauses are regulated in the Law). Opportunity to sustain highly-qualified foreign professionals on the labour market, who work in Lithuania with a work and residence permit – the blue card has been provided. Such foreigner can be

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issued a work permit, if it is discovered that the employer is no longer able to pay the salary of the established amount, which is one of the prerequisites for obtaining a blue card. Furthermore, work permit issuance procedure for foreign students studying in Lithuania was simplified. From now on, not only the employer but a foreign student himself/herself can apply to a territorial labour exchange office for a work permit. Work permit for students is issued quicker and easier, within 14 days.

Amendments to the Law\(^6\) adopted on 9 December 2014 transposed the clauses of the Directive 2011/98/EU of the European Parliament and of the Council of 13 December 2011 on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of rights for third-country workers legally residing in a Member State (OJ 2011 L 343, p. 1) (hereinafter – the Directive). Single procedure for a temporary residence permit for a foreigner planning to work in the Republic of Lithuania was established. Upon receipt of an application for temporary residence permit in the Republic of Lithuania, conformity of jobs of foreigners to the needs of the labour market of the Republic of Lithuania must be assessed and it must be established if the foreigner satisfies the criteria established in the Law for a temporary residence permit. It was further established, that an application for a temporary residence permit for a foreigner coming for work can be submitted not only by the foreigner, but also by the employer committing himself/herself to employ the foreigner.

Implementing clauses of the amendment to the Law passed on 9 December 2014 concerning the Directive, a new legal act was drawn – Procedure of adoption of a decision on conformity of jobs of foreigners to the needs of the labour market of the Republic of Lithuania\(^7\), which regulates the criteria for establishing labour market needs, procedure for submitting an application by employer or foreigner, decision-making procedure, as well as grounds for rejection of an application and employer's obligations upon employing a foreigner. Conformity of jobs of foreigners to the needs of the labour market of the Republic of Lithuania is assessed by the Lithuanian Labour Exchange. Single procedure applies to foreigners intending to work under employment agreement and released from the duty to obtain a work permit. Decision by the Lithuanian Labour Exchange on the conformity of jobs of foreigners to the needs of the labour market of Lithuania will be forwarded to the Migration Department under the Ministry of the Interior, which issues a single permit. Application procedure for temporary residence permit for the purpose of employment was simplified, assessment of the conformity of jobs of foreigners to the needs of the labour market of the Republic of Lithuania and prerequisites for a temporary residence permit by a single procedure was established.

Considering cases when the Directive does not apply, the Law elaborated the cases when a foreigner intending to work in the Republic of Lithuania (e.g. is assigned to Lithuania on business trip or is a seasonal worker, or covered by temporary protection, or covered by international protection) must obtain a work permit. Therefore, the Description of terms and conditions and procedure of work permit issuance to aliens\(^8\) was accordingly elaborated.

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The main body in charge of harmonising the interests of social partners – trade unions and employers' organisations – and state institutions in Lithuania is the Tripartite Council of the Republic of Lithuania (hereinafter referred to as the Tripartite Council). The current Tripartite Council consists of representatives of trade unions, employers and the Government (21 members in total, 7 representatives per party) and represents the following:

1) state authorities: Ministry of Social Security and Labour, Ministry of Economy and Office of the Government of the Republic of Lithuania;

2) three central (national) trade union associations: Lithuanian Confederation of Trade Unions, Lithuanian Labour Federation and Lithuanian trade union "Solidarumas";


The delegation of employees and employers to the Tripartite Council of the Republic of Lithuania is governed by the agreement of Lithuanian trade unions and employers' central (national) organisations "On Mutual Recognition of Social Partnership" approved on 26 February 2008 by the decision of the Tripartite Council. The Government's representatives are delegated to the Tripartite Council by the resolution of the Government.

Over of period of its existence, the Tripartite Council found its place in the social life of Lithuania as a key institution in charge of co-ordinating partners' interests, analysing and addressing their problems. During 2014–2015 (from January 2014 to May 2015) fifteen meetings of the Tripartite Council took place, including three external meetings (in Bistrampolis Manor of Panevėžys, in Raudondvaris Manor of Kaunas and the Alanta Business and Technological Centre of Alanta) and 2 extraordinary meetings. The meetings discussed 60 social and economic issues concerning the following matters: amendments and supplements to the Labour Code; increase of the minimum wage; draft estimate of the Employment Fund for 2015; a legal-administrational model of labour relations and state social insurance and other issues.

During 2014, the operation of two committees under the Tripartite Council, namely the Committee of Sustainable Development and the Committee of Co-operation of Tripartite Council with the Committee of European Economic and Social Affairs, was discontinued. A new composition of the Commission on Tripartite Consultations for Implementation of International Labour Norms under the Tripartite Council was approved.

In order to economise state budget funds and avoid duplication of some of the functions carried out by the present secretariat and the Ministry, as of 1 November 2014 the functions of the secretariat of the Tripartite Council have been performed by the Social Partnership Division of the Ministry of Society Security and Labour.

Upon application, the Ministry of Social Security and Labour registers collective agreements concluded on the state (national), sectoral (production, service, occupational) and territorial (municipal, county) levels, parties to which are trade unions and employers' organisations.

Within the framework of the 2007–2013 Operational Programme for the Development of Human Resources in Lithuania, Priority 1 "High Quality Employment and Social Inclusion", Measure VP1-1.1-SADM-02-K "Promotion of
Social Dialogue”, projects financed by the European Social Fund and co-financed by the state budget of the Republic of Lithuania have been underway. Under these projects more territorial and sectoral collective agreements have been concluded. From the end of 2012 until May 2015, the Ministry of Social Security and Labour registered 25 territorial collective agreements (between the Confederation of Trade Unions of Western Lithuanian Constructors and Designers and the Association of Western Lithuanian Construction and Design Company Group; Kaunas Regional Centre of the Lithuanian Confederation of Trade Unions and Kaunas Chamber of Commerce, Industry and Crafts; Šiauliai County Trade Union “Solidarity” and Šiauliai Chamber of Commerce, Industry and Crafts; Panevėžys Coordination Council of Trade Unions and Panevėžys Chamber of Commerce, Industry and Crafts; trade unions of small and middle-sized businesses of Vilnius County and Vilnius Chamber of Commerce, Industry and Crafts; Confederation of Trade Unions of Education Workers of Joniškis Region and Joniškis Regional Municipality; Confederation of Education Workers’ Trade Unions of Ukmergė Region and Ukmergė Region Municipality; the Confederation of Rokiškis Education Workers’ Trade Unions, Rokiškis Region Municipality and the Association of Heads of Rokiškis Education Institutions; Pasvalys Region Education Trade Union and Pasvalys Region Municipality Administration; Akmene Regional Trade Union “Solidarumas” and Akmene Region Business Community Association; the National United Trade Union, Lithuanian Cultural Workers’ Trade Union and the Association of Kelmė Region Municipality; Elektrėnai Municipality Education Workers’ Trade Union, Elektrėnai Municipality Pre-school and School Establishment Workers’ Trade Union “Solidarumas” and Elektrėnai Municipality; Panevėžys Town Municipality and Panevėžys Education Trade Union; Lithuanian Wood Industry Companies’ Association “Lietuvos mediena” and the Trade Union of Workers of Lithuanian Furniture and Wood Processing Companies; Šiauliai Town Municipality and Šiauliai Confederation of Education Trade Unions; Visaginas Confederation of Lithuanian Education Workers’ Trade Union and Visaginas Municipality; Lithuanian Labour Federation and Vilnius City and County Business Employers’ Confederation; Lithuanian Association of Employers in the Field of Services and the Trade Union of Lithuanian Service Providers; Marijampolė Municipality and Marijampolė Education Workers’ Trade Union; Confederation of Kaunas Educational Workers’ Trade Unions and Kaunas Town Municipality; Vilnius County Chief Police Commissariat and a joint representation of Vilnius County Chief Police Commissariat police officers’ trade unions, Tauragė County Chief Police Commissariat and a joint representation of Tauragė County Chief Police Commissariat police officers’ trade unions; Marijampolė County Chief Police Commissariat and a joint representation of Marijampolė County Chief Police Commissariat police officers’ trade unions; Panevėžys County Chief Police Commissariat and a joint representation of Panevėžys County Chief Police Commissariat police officers’ trade unions; Utėna County Chief Police Commissariat and a joint representation of Utėna County Chief Police Commissariat police officers’ trade unions) and 16 sectoral collective agreements (between Lithuanian Medical Workers’ Trade Union and the Association of Companies of Medical Services; Federation of Lithuanian Forestry and Forestry-Based Industry Workers’ Trade Unions and the General Forestry under the Ministry of Environment; Lithuanian Cultural Workers’ Trade Union and the Ministry of Culture of the Republic of Lithuania; Association of Lithuanian Wood Industry Companies “Lietuvos mediena” and the trade union of workers of Lithuanian furniture and wood processing companies (Lithuanian wood industries); Association of Lithuanian Wood Industry Companies “Lietuvos mediena” and the Trade Union of Workers of Lithuanian Furniture and Wood Processing Companies (Lithuanian paper industries); Federation of Lithuanian Industry Trade Unions and Lithuanian Chemistry Industry Companies’ Association; the Lithuanian Association of Employers in the Field of Services, Lithuanian Vocational Rehabilitation and Vocational Training Workers’ Trade Union (the collective agreement in the field of informal education); Lithuanian Associations of Employers in the Field of Services and Lithuanian trade unions of workers in the field of services (the collective agreement in the sector of services); Prisons Department under the Ministry of Justice of the Republic of Lithuania and the Trade Union of Pre-trial Investigation Bodies of the Republic of Lithuania; Probation Agency Workers’ Trade Unions; Lithuanian police sectoral collective agreement signed between the Police Department under the Ministry of the Interior of the Republic of Lithuania and a joint representation of trade unions of Lithuanian police officers; Lithuanian customs sector collective agreement signed between the trade union of the Lithuanian customs officers, trade union of Lithuanian civil servants and employees of budgetary bodies and public bodies and Customs Department under the Ministry of Finance of the Republic of Lithuania; a joint representation of the Lithuanian police officers’ trade unions;...
unions and Lithuanian Traffic Police Service; Social Insurance Workers’ Trade Union and State Social Insurance Fund Board; Head of the Lithuanian Criminal Police Bureau and a joint representation of the Lithuanian Criminal Police Bureau police officers’ trade unions (Trade Union of the Lithuanian Criminal Police Bureau / Vilnius County Pre-trial Investigation Trade Union); Forensics Centre of the Lithuanian Police and a joint representation of Lithuanian police officers trade unions (Vilnius City Police Officers’ Trade Union and Vilnius County Pre-trial Investigation Bodies Trade Union).

The agreements address issues of work pay, social partnership support, additional employment support and the matters of health and safety at work.

Pursuant to the current provisions of the Labour Code, companies’ collective agreements are not registered, and no data about the exact number of collective agreements are available. During 2014, inspectors of the State Labour Inspectorate carried out inspections of 10,582 companies and their structural subdivisions (17,600 companies were inspected in 2007, 15,859 companies were checked in 2008, 15,935 companies were examined in 2009, 12,411 – in 2010, 12,325 – in 2011, 9,926 – in 2012, and 10,069 companies in 2013) (data on the number of companies inspected by the State Labour Inspectorate in 2007–2014 are presented in Figure 2.2.1–1 below).

![Number of companies inspected by State labour Inspectorate](image)

Data of the State Labour Inspectorate

During 2014, 295 company collective agreements were signed (1,238 collective agreements were signed in 2007, 903 in 2008, 290 in 2009, 248 in 2010, 273 in 2011, 204 in 2012, and 239 in 2013) (data about the number of companies’ collective agreements signed in 2007 – 2014 are presented in Figure 2.2.1–2 below).
Number of companies’ collective agreements

As seen from the aforementioned data, the development of social partnership and the scope of collective agreements were shrinking until 2013. The reason for that was the on-going economic crisis when the establishment of trade unions was avoided. Unemployment contributed to a decrease in production, insolvency of many companies. Some other companies could not comply to the obligations specified in collective agreements. However, the situation is slightly improving and the number of collective agreements signed by companies is going up.

According to the data submitted through the system of Economic Services to Employers, during the year 2014, Lithuanian workers were represented in 36.7 per cent of economic entities, including workers represented by trade unions (3.5 per cent), functions of workers’ representation and defence transferred to sectoral trade unions (0.3 per cent), establishment of the Labour Council (4.3 per cent), labour functions performed by selected workers’ representatives (28.6 per cent). 8.7 per cent of economic entities concluded collective agreements.

2.2.1.2. INDIVIDUAL LABOUR RELATIONS

With a view to reducing incentives for employers to employ workers illegally and use the labour force without paying taxes, promoting fair competition and ensuring workers’ right to fair remuneration for work and social guarantees, the Law Amending the Labour Code of the Republic of Lithuania and the Law Amending the Law on Unemployment Social Insurance were developed and adopted.

The amendment to the Labour Code lays down that if a person worked illegally the employer is obliged to pay the employee the agreed remuneration for work which should not be smaller than the minimum wage provided for in compliance with Article 187 of the Labour Code and for the period not shorter than three months (unless the employer or the employee can prove that the period of illegal work was different).

9 Data of the State Labour Inspectorate.
The amendment to the Unemployment Social Insurance Law provides for an obligation to pay back the unemployment benefits paid to the unemployed if that person worked illegally and the employer paid him or her remuneration (Labour Code Article 98(3)). It is also laid down in the law that the payment of unemployment benefits to the person will be terminated. However, illegal workers will be exempt from the aforementioned obligation if they notify the authorities about their illegal work. The State Social Insurance Fund Board under the Ministry of Social Security and Labour will be responsible for overseeing the process of repayment and recovery of paid unemployment benefits after coming into effect of a court decision determining the fact of illegal work and providing for an employer's obligation to pay remuneration and for the unemployed to repay the unemployment benefits.

In addition, the law abandons the requirement for a secondary attestation of the employer (head of an enterprise, body, organisation or another organisation structure or a natural person) concerning the issues of safety and health at work, leaving only the initial attestation.

With a view to reducing the scope of illegal labour and transposing Article 8 "Subcontracting" of Directive 2009/52/EC of the European Parliament and of the Council of 18 June 2009 providing for minimum standards on sanctions and measures against employers of illegally staying third-country nations into the national law, the Law Amending the Labour Code and the Law Amending the Law on the State Labour Inspectorate were adopted. The aim of the amendments is to provide for an obligation of a subcontractor who is an employer to notify in writing the contractor within three working days following the conclusion of an employment contract with a third-country national and lay down the contractor's right to get familiar with the information about the third-country national available to the employer. Such information includes a copy of the residence permit of the third-country national in the Republic of Lithuania or another document entitling the person to stay or live in the Republic of Lithuania. Noteworthy, the amendments lay down that where the subcontractor is an employer, the contractor does not hold subsidiary liability for the payment of remuneration for work and other related contributions or payments to a third-country national and fines when the contractor has used the right to get familiar with the information available to the employer about the third-country national or when the employer failed to notify the contractor about the work of a third-country national.

On 13 February 2014, the Ministry of Social Security and Labour signed a service contract with Vilnius University, a public body Mykolas Romeris University and a budgetary body the Lithuanian Centre for Social Research concerning provision of a package of services aimed at creating a legal and administrative model of labour relations and state social insurance. The purpose of creating a legal and administrative model for Lithuania, drafting relevant legal acts and improving the legislation regulating labour relations, employment and state social insurance is to make pre-conditions for attracting more investments, creating more jobs and build a more sustainable and transparent system of state social insurance that could guarantee appropriate social insurance benefits. With that in mind, the service provider created a legal and administrative model of labour relations and state social insurance and developed a legal act regulating labour relations: a draft Labour Code.

The aim of the draft Labour Code is to improve regulation of labour relations, liberalise them and abandon superfluous norms that are either not applied in practice and their application is time consuming and requires additional financial resources to be covered by employers. Once the measures provided for in the draft law are implemented, the new legal act regulating labour relations will become systemised, complying not only with the European Union law but also the labour codes of advanced neighbouring countries. This will contribute to bringing new foreign investors into the Lithuanian market, creation of jobs and similar positive developments.

Increasing flexibility of labour relations would include the following measures: simplification of conclusion, alteration, termination of employment contracts and communication with employees, introduction of more types of

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14 Law No. XII-1617 Amending Article 121 of the Law on the State Labour Inspectorate of the Republic of Lithuania.
employment contracts. Moreover, pursuant to Directive 2003/88/EC concerning certain aspects of the organisation of working time, more opportunities would arise with regard to a flexible working time regime in line with the standard working hours, calculation of annual leave would change; the institution of special leave would be clarified; the regulation of dismissal from work would be liberalised; the institution of labour disputes would be improved; an opportunity would be created to apply collective agreements to the members of trade unions only, thus encouraging membership in trade unions; and an opportunity would be laid down for employee representatives to take part in employer's decision-making.

The draft suggests providing for alternative means of organisation of work, including part-time work, distant work as temporary or permanent work. It seeks to widen up the list of the types of employment contracts to include temporary employment contracts, project-based employment contracts, work-linked training employment contracts, job sharing employment contracts, etc. The proposed widening of the types of employment contracts is caused by a different need for labour relations. In addition, it should contribute to reducing illegal work because the employer could choose from a wide spectrum of employment contracts to suit the needs. This expansion of the list of employment contracts would be beneficial both to employers and employees. For instance, young persons could conclude work-linked training employment contracts and gain various work-related skills and learn about the job at an earlier stage. An opportunity to enter into employment contracts without a determined timeframe (i.e. employment contracts under which the time for performing the employment function is not determined in the employment contract in advance and the employee makes a commitment for perform an employment function after receiving the employer's call, whereas the employer is obliged to pay for the work performed) and job sharing employment contracts (i.e. when to employees agree on sharing one job) would enable employees who have recently given birth and raise children to gradually return to the labour market and in this way reconcile family and work life. Such employment contracts would also be useful for students who could study and work or for disabled persons who could have an opportunity to take part in the labour market and earn a living. After including apprenticeship employment contracts in the law, a person referred to a workplace by a territorial labour exchange office would be employed to get a profession. As a result, theoretical knowledge gained in an educational establishment would be applied in practice. Such employment contracts would help young people and retrained persons to get a faster entry into the labour market.

The draft suggests abandoning short-term and seasonal employment contracts.

The draft proposes to liberalise fixed-term employment contracts by allowing concluding them for a permanent type of work yet limiting their duration. The maximum duration of a fixed-term employment contract and consecutive contracts concluded with the same employee for the performance of the same functions should be two years. A contract concluded with the same employee yet for different functions to be performed should not be longer than five years. An exception applies to elected employees, employees appointed to the positions of collegial election bodies or other workers because employment contracts with them cannot be extended for an unlimited number of times according to the law. The draft lays down that an employment contract becomes a non-fixed employment contract if the actual labour relations last for at least five working days after the end of the term. The draft also includes a new provision according to which the employer is obliged to warn the employee about the end of a fixed-term employment contract. According to the new draft law, if labour relations last longer than one year, the employer is obliged to give a five working day prior notice to the employee, if labour relations last longer than three years, the employer is obliged to notify the employee not later than ten working days prior to the end of a fixed-term employment contract. If the employer violates the duty, he or she must pay the employee remuneration for every day after the expired term but not more than for respectively five or ten working days.

The draft suggests that the concept of working time should be defined in a more concrete way, the requirements for time duration should turn into a working time rate, work rating should be regulated, the concept of average work time should be introduced, part-time work should be simplified and the maximum duration of a working day should be abandoned, leaving only the requirement of non-interrupted rest time in compliance with the European Union legislation. It is also aimed at specifying the limitations of working time during the reporting period and
liberalisation of extra working hours. The basis for such legal requirement is Directive 2003/88/EC. Most of the European Union member states have introduced the concept of the average working time (Latvia, Sweden, United Kingdom, Netherlands, Germany, etc.). Following the practice of other countries and the European Union legislation the draft suggests making the same change in Lithuania.

The draft provides for a definition of the concept of a working time rate. It means the duration of time at which the employee should work for the employer to perform the duties under the employment contract (excluding extra work or extra working hours). The draft lays down the usual rate of working time: 40 hours per week (unless the labour law stipulates shorter working hours for the employees or the parties agree on a part-time employment). The draft introduces another new concept: the working time regime. It means the actual distribution of the working time rate throughout the working day or a shift, week, month or another reporting period which in any event cannot be longer than three consecutive months. The usual working time regime of an employee will be established by the employer who will approve the fixed duration of a working day (shift), total working time sheets, flexible working hours or an individual working time regime. The other cases should be agreed in a collective agreement or in an agreement concluded between the employer and employee representatives. The new draft of the labour code provides for a concept of average working time, which cannot be longer than 48 hours per every period of seven days, including extra hours and excluding additional working time if work is performed under the agreement. It could be stated that the limitations of the current Labour Code restrict the freedom of agreements and becomes an obstacle for people seeking to get extra pay or a job. Such agreements on limitations of working time undermine the economic conditions of operation.

On the basis of the practice of other countries, the draft suggests regulating the working time regime on stand-by duty both for active and passive stand-by duty or passive stand-by duty at home. The current law on labour relations does not regulate these issues at all. The draft lays down that the duration of a working day or a shift of an employee performing a work function on stand-by (active) cannot exceed 24 hours and the working time rate of the employee during the maximum reporting period of three months. When an employee is on passive stand-by duty, i.e. when the employee must be at a place specified by the employer and if necessary be ready to perform his or her work functions, the duration of work by such employee during a day or a shift can be up to 24 hours and cannot exceed the working rate of such an employee during the maximum reporting period of two months. Finally, the draft regulates the working time regime of passive stand-by duty at home. The employee's presence outside of the working place but readiness to perform certain actions or come to the working place if the need arises at the usual rest time is not considered working time. Working time is recorded with respect to the actual performance of functions. Moreover, such stand-by duty cannot last longer than two weeks during the period of four weeks. The employee should be paid a bonus of at least 10 per cent of the basic remuneration rate for the maximum stand-by duty per month and for the actual performance of actions the employee should receive remuneration equal to the performed duties during the established working time.

The draft suggests that the duration of holidays should be calculated not by calendar days as it is today but by working days, as it is applied in Hungary, Germany, Austria and other countries. Therefore, the draft lays down that employees should have at least twenty working days of annual holidays (if they work five working days per week) and at least twenty-four working days of annual holidays (if they work six working days per week). A longer duration of holidays, other types of holidays or additional incentives related to holidays may be agreed in collective agreements. The aim of these provisions is to encourage more actively the conclusion of collective agreement to offer an opportunity for employees and employers to agree on better working conditions and bigger incentives.

Flexibility in relation to dismissal from work laid down in the draft will be achieved through the following measures: simplification of changing working conditions; easier dismissal of employees without the employee's fault. According to the data provided by the State Social Insurance Fund Board (SODRA), during 2013, the majority of employment contracts were terminated on the basis of Article 127 of the Labour Code (employee's statement) (377,138 employment contracts on the basis of Article 127(1) and 8,413 employment contracts on the basis of Article
127(2)), Article 125 (agreement between the parties) (20,332 employment contracts on the basis of Article 125(1) and 5,221 employment contracts on the basis of Article 125(2)). A less frequent basis for terminating the contract was Article 129 of the Labour Code (the employer's statement without the employee's fault): 2,332 employment contracts on the basis of Article 129(1), 1,995 employment contracts on the basis of Article 129(2), 19 employment contracts on the basis of Article 129(4) and 12 employment contracts on the basis of Article 129 (5)). A similar situation was during 2014 until 31 October most employment contracts were ended on the basis of Article 127 of the Labour Code (325,869 employment contracts under Article 127(1), 72,866 employment contracts under Article 127(2)) and Article 125 (18,127 employment contracts under Article 125(1) and 3,660 contracts under Article 125(2)). A less frequent basis to end up labour relations was also Article 129 of the Labour Code (1,594 employment contracts under Article 129(1), 1,309 contracts under Article 129(2), 12 contracts on the basis of Article 129(4) and 13 employment contracts on the basis of Article 129(5)). The practice shows that it is very difficult, time-consuming and expensive for an employer to dismiss an employee without the employee's fault. Moreover, dismissal of certain groups of people protected by the Labour Code is almost impossible. As a result, labour relations are terminated on other bases that are far from reality. Therefore, the draft suggests simplifying the process of dismissing employees without the employee's fault. No other country has such a complex and detailed procedure for terminating an employment contract on the employer's initiative. In most other countries the legislation provides only for the basis of dismissal: employee's capacities, employee's conduct and economic reasons without specifying and describing every single case.

The draft lies down that the employer is entitled to terminate a non-term or fixed-term employment contract if a function performed by the employee is superfluous due to operational changes or other reasons related to the employer's activities. When the employer is not satisfied with an employee's performance results, an employment contract can also be terminated. In that case the employee should be notified in writing about his or her shortcomings in performance and a plan for improving the results should be developed. The duration of such plan should be at least two months. The employment contract may terminated if the employee refuses to work under the changed essential working conditions or those that are different to the working conditions agreed by the parties, or which alter the type of the working time regime or the place of work. The draft stipulates that such proposal of an employer should be explained by significant reasons of economic or organisational nature or production necessity. Another reason to terminate an employment contract without the employee's fault is the employer's disagreement to continue labour relations when part of the business or all of it is transferred to another employer. Another innovation is the warning period before the termination of labour relations. The warning period is shortened to one month; if labour relations last shorter than one year, the warning period is up to two weeks. There is a guarantee envisaged for pre-retirement age workers: if less than five years remain until the state social insurance old-age pension, the warning time period is doubled and if less than two years remain until the old-age pension, the warning time period is tripled.

In a majority of other countries, severance pay depends on the reasons for dismissal, duration of labour relations and/or size of the company. On the basis of the practice of other countries when even in more well-off states severance pay is not so big as in Lithuania, the draft suggests that the amount of severance pay should be made equal to all categories of employees and should be reduced to the amount of one month work pay if labour relations last longer than one year and up to half the average work pay of the employee if labour relations are shorter than 12 months. The amount of severance pay provided for in the draft labour code will be paid if the employment contract is terminated on the employer's initiative without the employee's fault, without the expressed will of parties to the contract or in the event of bankruptcy of the company. Another new development provided for in the draft is related to a fixed-term employment contract which lasts longer than three years. According to the draft, when the contract expires the employee should be paid severance pay equal to one average monthly wage. Once the amendments to the labour code are adopted the employer will not suffer economic repercussions related to the dismissal of employees and payment of severance pays. As a result, the employer would be encouraged to create more jobs and employ new people.

The implementation of the draft code will improve the mechanism of establishing the minimum monthly wage, transparency of the structure of work pay and attempts will be made to remove declarative guarantees. With regard to work pay it is necessary to have a precise definition of the concept of remuneration for work which should include all
bonuses, extras and other work-related payments. It should be separate from compensation allowances which should not be made equal to the in-kind income of employees. The draft provides for a clear structure of remuneration for work: basic rate-based work pay (hourly rate or monthly wage), extra part of the remuneration for work agreed by the parties, bonus for qualification, payments for diversion from normal working conditions, for extra work or performance of additional functions or tasks, other bonuses agreed by the parties and paid in compliance with the labour law or in accordance with the work pay system applied by the employer, and motivating payments that are not obligatory.

With regard to the spread of collective agreements and the level of collective negotiations in the Members States of the European Union it could be noted that the countries with long traditions of collective relations have the biggest number of collective agreements on the sectoral level. In such countries many questions, including those related to remuneration for work, are addressed by sectoral collective agreements. In them, a bigger decentralisation and flexibility is reached by corporate collective agreements the remit of which are often defined by sectoral collective agreements. Following the practice of other foreign states, a suggestion is made to set up a clear dual channel system of employee representation when employees can be represented both by trade unions and labour councils (the draft suggests the mandatory introduction of labour councils in the companies of fifty and more employees). Noteworthy, the main functions of trade unions and labour councils should be separate: the functions of the labour council would be mostly linked to representation of employees in the company, in particular information and consultation procedures, whereas the functions of trade unions would involve running of collective negotiations, conclusion of collective agreements and initiation of collective labour disputes over interests. The application of collective agreements is related to a new development: the provisions of collective agreements will be applied only to those employees who are members of the trade union that has signed the collective agreement.

The provision of the right to information and exclusive consultation of labour councils will generally transpose Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community. The employer will be obliged not only to notify labour councils on a regular basis about certain labour conditions or the situation in the company, but also consult them when approving local regulations, dismissing a bigger number of employees or handing in business or its part to another employer. If the employer violates the obligation of information and consultation, the labour council will be entitled to start a labour dispute over law. The draft, into which the aforementioned directive will be transposed, lays down that the employer who employs approximately fifteen or more employees must notify, on a yearly basis, but not later than by 1 April of each year, the labour council about the current and future activities of the company, its economic status and labour relations and consult it. The draft stipulates specifically the information that must be provided by the employer, including the following: possible changes with regard to the employment level in the company, applied remuneration changes and its future prospects, organisation of working time, including the information about the duration of and reasons for extra working time and its organisation, measures taken with regard to health and safety at work that help improve the working environment and achieve better performance results, the current and potential development of the company, its economic status and other matters, relevant for the economic and social status of employees.

The new Labour Code will improve the institution of labour disputes, on the basis of which all labour disputes will be divided into disputes over law (both individual and collective) and collective labour disputes over interest. The procedure of division of labour disputes into such categories is regulated by the legislation of the European Union and a number of the EU Member States. The alteration of the institution of labour disputes will contribute to the improvement of bodies examining such labour disputes. Labour disputes over law (both individual and collective) will be examined by the Labour Disputes Commission and the court. In the event of failure to reach a solution in a collective labour dispute over interest by a disputes commission set up by the parties to the disputes or with an assistance of an intermediary, the decision concerning the dispute will be made by the labour arbitration. The draft provides for a full reform of the institution of the labour arbitration which should become a non-permanent body examining collective labour disputes over interests. It would be set up under a territorial office of the State Labour
Inspectorate covering the territory of the office of the employer or employers' organisation. The labour arbitration would comprise three arbiters, the list of whom would be approved and updated by the Minister of Social Security and Labour. In contrast to the current regulation, arbiters could be included in the list for a four-year term of office, renewable once for the same period, only if they are natural persons of irreproachable reputation, unbiased and have special knowledge required to examine collective labour disputes.

The draft provides for a possibility for employee representatives to take part in employers’ decision-making. The draft says that the labour council or an employee proxy or, in the absence of them, a trade union operating on the level of the employer, shall be entitled to nominate some members of management or supervisory body of the legal entity to be appointed or elected in compliance with the regulations or instruments of incorporation of the legal entities. Moreover, the draft lays down that employee representatives may be offered an opportunity to take part as observers or in their advisory capacity in the meetings of employers’ collegial management and supervisory bodies when such meetings discuss matters related to the working conditions of company employees. The meetings should provide the right to employee representatives to express their opinion concerning the matters of employee working conditions discussed.

Implementing draft legislation provides for the appointment of employee representatives to the supervisor council or the board (draft law on public companies, draft law on state and municipal enterprises). Provisions of health and safety have been transposed into the Law on Health and Safety at Work from the Labour Code and the Law on Employment Through Temporary Employment Enterprises. Amendments to the Civil Procedure Code suggest abolishing recovery limitations of severance pay and other allowances related to labour relations because the draft law does not provide for any such limitations. Amendments to the Law on Monetary Social Assistance to Deprived Residents include new references.

The main provisions of the draft labour code were presented to the Tripartite Council on 24 March 2015. Every amended article of the draft is examined by the Labour Relations Commission under the Tripartite Council on a weekly basis. In May 2015, the draft was made public on the draft registration sub-system of the legislative information system of the Seimas of the Republic of Lithuania. It has been submitted to social partners and other stakeholders for them to give their opinion.

On 9 June 2015, the Government of the Republic of Lithuania approved draft legislation regulating labour relations, state social insurance and employment related to the creation of a legal and administrative model of labour relations and state social insurance.

2.2.1.3. LABOUR LAW VIOLATIONS

According to the data of the State Labour Inspectorate, 8,131 inspections were carried out in 2013, 8,873 inspections in 2014 and 2,004 inspections during the first quarter of 2015 with regard to labour law issues. In 2013, 891 labour law violations and instructions were given to eliminate them.

Detected violations concerned the following:

- conclusion, implementation and termination of employment contracts (229 cases in 2013, 155 cases in 2014 and 4 cases in the first quarter of 2015);
- organisation of work and rest time (808 cases in 2013, 655 cases in 2014 and 150 cases during the first quarter of 2015);
- remuneration for work (367 cases in 2013, 202 cases in 2014 and 31 cases during the first quarter of 2015);
- other labour law violations (21 cases in 2013, 8 cases in 2014 and 3 cases in the first quarter of 2015).
2.2.2. REMUNERATION FOR WORK

2.2.2.1. REMUNERATION FOR WORK IN 2014–2015

Pursuant to the Programme of the Government of the Republic of Lithuania for 2012–2016, Paragraph 85, which lays down that with the economy recovering, remuneration of workers of the public sector and budgetary institutions and the national minimum wage for them will be increased consistently to reach 50% of the average monthly wage, the Government of the Republic of Lithuania, as proposed by the Tripartite Council of the Republic of Lithuania on 9 September 2014, adopted Resolution No. 972 of 24 September 2014 “On the Increase of the Minimum Wage”\(^1\)\(^5\). According to the aforementioned resolution, from 1 October 2014 the minimum monthly wage (hereinafter referred to as the MMW) was set up as LTL \(1.035\)\(^6\) and the minimum hourly rate (hereinafter referred to as the MHR) was established as LTL \(6.27\)\(^7\)\(^8\) (an increase of \(3.5\) per cent). These amounts of minimum wages were valid until 31 December 2014. As of 1 January 2015\(^8\)\(^9\) MW was set at EUR \(300\) and MHR is EUR \(1.82\).

On 21 April 2015, the meeting of the Tripartite Council reached a common agreement to propose to the Government of the Republic of Lithuania to increase MMW to EUR \(325\) and MHR to EUR \(1.92\) (by \(8.3\) per cent) as of 1 July 2015. Following the proposal of the Tripartite Council, the Government of the Republic of Lithuania adopted Resolution No. 615 “On Minimum Wage” on 17 June 2015\(^9\)\(^10\). Pursuant to the resolution, MMW is EUR \(325\) and MHR is EUR \(1.97\).

With a view to reducing state budgetary appropriations for work pay and using national funds more reasonably, as well as considering a difficult situation on the European and global economic and financial markets, the work pay that had been reduced in 2009 of state politicians, public officials, judges, civil servants and contractual employees of budgetary bodies remained the same until 30 September 2013. During 2013–2014 the basic salary rate of LTL \(450\) (EUR \(130.32\)) remained the same as in previous years\(^10\). On 1 January 2015, the basic salary rate was set as EUR \(130.52\)\(^11\).

Taking into consideration that as of 1 January 2015 the MMW was set at EUR \(300\) and the basic monthly salary was set at EUR \(35.5\)\(^12\), minimum salary amounts provided for in Annexes 1 and 4 of Resolution No. 511 of the Government of the Republic of Lithuania of 8 July 1993 “On Amendment of Procedure of Remuneration of Employees of Budgetary Bodies and Organisations”\(^13\) were changed to make sure that salaries of qualified employees were not the same as the salaries of unqualified workers. With that in mind, as of 1 March 2015, the minimum rates of official salaries were increased, starting from the position of the lowest qualification workers, by approximately 5 per cent in each position groups.

Having set MMW at EUR \(325\), it is necessary to increase the minimum rates of official salaries provided for in the annexes to Resolution No. 511 of the Government of the Republic of Lithuania of 8 July 1993 “On Amendment of Procedure of Remuneration of Employees of Budgetary Bodies and Organisations”.

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\(^{16}\) EUR 299.7, the official currency exchange rate EUR 1 = LTL 3.4528 (translator’s note).

\(^{17}\) EUR 1.82 (translator’s note).

\(^{18}\) When the euro was introduced (translator’s note).


\(^{20}\) Republic of Lithuania Law on the Rate of Basic Salary of Politicians, Judges, Public Officials and Civil Servants, Applicable in the Year 2013.

\(^{21}\) Republic of Lithuania Law on the Rate of Basic Salary of Politicians, Judges, Public Officials and Civil Servants, Applicable in the Year 2014.

\(^{22}\) Resolution No. 1021 of the Government of the Republic of Lithuania of 29 September 2014 “On Approval of the Basic Monthly Salary and the Basic Hourly Rate”.

\(^{23}\) Resolution No. 511 of the Government of the Republic of Lithuania of 8 July 1993 “On Amendment of Procedure of Remuneration of Employees of Budgetary Bodies and Organisations”.
According to the data of the Department of Statistics of Lithuania, the average gross monthly wage in the national economy (including sole proprietorships) was LTL 2,335.47 (EUR 676.4), which is 4.65 per cent higher than in 2013. In the public sector, the average gross monthly wage in 2014 was LTL 2,486.37 (EUR 720.1), which is 3.85 per cent bigger than in 2013. In the private sector (including sole proprietorships), the average gross monthly wage was LTL 2,258.13 (EUR 654), which is 5.29 per cent higher than in 2013.

2.3. CORPORATE SOCIAL RESPONSIBILITY

Undoubtedly, a successful operation of companies is the main driver of economic and social welfare development in the whole world. It is an integral part of market economy, competition, employment and even social advancement. Companies are inseparable from the modern world that affect our everyday life and contribute to its improvement.

A modern company is also a socially responsible company. This means that its operations are in line with legislation, that it voluntarily integrates social, environmental, community and transparent business principles by closely co-operating with the other stakeholders, bringing benefit not only for its owners and/or shareholders, but also for the entire society.

State bodies, social partners and non-governmental organisations co-operate and encourage businesses to implement various corporate social responsibility initiatives, assess their work and award them.

With a view to implementing to the National Programme for the Development of Corporate Social Responsibility 2009-2013, Implementation Plan 2012-201324, measure “To organise a national competition of responsible business every year” and achieve the expected results, the procedure for organisation of a competition for awarding national responsible business of 2013, assessment and selection of winners, as well as the operation of the evaluation commission was approved by the order of the Minister of Social Security and Labour of the Republic of Lithuania25.

On 6 November 2013, enterprises were given national responsible business awards for the activities carried out in 2012. Nine enterprises were awarded under three nominations: “Workplace of the Year 2012”, “Community Enterprise of the Year 2012”, “Environmental Enterprise of the Year 2012”. The awards were given by taking into account different categories of enterprises: very small, small or medium-sized, big companies, international companies or their offices / representations in Lithuania. One company received the highest award: “Socially Responsible Company of the Year 2012”. This company was also awarded with additional certificates under all three nominations. Additional certificates of appreciation were given to two enterprises that paid huge attention to the youth and young families. Moreover, certificates were also provided to two public bodies that took part in the competition.

With a view to simplifying the process of applying for the award competition of national responsible business, the Regulations of Awarding National Responsible Business were amended26. On 27 March 2014, a competition for awarding national responsible business for the progress achieved in corporate social responsibility was announced on the website of the Ministry of Social Security and Labour. On 5 June 2014, national responsible business awards were given to 10 enterprises for the progress achieved in social responsibility in 2013. Eight enterprises were awarded under three nominations: “Workplace of the Year 2013”, “Community Enterprise of the Year 2013”, “Environmental Enterprise

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of the Year 2013”. The awards were given by taking into account different categories of enterprises: very small, small or medium-sized, big companies, international companies or their offices / representations in Lithuania. One company received the highest award: “Socially Responsible Company of the Year 2013”, another company was awarded as the “Healthiest Company of the Year 2013”. Finally, another eight companies received certificates of appreciation.

In 2013, with a view to implementing the National Programme for the Development of Corporate Social Responsibility 2009-2013, Implementation Plan 2012-2013, measure “To organise open discussions with persons, companies and other interested parties about the role and opportunities for corporate social responsibility in the 21st century”, the Ministry of Social Security and Labour, together with the Lithuanian Association of Responsible Business and UAB “Ekonomines konsultacijos ir tyrimai”, organised two seminars for state-owned enterprises and public bodies about the introduction of the principle of corporate social responsibility. The seminars discussed the national approach to corporate social responsibility, the importance and impact of this principle, the European Commission policy in the area and its contribution to social responsibility development, and plans for the future. The seminars examined practical examples of corporate social responsibility, presented a sample plan of introduction of this principle in state-owned enterprises and the guidelines for its implementation, and shared good practices. In addition, it presented methodological documents for public authorities: a feasibility study on the introduction of organisational social responsibility in state bodies, a sample plan for the introduction of social responsibility in state institutions, draft guidelines for responsible activity reports of state institutions. Practical examples of socially responsible activities of state institutions were presented. The number of participants in each seminar was 50 persons.

2.4. TOPICALITIES OF SAFETY AND HEALTH AT WORK

2.4.1. SAFETY AND HEALTH AT WORK IN ENTERPRISES DURING 2014

According to the data of the State Labour Inspectorate of the Republic of Lithuania (hereinafter referred to as the State Labour Inspectorate), during 2014 labour inspectors performed 4,800 inspections in enterprises on issues of safety and health at work.

The inspections detected 23,200 violations of regulations governing safety and health at work. As a result, 1,300 claims have been submitted to company management to eliminate violations and 18 companies were requested to suspend the operation of 43 work places that were not in compliance with legislative regulations.

2.4.1.1. ACCIDENTS AT WORK

During 2014, Lithuanian enterprises experienced 3,304 accidents at work, including 59 fatal accidents, 119 serious and 3,126 minor.

The number of accidents per 100,000 employees was 271.8, including 4.9 fatal and 9.8 fatal accidents at work.

During the same year, as compared to 2013, the number of fatal accidents at work remained the same and the number of serious accidents at work dropped from 149 accidents 119, which is 30 accidents or 20 per cent less than before.
2. LABOUR MARKET, LABOUR RELATIONS, OCCUPATIONAL HEALTH AND SAFETY

2.4. OCCUPATIONAL HEALTH AND SAFETY

2.4.1. OCCUPATIONAL DISEASES

In 2014, the State Register of Occupational Diseases registered 474 cases of occupational diseases, including 356 cases (75 per cent) of occupational diseases diagnosed to men and 118 cases (25 per cent) diagnosed to women.

During 2014, the number of occupational diseases as compared to 2011–2013 (with 402, 393 and 412 diseases diagnosed accordingly) increased, whereas the ratio of occupational diseases between men and women remained the same.

In 2014, similarly to 2013 and 2012, the following occupational diseases prevailed:

- diseases pertaining to connective tissue and skeletal-muscular system (278 cases or 59 per cent);
- diseases of ear and mastoid process (88 cases or 19 per cent);
- nervous system diseases (77 cases or 16 per cent).

2.4.2. AMENDMENT OF LEGISLATION IN 2014–2015

On 15 July 2014, the Seimas of the Republic of Lithuania adopted Law Amending Article 39 of Law IX-1672 of Safety and Health at Work\textsuperscript{27}, which came into effect on 24 July 2014. The law was adopted in order to improve business environment and functions for supervising operation of economic entities, reduce administrative burden on businesses, in particular for start-ups and small entrepreneurs. The law lays down that the categories of employers who provide information about the status of safety and health at work shall be established by the chief state labour inspector.

\textsuperscript{27} No. XII-1024 of 15 July 2014.
On 16 December 2014, the Seimas of the Republic of Lithuania adopted the Law Amending Articles 75, 98, 268, 287, 288, 293 and Declaring Article 301 as Null and Void of the Labour Code and the Law Amending Articles 2 and 26 of Law No. IX-1672 of Safety and Health at Work, which came into effect on 1 January 2015. The laws were adopted to reduce the burden on employers by abandoning the practice of repetitive attestation of the employer (manager or natural person of an enterprise, body, organisation or another organisational structure) on issues of safety and health at work and clarifying that the responsibility for representing the employer on issues of safety and health at work in enterprises, bodies, organisations and other organisational structures lies with their manager. In implementing Article 268 of the Labour Code, Resolution No. 292 of the Government of the Republic of Lithuania of 21 March 2007 “On Approval of the Description of the Procedure for Mandatory Examination of Knowledge about Safety and Health at Work of Employers or Authorised Persons thereof and the List of Employers Exempt from Examination (Attestation) of Knowledge about Safety and Health at Work” was amended. The Programme for Training of Employers and Persons Representing Employers on Issues of Safety and Health at Work was approved. According to the Programme, employers and persons representing them will be able to prepare for the examination of knowledge in the area of safety and health at work. On the basis of this Programme, tests will be developed.

In implementing the Law Amending and Supplementing Articles 2, 4, 42, 43, 44, 45 of the Law on Safety and Health at Work, the Regulations of Investigation and Accounting of Accidents at Work and the Regulations of Investigation and Accounting of Occupational Diseases were amended. The regulations revised the concepts and information provided about accidents at work as a result of which employees incur health damage (hereinafter referred to as accident at work), accidents on the way to work or from work, investigation and accounting of accidents at work, on the way to or from work, storage of investigation documents, procedure for examining claims relating to investigation and the procedure for investigation, diagnosis, registration and accounting of occupational diseases.

In implementing Directive 2014/27/EU of the European Parliament and of the Council, the Procedure for Employment of Persons under Eighteen, Medical Check-up and Setting Possibilities to Perform Certain Work, Working Time and the List of Prohibited Work and Health Hazards was amended. The list revised classification of chemical factors in compliance with Regulation (EC) No. 1272/2008 of the European Parliament and of the Council. The list has come into effect as of 1 June 2015, i.e. the date on which this Regulation has been applied to mixtures.

The Regulations on Protection of Employees Exposed to Risks of Vibration were revised in order to bring them in line with the new legal regulation, to simply the practical application of these provisions, revise the concepts and

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28 No. XII-1435 of 16 December 2014.
29 No. XII-1437 of 16 December 2014.
32 No. XII-739 of 23 December 2013.

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In implementing Directive 2014/27/EU of the European Parliament and of the Council, the following regulations were revised: Regulations of the Use of Signs of Safety and Health at Work\textsuperscript{39}, Regulations on Protection of Employees from Risks Related to Exposure to Chemical Agents at Work and Regulations on Protection of Employees from Risks Related to Exposure to Carcinogens and Mutagens at Work\textsuperscript{40}. In addition, draft resolution of the Government of the Republic of Lithuania "On Amending Resolution No. 340 of the Government of the Republic of Lithuania of 19 March 2003 "On Approval of the List of Hazardous Working Conditions and Hazards to Pregnant, those who have Recently Given Birth and Breastfeeding Women" has been developed. The adopted legal acts have come into effect as of 1 June 2015, i.e. from the date of application of Regulation (EC) No. 1272/2008 of the European Parliament and of the Council to mixtures.

The Rules on the Use of Cranes\textsuperscript{41} have been amended. The amendments supplemented and revised the requirements applied to the on-set process of the use of cranes, abandoned superfluous requirements with regard to attestation of staff and revised the provisions on the repair procedures in line the requirements for the development and approval of the project on the implementation of works, etc.

2.4.3. SAFETY OF WORK WITH POTENTIALLY HAZARDOUS DEVICES

An important factor in preventing accidents at work is ensuring safety of work equipment and its safe use. A particular attention is paid to the use and control of regular maintenance of potentially hazardous devices. During 2014, the number of potentially hazardous devices increased by more than 7 per cent, from 33,285 to 35,727 devices. A non-interrupted maintenance of such devices is performed by licensed and attested companies. In 2014, the Ministry of Social Security and Labour issued two licences for the regular maintenance of potentially hazardous devices. The suitability of potentially hazardous devices for work are additionally checked by independent bodies that are authorised to check their technical status. The number of authorised bodies has increased from 4 to 5.

\textsuperscript{38} Order No. A1-626 of the Minister of Social Security and Labour of the Republic of Lithuania of 8 December 2014 "On Amendment of Order No. 95 of the Minister of Social Security and Labour of the Republic of Lithuania of 24 November 1999 "On Regulations on the Use of Signs of Safety and Health at Work".

\textsuperscript{39} Order No. A1-252/V-559 of the Minister of Social Security and Labour of the Republic of Lithuania of 4 May 2015 "On Amendment of Order No. 97/406 of the Minister of Social Security and Labour and the Minister of Health of the Republic of Lithuania of 4 July 2001 "On Approval of Regulations on Protection of Employees from Risks Related to Exposure to Chemical Agents at Work and Regulations on Protection of Employees from Risks Related to Exposure to Carcinogens and Mutagens at Work".

3. Social insurance and pensions

3.1. SOCIAL INSURANCE: OBJECTIVES AND REFORMS

Financial sustainability of social insurance benefits is one of the key issues addressed when making decisions about further development of social insurance. The envisaged ageing of society, interests of individual social groups, different ideologies and different social policy measures applied in other countries have inspired policy-makers, representatives of financial institutions, scientists, residents and other stakeholders to continue raising the issue of sustainability of the financial system of social insurance, analyse its possibilities to fulfil the commitments in the best possible way.

When dealing with the issues of public finances, ambitious and long-term goals should be established to take care of the welfare of the state and each individual, make attempts at increasing the budget revenues rather than merely balancing the budget by reducing public expenditure. The tax policy should be amended not by making decisions on a case-by-case basis but looking for holistic solutions with regard to the whole tax environment in the country. The European Union strategy “Europe 2020” stipulates that economic recovery and its further growth is impossible without a sustainable development of the financial system. It is positive that insured persons receive their state social insurance benefits on time. This is possible because the issues of ensuring a smooth financial flow are constantly addressed.

The system of social security remains a field that calls for many reforms and concrete actions. With this in mind, a new and more sustainable social model is under development. It is mostly concerned with creation of more jobs, improvement of the regulation of labour relations and increasing sustainability of social insurance. This model is created in line with Priority 4 “Strengthening of Administrative Capacities and Improvement of Public Administration” of 2007–2013 Operational Programme for the Development of Human Resources, implementation measure VP1-4.3-VRM-02-V “Promotion of Public Policy Reforms”. The project activities are co-financed by the European Union structural funds. This approach offers an opportunity to perform qualitative research by involving not only Lithuanian scientists and experts, but also foreign researchers and experts, including social partners.

The objective of the project is to create a more sustainable social model in Lithuania by also developing a legal and administrative model to ensure a balance between state social insurance, labour relations and employment systems and contribute to positive developments of the system of state social insurance and pensions.

To achieve the project objective, the following goals were raised:
1. Analysis and comparison of various tax and other advantages applied in various European countries to increase employment of people, i.e. promoting a more active participation on the labour market of more senior people, women and persons without work experience by offering them more favourable legal and financial conditions;

2. Creation of a legal and administrative model which could be suitable for Lithuania and prepare the draft legislation that improve labour relations, social insurance and create more jobs, i.e. regulating legal acts offering objective preconditions for attracting more investment, creating more jobs and developing a more sustainable, transparent system of state social insurance that can guarantee appropriate benefits.

The key problems contributing to the development of a new social model in Lithuania are the following: the current legal regulation of pensions does not ensure durable financial sustainability of a pension system and benefits received by individuals do not fully reflect their contributions. As a result, adequate benefits are not paid. Economic development calls for more flexible labour relations that could help create new jobs, decrease unemployment, increase youth employment, cut down illegal work or the practice of avoiding registration of the actual working time and modernisation of the labour market. The key issues at stake calling for a long-term response are the following: low engagement of the labour force, shortage of qualified workers, inconsistency between the demand and supply of skills, which becomes even bigger due to a high level of emigration. These problems characteristic of the system of state social insurance are related to other areas, for example, improvement of regulation of employment relations, and promotion of employment. Attempts are made to find common solutions to these issues at stake.

The measures planned to reform the system of social insurance and pensions include the following:

1. **Increasing the number of individuals subject to social insurance.** As a result, more people in Lithuania would have social guarantees offered by social insurance. In other words, social insurance would cover illness (e.g. of self-employed persons or statutory officials), maternity (e.g. of statutory officials), accidents at work and occupational diseases (e.g. statutory officials). This would contribute to increase their social security, cutting down on exceptions and creating system solidarity. In addition, proposals are made to expand the maternity and paternity guarantees with regard to pupils and students, i.e. in twelve months after finishing studies one of the parents under 26 years of age, who are studying under a formal vocational training programme or study programme or studying in higher educational establishments as full-time students or doctoral students (including during the period of academic leave due to pregnancy), and are not entitled to a maternity (paternity) allowance under the Law on Sickness and Maternity Social Insurance of the Republic of Lithuania, these persons would receive an allowance of 4 basic social allowances per month during the child-care period from the birth of the child until the child becomes one year old.

2. **Reduction of labour cost paid in employer social security contributions.** Gradually transferring part of expenses into the state budget and setting a ceiling for social insurance contributions. The goal of such change is to reduce the redistribution of the social insurance system, increase trust in the system and limit the scope of shadow economy.

3. **Clearly specify the scope of incidents covered by social insurance** to make the system more socially fair. In this way, duplication of payment of social insurance allowances (e.g. in case of accidents at work or lost capacity) would be avoided. Such practice would simplify the currently established requirements for the social insurance record applicable to the payment of social insurance allowances.

4. **Increasing long-term financial sustainability of the system.** Benefits and allowances would be more clearly and closely linked to paid social insurance contributions:

   4.1. In the area of pension social insurance, it is proposed to set a clear indexation system based on clear criteria that take into consideration both economic conditions and demographical indicators (seeking to establish an indexation mechanism based on the average changes in the wage fund for the past 3 years, current year and 3 forecasted years (7 years in total)). This approach would enable creation of a pension reserve that could be accumulated during the economic growth and which could be spent during the economic recession instead of cutting down pensions;
4.2. Separation of financing of general and individual parts of pensions. The part which is more related to social insurance contributions, i.e. an individual part of the pension, should be financed from the Budget of the State Social Insurance Fund and the general part of the pension, what is less related to the amount of social contributions paid by individuals, should be financed from the State Budget;

4.3. It is proposed to make a closer link between the individual part of the pension and paid contributions. In other words, contributions paid by individuals would be compared to the country's average wage and pension points would be provided. Every insured would know the number of pension points accumulated by them. For every euro spent on pension social insurance contributions the insured would get extra points;

4.4. It is proposed to increase gradually the mandatory social insurance record from 30 to 35 years because the actual average social insurance record of the insured who retire is 39 years; it is likewise proposed to increase the old-age limit from the year 2026 by taking into consideration the implementation of a system in which retirement age is automatically linked to the evolution of life expectancy.

The set of these measures are expected to build more trust in the social insurance system, make it more attractive both to the insured and insurers.

It is positive that as of 1\textsuperscript{st} January 2015, sickness allowances paid from the Budget of the State Social Insurance Fund have been increased by one-third following the amendment of the Law on Sickness and Maternity Social Insurance\textsuperscript{42}. A provision of this law, namely Article 14(2)\textsuperscript{a} effective until 31\textsuperscript{st} December 2014 laid down that the amount of a sickness allowance paid with the State Social Insurance Fund resources shall make up 40 per cent of the reimbursed remuneration of the allowance beneficiary from the third day through the seventh day of the temporary incapacity for work, and 80 per cent of the said remuneration starting from the eighth day of the temporary incapacity for work. Such legal regulation prevented working people from getting treated in medical establishments and they continued going to work because they were afraid to lose a substantial part of their remuneration. A faulty practice developed with sick people going to work and risking their health or the health of others. They were also spreading infectious diseases to their colleagues and other people. Admittedly, the Constitutional Court repeated several times that in the event of a substantial deterioration of the country's economic and financial status, a temporary reduction of pensions, salaries or other allowances provided for in the legislation can be justified only at a time of a special situation and such measures can be applied only temporary when the country's economic and financial situation is very complex. When a very complex economic and financial situation becomes better, the amounts of salaries, pensions and other allowances should be established to the previous situation.

Currently, when the doctor gives a sickness certificate to an employee, the employer pays an allowance of at least 80 per cent of that employee's average remuneration for the first two days of temporary incapacity to work. From the third day an allowance equal to 80 per cent of the employee's remuneration is paid from the Budget of the State Social Insurance Fund. Therefore, when the amount of a sickness allowance has been increased from 40 to 80 per cent of the compensation remuneration as of the beginning of 2015, the number of illnesses and the amount of sickness allowances paid to people increased by one third. During the first quarter of 2015, the number of temporary incapacity for work was 214,4 thousand, which is 3.4 per cent more than during the corresponding period of 2014. During the first three months of 2015, the amount spent on sickness benefits was EUR 50.5 million, which is 32.6 per cent or EUR 12.4 million more than a year ago.

The most convenient way of submitting requests for sickness allowances are online, through the electronic population service system, EGAS, at gyventojai.sodra.lt. It contains a pre-developed sample request with available data already keyed in. During 2014, residents submitted 553,000 requests for a sickness allowance. Out of that number, 56 per cent of requests were submitted online.

\textsuperscript{42} Republic of Lithuania Law Amending Article 14 of Law No. IX-110 on Sickness and Maternity Social Insurance.
With a view to eliminate obstacles of studying persons under 26 and those who have finished their studies of getting employed and ensuring social protection of these people after studies in cases when they do not have the necessary sickness and maternity social insurance record, it was decided to abandon the previously existing regulation of these issues. According to the Law on Sickness and Maternity Social Insurance that was valid until 31st December 2014 the entitlement to sickness, maternity, paternity and maternity (paternity) social insurance allowances of the insured persons under 26 who had not gained the necessary social insurance record because of their studies was linked to the condition that they become insured (get employed) within three months after finishing their studies. If they get employed earlier or later they were not entitled to such allowances if they did not have the mandatory record of sickness and maternity social insurance. As of 1st January 2015 young persons under 26 are able to become insured within 3 months after finishing their studies and they are entitled to sickness and maternity allowances if the insured event takes place in 6 months (in case of illness) or 12 months (in the event of maternity, paternity or maternity/paternity) after finishing studies.

As of 1st January 2015, amendments to the Law on Accidents at Work and Occupational Diseases that are in line with the Constitution have come into force. According to the legal regulation valid until 31st December 2014, a lump-sum insurance benefit in the event of death of the insured was awarded not earlier than after the expiration of a three-month time limit designated for applying, from the day of arising of the right to this benefit. When none of the persons entitled to such benefit applied for it within the above mentioned time limit, this benefit was be awarded to the person who submitted an application first and who was entitled to such benefit, provided that he applied within 3 years from the day of death of the insured. The Constitutional Court stated that a provision of Article 25(5) “when none of the persons entitled to such benefit applied for it within the above mentioned time limit, this benefit was awarded to the person who submitted an application first and who was entitled to such benefit, provided that he applied within 3 years from the day of death of the insured” is in conflict with Article 29(1) and Article 52 of the Constitution of the Republic of Lithuania and the constitutional principle of the rule of law. The legal regulation effective as of 1st January 2015 lays down that a lump-sum insurance benefit in the event of death of the insured shall be awarded to person(s) entitled to such allowance and who have applied for it not later than within three months following an accident at work or on the way to or from work and when acute occupational disease is acknowledged an incident covered by social security. In cases when the application for a lump-sum insurance payment is made after the death of the insured to the child of the insured born after the accident at work, on the way to or from work or the date on which an acute occupational disease is acknowledged as an incident, the application should be submitted not later than within three months following the birth of the child.

In order to avoid a very time-consuming duplicated procedure of examination of documents submitted by insurers about the postponement of debts of social insurance contributions (documents were examined by both the State Social Insurance Fund Board and its territorial offices), as well as in order to avoid unnecessary correspondence between the examining bodies, the process of postponement of social insurance contributions for insured persons has been simplified, speeded-up and made more acceptable and handy as of 1st January 2015. Pursuant to the provisions of the Law on State Social Insurance that have been effective since the beginning of 2015 the right to postpone payment of debts of social insurance contributions of up to EUR 30,000 (LTL 100,000) has been given to territorial offices of the State Social Insurance Fund Board. According to the new provisions, territorial offices have the right to postpone payments of debts amounting to up to EUR 30,000 of social insurance contributions not only of self-employed persons (as was regulated before 1st January 2015) but also of other insurers.

The purpose of the new legal regulation effective as of 1st January 2015 is to help establish a firmer position of owners of sole proprietorships, members of small partnerships and actual members of economic partnerships.

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43 Republic of Lithuania Law Amending Articles 8, 16, 181 and 16 of Law No. IX-110 on Sickness and Maternity Social Insurance.
45 Republic of Lithuania Law No. I-1336 Amending Articles 4, 5, 9, 29 and 31 of the Law on State Social Insurance.
46 Republic of Lithuania Law No. XI-1792 Amending Articles 4, 7, 8, 16, 19 of the Law on State Social Insurance and Supplemeting it with Article 2.
on the market during the first years of their operation. Young people up to 29 as well as persons receiving old-age pensions and those who have state social insurance enjoy more favourable conditions with regard to contributions. Such persons can pay state social insurance contributions of the amount used for personal needs which is declared to the State Tax Inspectorate as income related to employment or equivalent relations. As of 1st January said persons may not pay social insurance contributions, yet this period of non-payment of contributions will not be included into their record of social insurance contributions. In cases when an owner of sole proprietorship does not take part in other economic activity and does not belong the aforementioned group of persons yet the duty to pay state social insurance contributions at least of the minimum monthly salary remains.

The State Social Insurance Fund Board continues implementing the project “Development and introduction of information and consulting interactive electronic servicing system for the insured persons, beneficiaries of allowances and the insurers” (hereinafter referred to as ADIS). The project is financed by the EU structural funds. The aim of the ADIS project is to create more customized proactive counseling of insured persons, beneficiaries of allowances and the insurers to raise their awareness about their duties and rights in the area of social insurance and opportunities to receive social insurance allowances. ADIS will provide the following electronic services:

1. Proactive provision of information to the insured, beneficiaries of allowances and insurers through various channels of information about opportunities to receive social insurance services, actions to be taken in that respect after a certain life event or an activity. When providing the service the system will monitor the social status or operational changes of the insured persons, beneficiaries of allowances and insurers and will provide relevant information to them through a selected channel of information about social insurance services and actions to be taken in order to benefit from such services.

2. Proactive provision of information to the insured, beneficiaries of allowances and insurers through various channels of information about amendments to the legislation of state social insurance and the necessary actions to be taken. The system will monitor amendments of the relevant legislation and will inform the above mentioned group of people about relevant information through a selected channel.

ADIS will authenticate service recipients through voice recognition technologies, caller's phone number, customer identity code and other authentication means, will manage the service process of the insured, beneficiaries of allowances and insurers as well as related indicators. During May-August of 2015, a demo version of ADIS was used. It helped to remove shortcoming and update the documentation. It is planned to fully run ADIS as of the autumn of 2015 so that all service provides, including natural and legal persons, i.e. the insured, beneficiaries and insurers, could start using electronic services of ADIS.

3.2. BETTER FINANCIAL SITUATION OF STATE SOCIAL INSURANCE FUND

According to preliminary data, during the first quarter of 2015, the budget deficit of the State Social Insurance Fund (hereinafter referred to as SODRA) was EUR 152.8 million, which is EUR 18.1 million or 10 per cent smaller than during the same period last year.

During the first quarter of 2015, SODRA received EUR 678.2 million in contributions, which is EUR 38.4 million or 5.9 per cent more than during the same period in 2014. During the same quarter of 2015, the budget expenditure of SODRA was EUR 831 million, which is 2.5 per cent (EUR 20.3 million) more than during the corresponding quarter in 2014. The first quarter of 2015 experienced the biggest increase (15.5 per cent or EUR 20.3 million) of sickness and maternity social insurance expenditure, amounting to EUR 108.9 million. The expenditure of this type of insurance
went up as a result of legislative amendments effective as of 1st January 2015. According to the amendment, the amount of sickness benefits paid from the SODRA budget increased to 80 per cent of the compensated wage.

In 2014, SODRA's budget revenues amounted to LTL 10,562.7 million. They were planned according to the forecast announced by the Ministry of Finance envisaging an increase of remuneration for work by 5.9 per cent. In fact, the amount of remuneration for work increased by 6.8 per cent in 2014. The budget revenues of SODRA in 2014 are shown according to an accumulative principle, including the forecasted State Budgetary allocations of 2015-2016 that would be spent on the compensation of pensions. During 2014, as compared to 2013, SODRA's budget revenues went up by LTL 567.8 million or 5.7 per cent.

The lion's share of revenues, LTL 9,862.0 million or 93.4 per cent, consisted of state social insurance contributions paid by the insured and insurers. During 2014, as compared to 2013, these contributions went up by 6.6 per cent. Insurers’ contributions amounted to LTL 8,916.7 million, and contributions paid by the insured persons were LTL 945.3 million, including LTL 30 million of contributions paid out of royalties and copyright work.

During 2014, state social insurance contributions paid by self-employed persons amounted to LTL 201.9 million, which is 10.7 per cent more than in 2013. The amount of voluntary state social insurance contributions was LTL 3.6 million. As of 1st January 2013, when the new provisions of the Law on State Social Insurance Pensions concerning calculation of state social insurance pensions in respect of the insured income gained since 1st January 1994, came into effect, the number of contracts concluded for principal or principal of supplementary voluntary social insurance pensions went up. The amount of voluntary insurance contributions for pensions was LTL 3.6 million, whereas contributions for sickness and maternity benefits were LTL 0.01 million. During 2014, as compared to 2013 year, such contributions dropped by 22 per cent.

The amount of dedicated appropriations from the state budget of the Republic of Lithuania and other state monetary resources to be allocated in 2015-2016 under the Law on Compensation of State Social Insurance Old-Age and Lost Capacity for Work (Disability) Pensions to compensate for state social insurance pensions reduced in 2010–2011 is LTL 443.3 million (by assessing long-term commitments of 2016 at amortised cost).

The estimated expenditure of SODRA's budget in 2014 was LTL 11,641.3 million. As compared to 2013, it increased by LTL 411.1 million or 3.7 per cent. The estimated amount of social insurance expenditure is LTL 8,698.3 million or 74.7 per cent of all SODRA budget expenditure. The estimated amount of pension social insurance expenditure was 6.9 per cent or LTL 565.0 million bigger than planned. According to the Law on Compensation of State Social Insurance Old-Age and Lost Capacity for Work (Disability) Pensions, the amount of compensation for reduced pensions to be paid during 2014-2016 was LTL 554.0 million, including the estimated amount of LTL 114.5 million payable in 2014. The amount of expenditure paid for pensions during 2014 was 6.5 per cent or LTL 534.3 million bigger than in 2013 (Figure 3.2-1).

During 2014, the average annual state social insurance old-age pension of persons having the mandatory social insurance record was LTL 861.20. As compared to 2013, the average annual old-age pension of persons with the mandatory social insurance record increased by 1.2 per cent of LTL 10.32. The ratio between the average annual old-age pension of persons with the mandatory social insurance record and the annual gross salary of persons insured with all types of social insurance is 43.4 per cent. In December 2014, the average old-age pension of persons having the mandatory social insurance record was LTL 863.66. As compared to December 2013, it was LTL 6.41 or 0.7 per cent higher. Taking into consideration deflation, the actual old-age pension, having the necessary social insurance record, increased by 0.8 per cent.
During 2014, the estimated amount transferred to pension funds was LTL 443.7 million, which is LTL 69.8 million or 13.6 per cent less than in 2013. The reason for that is the rate of payments transferred to pension funds dropped from 2.5 per cent in 2013 to 2.0 per cent in 2014. The amounts transferred to pension funds account for 3.8 per cent of all SODRA budget expenditure. During 2014, accumulative pension contributions to pension funds were transferred for the benefit of 1,128.9 thousand persons or 89.0 per cent of the insured, including 339.9 thousand persons or 30.1 per cent of people who had no insured income.

In 2014, the estimated expenditure of sickness and maternity social insurance was LTL 1,220.0 million or 10.5 per cent of total SODRA's expenditure. This is LTL 58.4 million or 5 per cent more than in 2013. The number of paid sickness days was 158 thousand days or 2.1 per cent bigger than in 2013. The total number of estimated sickness allowances was LTL 486.9 million, which is LTL 34.5 million or 7.6 per cent more than in 2013. During 2014, the number of paid sickness benefits increased due to a bigger number of the insured.

Maternity allowances were paid to 20 thousand mothers or 5.2 per cent more people than in 2013. Maternity (paternity) allowances until the child reached the age of one were paid on average to 17.9 thousand insured persons per month and until the child reached the age of two such allowances were paid to 18.3 thousand people. The total number of beneficiaries of maternity (paternity) allowances per month is about 36.2 thousand people or 1.7 per cent more than in 2013. The total estimated amount of maternity (paternity) allowances is LTL 529.0 million. In 2014, paternity social insurance allowances were paid to 13.5 thousand fathers, which is 6.6 per cent more than in 2013. The estimated amount of paternity social insurance allowances is LTL 32.8 million or 13.5 per cent more than in 2013.

During 2014, unemployment social insurance expenditure amounted to LTL 382.2 million or 3.3 per cent of all SODRA's expenditure. The estimated amount of unemployment benefits was LTL 213.7 million, which is LTL 13.1 million or 5.8 per cent less than planned because the average monthly number of beneficiaries of unemployment benefits was 2.6 per cent smaller than planned. During 2014, the average unemployment benefit amounted to LTL 541.63, whereas the average monthly number of beneficiaries of unemployment benefits was 40.9 thousand people. The estimated amount for supporting employment initiatives was LTL 100 million, which is the same amount as planned. The estimated amount allocated for bodies implementing employment support policy and providing labour market services is LTL 68.6 million.
Social insurance expenses of accidents at work and occupational diseases amounted to LTL 57.2 million, accounting for 0.5 per cent of all SODRA’s Budget expenses. During 2014, this type of insurance used LTL 0.8 million or 1.4 per cent less expenditure than in 2013. The expenditure of this type of insurance dropped due to a smaller number of recipients of sickness benefits provided in cases of accidents at work.

The result of SODRA’s Budget in 2014: expenses exceeded revenues by LTL 1,078.6 million.

3.3. STATE SOCIAL INSURANCE PENSIONS AND PENSION ACCUMULATION

3.3.1. STATE SOCIAL INSURANCE PENSIONS

In 2014, the share of the population who reached the age at which it is entitled to old-age pensions accounted for 22 per cent of all people living in the country, i.e. 210,900 men aged 63 and above and 440,100 women aged 61 and above. During the same year, the average number of beneficiaries of state social insurance old-age pensions (hereinafter referred to as old-age pensions) was 598,500 and the average old-age pension having the necessary record of social insurance amounted to LTL 861.20 (EUR 249.42). From 2012, when the retirement age started gradually to increase, the average annual number for beneficiaries of old-age pensions decreased insignificantly. Similarly, the increase of calculated annual amounts of old-age pensions was not substantial (Table 3.3.1-1). Therefore, it could be stated that the increase of the retirement age contributes to the financial stability of a pension scheme.

<table>
<thead>
<tr>
<th>Year</th>
<th>Average number of beneficiaries of old-age pensions</th>
<th>Average old-age pension having the mandatory insurance record</th>
<th>Calculated amount of pensions, in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>599,505</td>
<td>LTL 841.91 (EUR 243.8)</td>
<td>LTL 5,867.2 (EUR 1,699.3)</td>
</tr>
<tr>
<td>2013</td>
<td>598,700</td>
<td>LTL 850.88 (EUR 246.4)</td>
<td>LTL 5,907 (EUR 1,710.8)</td>
</tr>
<tr>
<td>2014</td>
<td>598,476</td>
<td>LTL 861.20 (EUR 249.4)</td>
<td>LTL 5,959 (EUR 1,725.9)</td>
</tr>
</tbody>
</table>

Data of the State Social Insurance Fund Board

In 2014, beneficiaries of old-age pensions accounted for 55 per cent of all beneficiaries of state social insurance pensions. The calculated amount of old-age pensions made up 75 per cent of all expenditure of state social insurance pensions. The data about the other state social insurance pensions paid out of the State Social Insurance Fund Board are presented in Table 3.3.1-2. It should be noted that despite the introduction of more favourable conditions since 2012 for obtaining an early old-age pension (abandoning the requirement of being a registered as unemployed with the Lithuanian Labour Exchange one year prior to such pension), the average number of beneficiaries of early old-age pensions has been decreasing since 2012. Disability, loss of breadwinner and retirement pensions are no longer provided (those pensions that have been awarded previously continue until the end of the established period). As a result, the number of beneficiaries of these types of pensions has been decreasing every year.
### 3.3.2. BASIC AMOUNTS AFTER EURO

Since 1 January 2015, the Euro has become a legal tender in the Republic of Lithuania. Pursuant to the Law on the Introduction of the Euro\(^\text{47}\), the amounts of social indicators in Litas were calculated in Euro and new basic amounts were set on the basis of which state social insurance pensions and other social insurance allowances, state benefits and state pensions have been paid. The calculation of the values of amounts has been carried out in accordance with the established currency exchange rate of the Litas to the Euro at LTL 3.4528 for EUR 1 and rounded to a whole number (convenient to use).

As of 1 January 2015, the following newly established amounts have been introduced\(^\text{48}\):

- basic amount of a state social insurance pension is EUR 105,
- basic amount of a state social insurance widow or widower’s pension is EUR 21,
- maximum amount of a non-recalculated pension is EUR 229,
- basic amount of a state pension is EUR 58,
- amount of the current insured income during 2015 is EUR 431.

In 2015, as a result of calculation of Litas into the Euro and rounding up to the consumer’s benefit, an additional amount of EUR 11.2 million was required from the State Social Insurance Fund Board (including about EUR 9.3 million for the basic amount of a state social insurance basic pension, about EUR 1.7 million for the basic amount of a state social insurance widow or widower’s pension, about EUR 0.1 million for the maximum non-recalculated pension and about EUR 0.1 million for the amount of the current insured income in 2015), and about EUR 2 million from the state budget.

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\(^{47}\) Republic of Lithuania Law No XII-828 on the Introduction of the Euro.

3.3.3. COMPENSATION OF REDUCED PENSIONS

On 15 May 2014, the Seimas of Republic of Lithuania adopted the Law on Compensation of State Social Insurance Old-Age and Lost Capacity for Work (Disability) Pensions\(^49\) which laid down compensation of old-age and lost capacity for work (disability) pensions with regard to smaller amounts of the current insured income applied in 2010–2011. The law stipulates that the calculated amounts of compensation (unpaid amounts) will be paid in instalments: 20 per cent of the compensated amount is to be paid in the last quarter of 2014, and 40 per cent of the compensated amount in 2015 and 2016 (by making 10 per cent of the compensation during the last month of each quarter). Compensated amounts are to be paid to beneficiaries of pensions that received smaller old-age and lost capacity for work (disability) pensions in 2010–2011 as well as to heirs to the assets of beneficiaries of pensions who diseased after the Law has come into effect (22 May 2014). In 2014, the amount of paid compensations accounted for LTL 110.7 million (EUR 32.1 million), and during the first quarter of 2015, it was EUR 16.9 million.

Moreover, on 30 June 2015, the Seimas of the Republic of Lithuania adopted the Law on Compensation of State Social Insurance Old-Age Pensions and State Pensions Reduced by Taking into Account Available Insured Income. The law stipulates that from the year 2016, compensation of old-age pensions that were reduced by taking into account available (at that time received) insured income in 2010-2011 and reduced state pensions to a large scale of officials, servicemen, victims, 1\(^{st}\) and 2\(^{nd}\) degree pensions of the Republic of Lithuania and judges state pensions will begin. The law lays down 33 per cent of the compensation will be paid during the last month of the second quarter of 2016 and the remaining 33 per cent and 34 per cent of the compensation will be paid during the last month of the first quarter of 2017 and 2018 accordingly. The law also stipulates that if the calculated amount of compensation is less than EUR 100, it will be paid as a whole amount in 2016.

3.3.4. ACCUMULATION OF PENSIONS IN PRIVATE PENSION FUNDS

A pension accumulation system that has been effective since 2004 involved on average 1,122,151 people in 2014. They could accumulate funds for their future pension in 26 second-tier pension funds managed by seven pension accumulation companies (6 management companies and 1 life insurance company). Since 2014, a contribution of an accumulated pension consists of a part paid by the participant (in 2014–2015, it has accounted for 1 per cent of the participant’s insured income), additional incentive part paid from the state budget (during 2014–2015, it makes up 1 per cent of the average monthly wage of employees gained in the country during four quarters of a previous year as announced by the Statistics Department of Lithuania) and a part of the state social insurance contribution (in 2014–2015, it accounts for 2 per cent of the participant’s insured income). An additional incentive contribution paid from the state budget, i.e. 1 per cent, totalled LTL 21.74 (EUR 6.30) in 2014 and EUR 6.61 in 2015. As of 2016, additional parts of the contribution paid by the participant and by the state will increase to 2 per cent. This funding procedure of accumulation of pensions is applied to participants who joined the scheme after 1 January 2013 as well as those who concluded agreements earlier and gave their consent to make additional payments. According to the data of December 2014, additional contributions using their own funds were paid by 446,100 pension accumulation scheme participants.

Some participants accumulate contributions that consist only of a state social insurance part. When a new system of accumulation of pensions came into effect in 2013, these people continued accumulating their pensions on the same terms and conditions which were valid until 31 December 2012, i.e. they did not make requests to pay an additional contribution. According to the data of the Register of Pension Accumulation Agreements, in December

\(^{49}\) Republic of Lithuania Law No. XII-886 on Compensation of State Social Insurance Old-Age and Lost Capacity for Work (Disability) Pensions.
2014 the scheme involved 678,500 participants accumulating only the state social insurance part of the contribution (i.e. under the conditions effective prior to 31 December 2012). Noteworthy, during the period some of the registered pension accumulation participants did not have insured income from which state social insurance contributions are paid to receive the basic and supplementary parts of the pension (Figure 3.3.4-1).

Data of the State Social Insurance Fund Board  

During 2013, the rate of a state social insurance contribution for the accumulation of a pension was 2.5 per cent, whereas in 2014, it was 2 per cent. Accordingly, in 2014 the total amount of a state social insurance contribution for the accumulation of a pension dropped from LTL 513.5 million (EUR 148.72 million) to LTL 443.8 million (EUR 128.53 million) (Figure 3.3.4-2). However, the total calculated amount of pension accumulation contributions in 2014 was LTL 635.5 million (EUR 184.05 million), which is 24 per cent more than during the previous year.
3. Social Insurance and Pensions

In accordance with the amendments to the Law on Accumulation of Pensions\(^{50}\), the deductions applied for the benefit of managers of pension funds have been decreasing every year. Currently, there are two types of deductions. Firstly, deductions from the amount of the contribution transferred in the participant's name. Secondly, deductions from the average annual value of the accumulated funds. During 2014, deductions of paid contributions accounted for up to 1.5 per cent, in 2015, they were up to 1 per cent, in 2016, they will account for 0.5 per cent. As of 2017, deductions of paid contributions will not be applied. Deductions of the pension amount are the same: during one year it accounts for up to 0.65 per cent of the average annual value of calculated funds on the participant's account in a conservative pension investment fund and up to 1 per cent in other pension funds. In certain cases fees (deductions) apply when a pension fund is changed. Deductions do not apply when a pension fund is changed in the same pension accumulation company once per calendar year. When a pension fund is changed more than once in the same pension accumulation company as well as when moving to a pension fund managed by another pension accumulation company, deductions of up to 0.05 per cent of the funds accumulated by the participant may apply. In 2014, 24,940 persons changed a company of accumulation of pensions and 7,247 persons changed a pension accumulation fund.


3.4.1. State Pensions and Social Assistance Benefits

Since 1 January 2014, the entitlement to a state pension of the second degree of the Republic of Lithuania (hereinafter referred to as a state pension of the second degree) has been granted to mothers who have given birth (adopted) and raised five or more children (hereinafter referred to as mothers with many children) up to eight years and well-educated them\(^{51}\). Previously such entitlement was granted only with respect to seven and more children. A state pension of the second degree totals two amounts of a state pension base (EUR 116). It is awarded to mothers with many children when such mothers reach the age of old-age pension and lose 60 percent or more capacity to work. In that case, a state pension of the second degree is paid together with a state social insurance old-age pension or lost capacity to work (disability) pensions. State pensions of the second degree are awarded by the Commission for Awarding State Pensions of the First and Second Degree of the Republic of Lithuania (hereinafter referred to as the Commission) upon the recommendation of municipal administrations. In 2014, the Commission awarded state pensions of the second degree to 9,100 mothers with many children.

On 1 January 2014, an amendment to the Law on State Pensions\(^{52}\) came into effect providing for entitlement to a state pension of the first degree of the Republic of Lithuania to recipients of national cultural and art awards of Lithuania. In 2014, the Government of the Republic of Lithuania granted state pensions to 41 recipients of national cultural and art awards.

As of 1 July 2014, compensation allowances to former creative staff of theatre and concert establishments have been increased from 4 to 6 basic social allowances\(^{53}\). Compensation allowances are paid to persons involved in

\(^{50}\) Republic of Lithuania Law No. XI-2410 on Accumulation of Pensions.

\(^{51}\) Republic of Lithuania Law No. X-1768 Amending and Supplementing Articles 4, 5, 6 of the Law on State Pensions.

\(^{52}\) Republic of Lithuania Law No. XII-635 Supplementing Article 4 of the Law on State Pensions.

\(^{53}\) Republic of Lithuania Law No. XII-897 Amending Article 13 of the Law on Theatre and Concert Establishments.
creative work on a professional stage of Lithuania, including ballet performers and dancers, musicians playing the wind instruments, solo vocalists, choir performers.

Since 1 July 2014, saviours of Jews during Holocaust have been acknowledged as freedom fighters and granted the legal status thereof\(^5\). In addition, saviours of Jews have become entitled to a state pension of the second degree of two amounts of a state pension base (EUR 116). From 1 July 2014, upon the recommendation of the Genocide and Resistance Research Centre of Lithuania, the Commission has granted state pensions of the second degree to 99 persons who saved Jews during Holocaust.

Since 1 January 2015, amendment to the Law on State Social Assistance Benefits\(^5\) has come into effect providing for entitlement to a compensation of EUR 157.5 paid to parents (adopted parents) who before 1 January 1995 for not less than eight years took care at home of disabled children or children acknowledged as having a disability of the first or second group from their childhood or who became disabled of the first or second group up to the age of eighteen. A social assistance compensation is awarded when reaching a five-year smaller age of entitlement to an old-age pension and having lost 60 per cent or more capacity to work. The benefit is paid until a person becomes entitled to a state social insurance, state pension or another type of pension. Previously such entitlement was granted only to parents who took care of their disabled children for at least ten years before 1 January 1995.

### 3.4.2. SUPPORT TO PARTICIPANTS OF RESISTANCE AND VICTIMS OF OCCUPATION OF 1940–1990

In 2014, the amount of LTL 0.43 million (EUR 0.125 million) was spent on the compensations to freedom fighters who suffered from the aggression of the USSR in 11-13 January 1991 and subsequent events, and their family members. Compensations were paid to cover for heating, hot water, drinking water and waste water, gas, solid and liquid fuel, electricity, fixed telephone-line subscription fee and other expenses. During 2014, as compared to 2013, the amount of compensations was smaller by 14 per cent. Beneficiaries of compensations were families of killed persons, defenders of independence recognised as incapable or partially capable of work (disabled before 1 July 2005) as a result of the aggression of the USSR during 11-13 January 1991 and subsequent events, and their family members, as well as defenders of independence who were seriously or moderately injured. According to the statistics provided by municipal administrations, during 2014, this kind of state support was used by 320 persons (families) per month on average, which is 6.7 per cent more than in 2013.

In 2014, 81 compensations were paid to victims of elimination of consequences of the accident at the Chernobyl nuclear power plant (servicemen of the reserve and mandatory military who had been sent to work in the area of 30 kilometres circling the place of accident or to construct the town of Slavutych in Ukraine) if they suffered from health damage. During 2014, as compared to 2013, the quantity of compensations was 22.7 per cent bigger and the average amount of compensation totalled LTL 3,940 (EUR 1,141).

As of 1 January 2015, entitlement to lump-sum compensations\(^5\) has been provided for participants permanently residing in the Republic of Lithuania who were sent to work from the territories other than the Republic of Lithuania. Prior to this amendment the entitlement to lump-sum compensation was granted only to participants temporarily sent from Lithuania. Moreover, the amounts of compensations have been established in the Euro in line with the Law


\(^5\) Republic of Lithuania Law No. XII-906 Amending Article 15 of Law No. I-675 on State Social Assistance Benefits.


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on Introduction of the Euro in the Republic of Lithuania (hereinafter referred to as The Law on introduction of the Euro). The established amounts are as follows:

- for participants diagnosed with an illness related to elimination of consequences of the accident at Chernobyl nuclear power plant, EUR 835;
- for participants acknowledged as having completely or partially lost of their capacity to work as a result of elimination of consequences of the accident at Chernobyl nuclear power plant: EUR 2,086 for those who lost 75–100 per cent of capacity to work; EUR 1,669 who lost 60–70 per cent of capacity to work and EUR 1,252 for those who lost 45–55 per cent of capacity to work;
- for family members of participants who died from an illness related to elimination of consequences of the accident at Chernobyl nuclear power plant, EUR 4,171.

In implementing the Law on Introduction of the Euro other legislation has been amended providing for the amounts of lump sum compensations and benefits (the value in the Litas has been changed into the Euro). The amounts of lump sum compensations, expressed in the Euro, to persons injured during the mandatory military service in the Soviet army or to families of such persons who died in the Soviet army:

- for families of persons who died in the mandatory military service of the Soviet army, EUR 4,171;
- for those acknowledged as having lost 75–100 per cent of the capacity to work, EUR 2,086;
- for those acknowledged as having lost 60–70 per cent of the capacity to work, EUR 1,669;
- for those acknowledged as having lost 45–55 per cent of the capacity to work, EUR 1,252;
- for those acknowledged as having lost 20–40 per cent of the capacity to work, EUR 835.

The amounts of lump sum benefits to injured participants of armed resistance and volunteer soldiers in the Euro:

- for persons injured during the fights of armed resistance, interrogation and imprisonment, EUR 1,622;
- for persons acknowledged as having lost their full or partial capacity to work for reasons related to armed resistance, interrogation or imprisonment: for those acknowledged as having lost 75–100 per cent of their capacity to work, EUR 4,171; for those acknowledged as having lost 60-70 per cent of their capacity to work, EUR 3,337; for those acknowledged as having lost 45–55 per cent of their capacity to work, EUR 2,503.

The amounts of lump sum benefits to families of resistance fighters in the Euro:

- for family members of participants of armed resistance – volunteer soldiers who died during armed resistance, detention, arrest or secret operations performed by the occupation authority, during criminal actions, suppression of uprisings of GULAG political prisoners if the person's death is related to resistance activity, those who were killed or died during interrogation prior to the court's decision coming into effect or who were sentenced to death and the death penalty was executed, EUR 8,592;
- for family members of participants of armed resistance – volunteer soldiers who died during imprisonment after court's decision coming into effect, participants of unarmed resistance – freedom fighters who died during armed conflicts, detention, arrest or secret operations performed by the occupation authority, during criminal actions, suppression of strikes of GULAG political prisoners if the person's death is related to resistance activity, those who were killed or died during interrogation prior to the court's decision coming into effect or who were sentenced to death and the death penalty was executed, EUR 6,444;

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58 Republic of Lithuania Law No. XII-1209 Amending Article 3 of Law No. VIII-541 on State Support to Participants of Armed Resistance.
• for family members of participants of unarmed resistance – freedom fighters who died during imprisonment after the court's decision coming into effect, EUR 5,156;
• for family members of participants of resistance to occupation – volunteer soldiers and freedom fighters who died during deportation after imprisonment, EUR 3,291.

As of 1 July 2015, entitlement to lump sum compensations has been granted to persons acknowledged by military doctors as unsuitable for military service due to injuries or illnesses relating to military service or military training. Such persons will be paid lump sum compensations of EUR 835.

Lump sum benefits are also awarded to the family members of the participants of resistance to occupation who died fighting for the freedom and independence of Lithuania, victims of imprisonment, as well as of deportation following the imprisonment. Funeral costs of volunteer soldiers are covered from the national budget (a benefit of 20 basic social assistance benefits (EUR760) is awarded). During 2014, municipal administrations awarded 49 benefits for perished/killed volunteer soldiers. The amount of a benefit is determined by the death circumstances of a participant in the resistance to the occupation. The law further stipulates indexation of the amounts of lump sum benefits on a yearly basis in compliance with the procedure established by the Government of the Republic of Lithuania, taking the penultimate year inflation rate into consideration. The average yearly inflation rate determined in 2009 was 4.5 per cent, in 2010 it was 1.3 per cent, in 2011 it made up 4.1 per cent, and in 2012 it was 3.1 per cent. The amounts of the benefits have been increasing accordingly. From the entry into force of the law, i.e. from 1998 till 2014, the amounts of these benefits increased by 48 per cent. Since 1 January 2015, the amounts of benefits have been established in the Euro.

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60 Republic of Lithuania Law no. XII-1627 Amending Articles 2 and 6 of Law No. I-576 on Victims of Mandatory Military Service in the Soviet Army and Families of Victims who Died in the Army (from 22 July 1945 until 31 December 1991).
Cash social assistance, social scope

4.1. CASH SOCIAL ASSISTANCE

The state is obliged to guarantee that every person receives assistance from respective public services that he needs to avoid, eliminate or mitigate deprivation. Efficiently implemented cash social assistance measures are aimed at consolidating families, encouraging their abilities to independently solve social problems, and strengthening community relations. State guaranteed cash social assistance is consistently provided with regard to the national social and economic development and financial capacity of the state.

This chapter covers changes in the system of cash social assistance provided for families with children and poor residents, which occurred in 2014 and the first half of 2015, and the tendencies emerging from 1 January 2015, after transition to the single model of the provision of cash social assistance having assigned the provision of social benefits and compensations for heating, hot and drinking water expenses as the independent function of municipalities and financing it from municipal budget funds in all municipalities. It presents statistics on benefits for children, social assistance for pupils, cash social assistance for poor residents, and assistance in the case of death.

4.1.1. BENEFITS FOR FAMILIES AND CHILDREN

With regard to the financial resources of the state, the conditions of provision of state benefits for children and benefit amounts remained the same in 2014.

In 2014, pursuant to the Republic of Lithuania Law on Benefits for Children\(^6\), the following benefits were granted to persons raising children and/or guardians of children from the state budget of the Republic of Lithuania: *a lump sum child benefit for a newborn child or for an adopted child* amounting to 11 base social benefits (hereinafter referred to as the “BSB”) (LTL 1 430; EUR 418 as of 1 January 2015); *a child benefit* equal to 0.75 BSB (LTL 97.5; EUR 28.5 as of 1 January 2015) or 0.4 BSB (LTL 52; EUR 15.2 as of 1 January 2015) (the amount depends on the age of the child); *a guardianship (curatorship) benefit* amounting to 4 BSB (LTL 520; EUR 152 as of 1 January 2015); *a targeted

\(^6\) Republic of Lithuania Law on Benefits for Children No. I-621.
guardianship (curatorship) benefit supplement in the amount of 4 BSB (LTL 520; EUR 152 as of 1 January 2015); a lump sum settlement benefit for persons who have been established child guardianship (curatorship), amounting to 75 BSB (LTL 9 750, EUR 2 850 as of 1 January 2015); a lump sum benefit for a pregnant woman equal to 2 BSB (LTL 260; EUR 76 as of 1 January 2015); a benefit for a child of a serviceman in mandatory initial military service amounting to 1.5 BSB (LTL 195; EUR 57 as of 1 January 2015).

4.1.2. CASH SOCIAL ASSISTANCE FOR POOR RESIDENTS

The provision of cash social assistance for poor residents is regulated by the Republic of Lithuania Law on Cash Social Assistance for Poor Residents63. Pursuant to this legal act, poor residents shall be paid social benefits and compensations for heating, hot and drinking water expenses (hereinafter referred to as the ”compensations”).

Cash social assistance is provided taking into consideration not only the received income, but also owned property. Social benefits and compensations are granted to poor residents, if the value of their property does not exceed the average property value set for their residential area64.

On 23 September 2014, in order to ensure smooth transition from litas to euro in the Republic of Lithuania, the Law Amending the Republic of Lithuania Law on Cash Social Assistance for Poor Residents was adopted65. The amended law stipulates conversion of the set values of property and income types (LTL 2 000, 4 000, 6 000) as well as minimum non-paid amounts of the social benefits (LTL 5) and compensations (LTL 1) in litas to the amounts in euro as of 1 January 2015 (EUR 580, 1 160, 1 750 and EUR 1.45 and 0.29 respectively).

On 2 December 2014, with regard to the best practice and results of the pilot project conducted in 2012–2014, the Law Amending the Republic of Lithuania Law on Cash Social Assistance for Poor Residents was adopted66. Pursuant to the Law, municipalities provide cash social assistance for poor residents as of 1 January 2015 by fulfilling their independent municipal function financed from the municipal budget funds.

Starting with 2015, after the amendments of the abovementioned law became effective, all municipalities provide cash social assistance for poor residents under equal conditions, renouncing the grounds to grant, not to grant, reduce, etc. social benefits and compensations in accordance with the procedure established by municipal councils. This discretion has been allowed for municipalities only in those situations when social assistance is granted in cases other than those established in this law (a lump-sum benefits is granted, the housing debt is paid, etc.). It also establishes that municipal budget funds allocated for calculating and paying cash social assistance which are not used shall, where necessary, be primarily used to finance other social assistance in accordance with the procedure established by the municipal council.

Seeking to create the conditions for receiving assistance when a person is in great need and to reduce social exclusion, municipal administrations have been granted even more rights in the process of providing social assistance for poor residents. Having evaluated living conditions, a municipal administration shall have the right to: compensate for a larger share of heating expenses than established in the law, but not exceeding 10 per cent of the difference between the income of cohabitants or a single resident and state supported income for cohabitants or a single resident; grant cash social assistance to a child (adopted child) of full age under 24 as a single resident, who is a student according to the general education programme (including the period from completion of the general education programme until 1

63 Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.
64 The value of a person’s owned property should not exceed the average property value set for their residential area. The standard value of an area unit of real property of every type is established by the State Enterprise Centre of Registers and posted on its website according to the average values of real property as of 1 January every year in Lithuanian cities, municipality centres and other municipal territories.
65 Law Amending Articles 14, 17 and 22 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.
66 Law Amending Articles 4, 8, 10, 12, 17, 21 and 23 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.
September of the same year) or according to the formal vocational training programme, or is a student at a higher school (including the period of academic leave due to sickness or pregnancy), when one of his/her parents (adoptive parents) dies. In order to encourage the financial concern of recipients of social benefits with finding employment and remaining in the labour market, the limit of personal income has been increased as of 1 January 2015 from 20 to 50 per cent of the amount of state supported income (up to EUR 51), when, after evaluation of living conditions (e.g. the increase in income having become employed, thus losing the right to receive social benefits in accordance with the general statutory procedure, etc.), a municipal administration shall be entitled to grant social benefits by way of exception.

In order to secure the rights of poor residents, the legal act establishes that apartment owners of a multi-apartment building who have not participated in the meeting, in which the implementation of the project of renovation (modernisation) of a multi-apartment building was discussed and the respective decision was adopted and who refused to take part in the project shall suffer from negative consequences (reduction of the compensated part of heating expenses and subsequent termination of granting compensation) only in cases where the project of renovation (modernisation) of a multi-apartment building has not been launched due to the acts (inaction) of these persons. The law also stipulates a provision that cohabitants with children (adopted children) shall have the right to receive cash social assistance also during the period of suspension of paternity suit when the court assigns expert examination on consanguinity determination; the conditions to receive cash social assistance for self-employed persons and persons who nurse or take care of another person and/or have been appointed as guardians (foster parents) of another person, etc. have been simplified.

The reform of the system of cash social assistance for poor residents aimed at accurate and efficient provision of cash social assistance for those persons who are in great need of it, also at the increase of the role of self-government and responsibility as well as more rational use of the funds allocated for cash social assistance. Therefore, the most important task remains the protection of residents, in particular socially vulnerable groups, from the negative factors of economic changes seeking to reduce the risk of poverty and social exclusion.

### 4.1.3. SOCIAL ASSISTANCE FOR PUPILS

The conditions of provision of social assistance for pupils (free meals for pupils and assistance for the acquisition of school supplies) established by the state have remained unchanged in 2014. Pursuant to the Republic of Lithuania Law on Social Assistance for Pupils\(^67\), having evaluated the income of cohabitants or a single resident, pupils shall be entitled to free meals and assistance for the acquisition of school supplies at the beginning of a school year. The founders of the school have the right to decide on the type(s) of free meals – lunch, meals in summer day camps organised in schools, breakfast or afternoon meals – to be provided to pupils in their founded schools\(^68\). Free breakfast or free afternoon meal is granted only in exceptional cases, having evaluated the family's living conditions. Up to 2 per cent of the funds allocated for social assistance from the state budget may be used for this purpose.

In order to ensure efficient use of funds from the state and municipal budgets and seeking that child nutrition complies with physiological standards, minimum and maximum daily amounts of funds allocated per pupil for the acquisition of products (including value added tax on purchase) have been established.

The amounts of funds allocated per pupil for free meals (breakfast, lunch, afternoon meal) per day have been increased by about 10 per cent as of 1 January 2014\(^69\). The amount of 1.3 to 7.7 BSB (from LTL 1.69 to LTL 10.01; from EUR 0.49 to EUR 2.93 as of 1 January 2015) is allocated for the purchase of food products.

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\(^67\) Republic of Lithuania Law on Social Assistance for Pupils No. X-686.

\(^68\) Resolution No. 1770 of the Government of the Republic of Lithuania of 23 December 2009 "On the Approval of the Description of the Procedure for the Provision of Free Meals to Pupils at School".

\(^69\) Law Amending Articles 1, 2, 4, 6, 7, 10 and 14 of the Republic of Lithuania Law on Social Assistance for Pupils No. XII-742.
On 19 February 2014, the Description of the Procedure for the Provision of Free Meals to Pupils at School was amended\(^7\) by specifying the amounts of funds allocated for the purchase of food products according to each recommended type of free meals. The amount of 2.8 to 4 per cent of BSB (from LTL 3.64 to 5.20; from EUR 1.06 to 1.52 as of 1 January 2015) is allocated for lunch per day per pupil; the amount of 6.6 to 7.7 per cent of BSB (from LTL 8.58 to 10.01; from EUR 2.51 to 2.93 as of 1 January 2015) – for meals in summer camps organised in schools; the amount of 1.3 to 2.2 per cent of BSB (from LTL 1.69 to 2.86; from EUR 0.49 to 0.84 as of 1 January 2015) – for breakfast or afternoon meals.

Assistance for acquisition of school supplies is provided in cash, except for cases where a pupil is at social risk. The amount of 120 per cent of BSB (LTL 156; EUR 45.6 as of 1 January 2015) is allocated for assistance for the acquisition of school supplies per pupil per calendar year.

\section*{4.1.4. \textbf{ASSISTANCE IN THE CASE OF DEATH}}

Pursuant to the Republic of Lithuania Law on Assistance in the Case of Death\(^7\), regardless of the family income and owned property, a funeral allowance in the amount of 8 BSB (LTL 1 040; EUR 304 as of 1 January 2015) is paid out to the person in charge of funeral arrangements in the event of death of permanent resident of Lithuania; a foreign national residing in Lithuania who has been issued a temporary residence permit for the purpose of highly qualified employment in the Republic of Lithuania; a person residing in Lithuania who has been granted refugee status in the manner prescribed by laws; a person to whom this Law must apply under the EU regulations on the coordination of social security systems; a foreign national residing in Lithuania who has been issued a temporary residence permit and who has been authorised to work in the Republic of Lithuania and who works in the Republic of Lithuania or has worked for a period not shorter than 6 months and has registered as the unemployed person in the local labour exchange office; and in the case of birth of a stillborn baby of the above persons or in the case when the child is born alive yet but he dies within three months and his place of residence has not been declared in the Republic of Lithuania in the manner prescribed by legal acts. Furthermore, a funeral allowance shall also be paid from municipal budget funds in the manner prescribed by the municipal council in those cases when the place of residence of the deceased person has not been declared in the Republic of Lithuania in the manner prescribed by legal acts.

\section*{4.1.5. \textbf{CHANGES IN THE SCOPE OF FINANCING CASH SOCIAL ASSISTANCE AND THE NUMBER OF ITS RECIPIENTS}}

In 2014, expenses for the provision of cash social assistance for persons raising children, residents and in the case of death of a resident amounted to LTL 787.5 million and, compared to 2013, decreased by 21.6 per cent (from LTL 1 005.1 million to LTL 787.5 million).

Table 1 and Figure 1 present data on the recipients of cash social assistance and expenses in 2013 and 2014, and distribution of expenses for cash social assistance, except for expenses for administration of cash social assistance, in 2014.


\(^{71}\) Republic of Lithuania Law on Assistance in the Case of Death No. I-348.
## Beneficiaries of cash social assistance and expenses in 2013 and 2014

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Benefits</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Beneficiaries, thou. people</td>
<td>Expenses, LTL million</td>
</tr>
<tr>
<td><strong>Total (1+2+3+4)</strong></td>
<td>x</td>
<td>1 005.1</td>
<td>x</td>
</tr>
<tr>
<td>1</td>
<td>Benefits to persons raising and/or fostering children, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Lump sum child benefit</td>
<td>32.4</td>
<td>46.3</td>
</tr>
<tr>
<td>1.2</td>
<td>Lump sum benefit for a pregnant woman</td>
<td>7.4</td>
<td>1.9</td>
</tr>
<tr>
<td>1.3</td>
<td>Child benefit</td>
<td>99.1</td>
<td>79.4</td>
</tr>
<tr>
<td>1.4</td>
<td>Benefit for a child of a serviceman in mandatory initial military service</td>
<td>0.007</td>
<td>0.003</td>
</tr>
<tr>
<td>1.5</td>
<td>Guardianship (foster care) benefit</td>
<td>11.6</td>
<td>62.1</td>
</tr>
<tr>
<td>1.6</td>
<td>Lump sum settlement benefit</td>
<td>2.9</td>
<td>11.0</td>
</tr>
<tr>
<td>1.7</td>
<td>Targeted guardianship (foster care) benefit supplement</td>
<td>0.4</td>
<td>2.6</td>
</tr>
<tr>
<td>2</td>
<td>Benefits and other types of assistance for poor residents, including:</td>
<td>x</td>
<td>757.6</td>
</tr>
<tr>
<td>2.1</td>
<td>Social benefit</td>
<td>190.0</td>
<td>508.2</td>
</tr>
<tr>
<td>2.2</td>
<td>Compensations for heating of the dwelling, hot and drinking water expenses</td>
<td>204.9</td>
<td>152.3</td>
</tr>
<tr>
<td>2.3</td>
<td>Cash social assistance granted on the decision of a municipality</td>
<td>x</td>
<td>3.2</td>
</tr>
<tr>
<td>2.4</td>
<td>Payment of the credit, taken for renovation (modernisation) of a multi-apartment building, and interest thereof for persons entitled to compensation for heating of the dwelling expenses</td>
<td>1.4</td>
<td>2.0</td>
</tr>
<tr>
<td>2.5</td>
<td>Cash social assistance from municipal budgets</td>
<td>x</td>
<td>5.6</td>
</tr>
<tr>
<td>2.6</td>
<td>Free meals for pupils</td>
<td>109.0</td>
<td>71.1</td>
</tr>
<tr>
<td>2.7</td>
<td>Assistance for the acquisition of school supplies</td>
<td>97.3</td>
<td>15.2</td>
</tr>
<tr>
<td>3</td>
<td>Assistance for independence defenders aggrieved during the events of 11–13 January 1991 and the following aggression of the USSR, and their families</td>
<td>0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>4</td>
<td>Funeral allowance</td>
<td>41.0</td>
<td>43.7</td>
</tr>
</tbody>
</table>

Data of the Ministry of Social Security and Labour

Table 4.1.5-1
In 2014, the major share of expenses for cash social assistance (60.5 per cent) consisted of expenses for social benefits, compensations for heating of the dwelling and hot and drinking water expenses, payment of the credit, taken for renovation (modernisation) of a multi-apartment building, and interest thereof for persons entitled to a compensation for heating of the dwelling expenses, which are granted having evaluated family income and property. Benefits to persons raising and/or fostering children accounted for 24.2 per cent of all funds allocated for cash social assistance.

In 2014, expenses for the provision of benefits and other cash social assistance for poor residents decreased by 26.7 per cent, compared to 2013 (from LTL 757.6 million to LTL 555.6 million).

On average, in 2014, 140 100 persons (4.8 per cent of the whole population of Lithuania) received social benefits on a monthly basis. Compared to 2013, the average number of persons receiving social benefits on a monthly basis decreased by 26.3 per cent (from 190 000 to 140 100 persons), and expenses for payment of social benefits decreased by 29.5 per cent (from LTL 508.2 million to LTL 358.4 million).

In 2014, as compared with 2013, the average amount of a monthly social benefits per capita decreased by 4.4 per cent (from LTL 222.9 to LTL 213.1).

During the first quarter of 2015, on average 125 100 persons (4.3 per cent of the whole population of Lithuania) per month received social benefits. As compared with the same period in 2014, the average number of recipients of monthly social benefits decreased by 25.8 per cent (from 168 500 to 125 100 persons), and expenses for payment of social benefits decreased by 30.6 per cent (from EUR 32 million to EUR 22.2 million).
During the first quarter of 2015, the average amount of a monthly social benefits per capita decreased by 6.8 per cent, as compared with the first quarter of 2014 (from EUR 63.4 to EUR 59.1).

In 2014, 29.2 per cent less funds were spent on compensations for heating of the dwelling and hot and drinking water expenses than in 2013; the expenses decreased from LTL 152.3 million to LTL 107.9 million.

Within one heating season month of 2014, on average 188 500 persons (6.4 per cent of the whole population of Lithuania) received compensations for heating of the dwelling expenses. During one heating season month of 2014, as compared with the same period in 2013, the average number of persons who received compensations for heating of the dwelling expenses per month decreased by 8.0 per cent (from 204 900 to 188 500 persons). The average amount of compensation for heating of the dwelling expenses per capita per month in 2014 was approximately LTL 100 with the centralised heating system (LTL 130 in 2013) and LTL 137.4 when heating with other types of energy and fuel (LTL 127 in 2013).

During the first quarter of 2015, 31.9 per cent less funds were spent on compensations for heating of the dwelling and hot and drinking water expenses than in the same period in 2014; expenses decreased from EUR 16.9 million to EUR 11.5 million.

Within one month of the first quarter of 2015, on average 144 100 persons (5 per cent of the whole population of Lithuania) received compensations for heating of the dwelling expenses. During the first quarter of 2015, as compared with the same period in 2014, the average number of persons who received compensations for heating of the dwelling expenses per month decreased by 25.3 per cent (from 192 900 to 144 100 persons).

The average amount of a compensation for heating of the dwelling expenses per capita per month in the first quarter of 2015 was approximately EUR 24.2 with the centralised heating system (EUR 28.9 in QI 2014), and LTL 39.2 when heating with other types of energy and fuel (EUR 39.8 in QI 2014).

In 2014, the number of beneficiaries of social benefits in pilot municipalities (Akmenė, Panevėžys, Radviliškis, Raseiniai and Šilalė Districts), which have been fulfilling the independent municipal function as of 1 January 2012, decreased by 20.6 per cent (from 12 600 to 10 000 persons), and expenses for payment of social benefits decreased by 22.6 per cent (from LTL 27.9 million to LTL 21.6 million), as compared with 2013.

In 2014, the average amount of a monthly social benefits per capita in these five municipalities decreased by 2.4 per cent, as compared with 2013 (from LTL 184.8 to LTL 180.4).

In 2014, these municipalities spent LTL 5.8 million for payment of compensations for heating of the dwelling and hot and drinking water expenses. As compared with 2013, expenses for payment of compensations decreased by 15.9 per cent (from LTL 6.9 million to LTL 5.8 million). In 2014, 9 500 persons received compensations in the abovementioned municipalities. Compared to 2013, the number of beneficiaries of compensations decreased by 12.9 per cent (from 10 900 to 9 500 persons).

In 2014, growing food product prices resulted in the increase of the amount of funds allocated for free meals per pupil per day; however, with regard to the decreased number of pupils who received free meals and assistance for the acquisition of school supplies, expenses for social assistance for pupils (free meals and assistance for the acquisition of school supplies) decreased by 7.9 per cent (from LTL 86.3 million to LTL 79.5 million), as compared with 2013.

In 2014, about 90 500 children from poor families (25 per cent of all pupils) received social assistance for pupils, of whom 90 500 pupils received free meals at school (25 per cent of all pupils) and 80 400 pupils received assistance for the acquisition of school supplies (22 per cent of all pupils).

Due to the improving economic situation in the country, falling unemployment rate (according to the estimates of the Statistical Labour Force Survey, 10.1 per cent in QIV 2014; 11.4 per cent in QIV 2013), growing personal income level (the country’s average monthly net wage was LTL 1 912.6 in QIV 2014; LTL 1 809.4 in QIV 2013), and the decreasing overall number of school pupils, the number of children receiving free meals decreased by 17 per cent (from to 109 000 to 90 500 pupils) in 2014, as compared with 2013. This also determined a 5.8 per cent decrease in expenses
4. CASH SOCIAL ASSISTANCE, SOCIAL SCOPE

4.2. SOCIAL WORK

4.2.1. REFORM OF INSTITUTIONAL CARE

The Action Plan of the Transition from Institutional Care to the Provision of Services in a Family and Community for the Disabled and Children Deprived of Parental Care 2014–202072 (hereinafter referred to as the “Action Plan”) was adopted in 2014. The Plan is aimed at creating the system of integrated and individualised services in the community. The processes of transition from institutional care are given top priority.

Seeking a closer interinstitutional cooperation when creating the system of provision of integrated services to every child and disabled person with mental or psychic disability, or to their family as well as guardians and foster parents, which will create the conditions to receive individual services meeting their needs and necessary assistance in the community and for every child deprived of parental care to grow in a safe and development-conducive environment, a national agreement between the Ministers of Health, the Interior, and Education and Science, the President of the Association of Local Authorities in Lithuania and the President of the Council of Non-Governmental Organisations was signed on 23 March 2015. The agreement envisages the development of the provision of integrated social, psychological, health care, education and training services, the improvement of professional competences of specialists working with disabled children, and actions taken in order that all children, particularly infants, disabled children with mental or psychic disability are not placed under institutional care. Action Plan also includes the promotion of the change in social values so that society understand the importance of the reform and develop a positive approach to care, which will help a larger number of children to find a way to the family and the disabled to find a way to society. In order to improve the legal situation of children deprived of parental care, a cooperation agreement with the Judicial Council was signed on 14 May 2015.

While carrying out the reform envisaged in the Action Plan, pilot projects are planned to be implemented in individual regions. When implementing pilot projects in the regions, 27 institutional social care establishments and homes for infants with developmental disorders (of which 16 state care institutions, 10 municipal care institutions and

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for free meals (from LTL 71.1 million to LTL 67 million). Pupils were provided with free lunch in all schools, whereas free breakfast was organised in schools established by 30 municipalities and the Ministry of Education and Science.

In 2014, as compared with 2013, the number of beneficiaries of assistance for the acquisition of school supplies decreased by 17.4 per cent (from 97 300 to 80 400 pupils). This also determined a decrease in expenses for this type of assistance – in 2014, as compared with 2013, these expenses decreased by 17.8 per cent (from LTL 15.2 million to LTL 12.5 million).

During the first quarter of 2015, as compared with the same period in 2014, the number of pupils who received free meals per month decreased by 17.3 per cent (from 99 400 to 82 200 pupils). With regard to the decreased number of children who received free meals and ignoring the fact that the amount of funds allocated for the purchase of food products per pupil per day grew, expenses for free meals of pupils (food products) decreased by 13.4 per cent (from EUR 6.69 million to EUR 5.79 million) in the first quarter of 2015, as compared with the same period in 2014.
homes for infants with developmental disorders, 1 home for infants with developmental disorders of the Ministry of Health and the Lithuanian University of Health Sciences) were selected for reorganisation.

The Interinstitutional Monitoring Group formed for the purpose of monitoring the implementation of the Action Plan has been expanded and joined by new members (new version). The principal task of the Group is continuous implementation of the reform process. The Group consists of 21 members, almost half of whom (43 per cent) are the representatives from non-governmental organisations (NGO).

When implementing the Action Plan, a working group has been formed for the purpose of submitting proposals for the improvement of legal acts regulating child guardianship (foster care) in a family, social family or institution and adoption as well as the provision of services to disabled adults in a community and the financial mechanism. In addition, a working group has been set up for the purpose of publicity of the Action Plan, aimed at widely informing society and related institutions of the activities performed while implementing the Action Plan.

The Ministry of Social Security and Labour has been constantly organising meetings with the heads and employees of institutions carrying out the reforms, presenting the plans of transition from institutional care to the provision of services in a family and community as well as the preliminary reform plans of every institution. Meetings and discussions with representatives from municipal administrations and from higher schools that train social workers according to social work study programmes are organised with respect to the provision of knowledge and skills seeing sustainable transition from institutional care to the provision of services for the disabled and children deprived of parental care in a family and community.

4.2.2. LAW ON SOCIAL SERVICES AND SECONDARY LEGISLATION

On 10 July 2014, the Seimas of the Republic of Lithuania adopted amendments to the Republic of Lithuania Law on Social Services (hereinafter referred to as the "Law").

The Law redefines social care and social services institutions, creating the conditions to provide social services to legal entities of all legal forms; specifies the definition of ‘social work’ according to international practice; provides that social work shall be done only by social workers; sets requirements for the heads and social workers of social care institutions; in order to reduce administrative burden for social care institutions and social families, simplifies licensing conditions and provides for fewer licence types; unifies the procedure of payment for social services by persons, regardless of when the person began to receive social services; provides for 100 per cent use of target compensations for nursing or care (assistance) expenses, received in accordance with the Republic of Lithuania Law on State Social Assistance Benefits, for payment for long-term (short-term) social care; stipulates inclusion of social allowances in the personal income of a person at social risk who receives social services in a lodging-house or any other type of temporary accommodation; etc.

After the Law was adopted, resolutions of the Government of the Republic of Lithuania, orders of the Minister of Social Security and Labour of the Republic of Lithuania and orders of the Director of the Department of Supervision of Social Services, which regulate the above amendments, have been specified accordingly.

75 Order No. A1-116 of the Minister of Social Security and Labour of the Republic of Lithuania of 5 March 2015 “On the Publicity of the Transition from Institutional Care to the Provision of Services in a Family and Community for the Disabled and Children Deprived of Parental Care and on the Improvement of Legal Regulation”.
76 Law No. XII-1014 Amending Articles 2, 11, 13, 14, 19, 20, 21, 23, 24, 26, 29, 30, 31, 32 and 38 of the Republic of Lithuania Law on Social Services No. X-493 and Supplementing the Law with Articles 141 and 241.
4.2.3. TRAININGS FOR WORKERS IN THE FIELD OF SOCIAL SERVICES

The welfare and future of both local communities and the whole population highly depend on the quality of social work and close interinstitutional cooperation. Timely and adequate assistance and high-quality social work increase the abilities of socially excluded persons to integrate in society and the labour market and help to ensure the objective of the state that children grow in a family and are cared for by a local community instead of being placed under institutional care.

Seeking to strengthen social work with families at social risk raising children, trainings for workers in the field of social services were started in 2013 and continued in 2014. About 240 social workers or persons equated to workers in the field of social services, who work with families at social risk, have been trained. Trainings were organised according to the Methodology of Social Work with Families at Social Risk developed in 2012 by expert of social work Lies Gualtherie van Weezel together with Lithuanian specialists from various fields. Trainings were conducted on the basis of supervision and reflection, and meetings were organised regularly 3 to 4 times a year. Training were conducted for workers in the field of social services in all municipalities, inviting trainings' participants to different Lithuanian cities: Kaunas, Marijampolė, Utena, Šilalė, Vilnius, Radviliškis, Panevėžys, Širvintos.

Training revealed the importance of positive, constructive and cooperation-based contact with the family when providing high quality social services, and encouraged the participants to perceive the distribution of roles in the process of assistance for the family. Trainings' participants analysed their presented examples of everyday work from different aspects, thus developing the skills of evaluation and examination of the family situation. The key trainings' innovation was the involvement of participants in active discussions, during which they discussed their practice and improved their professional competences.

Training topics covered the following areas: evaluation of the family situation, planning and organisation of social work with families, perception of work with families, identification and consolidation of family strengths, family empowerment, development of the skills of establishing and maintaining cooperation relations with the family, perception of the family situation analysis, identification of assistance resources for families and ability to use them, perception of interinstitutional cooperation in the process of assistance to the family, evaluation of efficiency of work with the family, etc.

4.2.4. ELECTION OF THE BEST SOCIAL WORKER

The Ministry of Social Security and Labour initiated the campaign “Election of the Best Social Worker” and invited all social services institutions, NGOs, municipalities, neighbourhoods, communities and society to become actively involved in the election of the best social workers and put up their candidates. The invitation received considerable attention – over 70 candidates were put up. Employee profiles, photos, success stories and feedback were submitted. The stories of the clients of social workers were mostly memorable, describing how they received assistance, faced it out and changed their life to lead a full-fledged life of a member of society.

In March 2014, the stories were read and analysed, even small achievements were welcomed, the heroes of stories were pitied when success slipped away and they had to work even more intensely in order to change people's lives.
During the solemn ceremony, the Minister of Social Security and Labour, MPs and other notable public figures expressed their gratitude and greeted social workers. The best social workers were awarded with the “Star of Kindness”.

### 4.3. EQUAL OPPORTUNITIES

#### 4.3.1. NON-DISCRIMINATION

Equal opportunities are one of the most important values and principles of modern society. The Constitution and many laws of the Republic of Lithuania governing various social relations stipulate the constitutional principle of equality before the law. Every member of society must have equal opportunities to seek education, career, personal development, act in all areas of political and social activities, as well as freely move in the EU.

Lithuanian residents have been actively enjoying the rights of movement of persons and free movement of workers in the EU and using the opportunity almost without constraints to become employed in any European Union Member State.

In 2014, the Ministry of Social Security and Labour coordinated the Interinstitutional Action Plan for Promotion of Non-discrimination 2012–201477. The purpose of the Plan was to ensure the implementation of educational measures of non-discrimination promotion and equal opportunities, to raise legal consciousness, to increase

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**4. CASH SOCIAL ASSISTANCE, SOCIAL SCOPE**

4.2. Social integration of the disabled

4.2.1. Key disability indicators

At the beginning of 2015, work incapacity pensions were paid to 253,400 residents of Lithuania; compared to 2014, this number almost did not change. About 48 per cent of men and about 52 per cent of women receive disability pensions. The number of disabled children also changed very insignificantly, compared to 2014, and was 15,000.

In 2009, the number of disabled persons who were recognised as disabled for the first time started decreasing, i.e. in 2008, the number of these persons was 27,200; in 2009 – 22,800; in 2012 – 14,300; in 2013 and 2014 – 13,800 each year.

Most often persons of working age are recognised as disabled due to malignant tumours, diseases of the blood circulation system, connective tissue and skeletal-muscular system diseases. The most severe disability is most frequently caused by tumours, diseases of the blood circulation system and mental and behavioural disorders.

Mental and behavioural disorders, congenital developmental diseases, deformations, anomalies in chromosomes and diseases of the nervous system are the main causes of disability of children.

During the period of 2009–2014, the number of persons receiving compensations for attendance (assistance) stabilised (in 2006 – 21,700, in 2008 – 78,300, in 2009 – 85,700, in 2010 – 76,000, in 2011 – 64,100, in 2012 – 58,300, in 2013 – 56,800, in 2014 – 56,000). The number of the disabled who were granted compensations for nursing expenses increased during the same period; however, it should be noted that this number has currently stabilised: in 2006 compensations were received by 20,800 persons, in 2008 – 36,300, in 2009 – 40,800, in 2010 – 42,000, in 2011 – 38,600, in 2012 – 36,000, in 2013 – 36,000, in 2014 – 36,000.

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The Social Report 2014–2015


**Dynamics of the number of disabled persons by the level of capacity for work (disability group) and the level of disability from 2002 to 2014**

![Dynamics of the number of disabled persons](image)

Data of the Ministry of Social Security and Labour

Although the number of persons who have been recognised as disabled for the first time has been decreasing, it is important to further create opportunities for just and efficient provision of social security measures to the disabled, seek their self-sufficiency and integration in society.

**4.3.2.2. IMPLEMENTATION OF THE PROGRAMME FOR SOCIAL INTEGRATION OF THE DISABLED**

Social integration of disabled people is organised by applying the principles of equal rights, equal opportunities, discrimination prevention, of guaranteeing self-sufficiency and freedom of choice, accessibility, compensation for disability, decentralisation and destigmatisation.
The provisions of the UN Convention on the Rights of Persons with Disabilities are implemented through the National Programme for Social Integration of the Disabled 2013–2019 and the Plan of Implementing Measures 2013–2015. The Plan aims at ensuring protection of the rights and fundamental freedoms of the disabled with different disabilities without discrimination on the grounds of their disability and creating favourable conditions for the improvement of the social integration process.

Social integration of the disabled and the quality of their life in society are ensured through measures such as adaptation of housing, payment of target compensations, support for disabled students, provision of technical aids, and promotion of tolerance. The projects of social rehabilitation services in the community and support of association activities, targeted at the integration of the disabled, are financed. When implementing the projects, accessibility of services to the disabled is developed, self-sufficiency of the disabled is enhanced, and the role of the non-governmental sector is strengthened.

In 2014, LTL 25,491,100 (EUR 7,382,700) were used for the implementation of measures under the programme “Social Integration of the Disabled”.

<table>
<thead>
<tr>
<th>Title of the programme, measure</th>
<th>Amount used in 2014, LTL thous. (EUR thous.)</th>
<th>Amount allocated in 2015, EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme “Social Integration of the Disabled”</td>
<td>25,491.1 (7,382.7)</td>
<td>7,917,632</td>
</tr>
<tr>
<td>1. Developing accessibility of services for the disabled, enhancing self-sufficiency of the disabled and promoting their employment opportunities, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. Implementation of projects of social rehabilitation services for the disabled in the community</td>
<td>19,119 (5,537.2)</td>
<td>5,834,395</td>
</tr>
<tr>
<td>1.2. Implementation of projects for the development of mobility and self-sufficient living skills of people with physical disabilities</td>
<td>150 (43.4)</td>
<td>43,443</td>
</tr>
<tr>
<td>1.3. Implementation of projects of supporting the activities of associations of the disabled</td>
<td>3,720 (1,077.4)</td>
<td>1,222,196</td>
</tr>
<tr>
<td>1.4. Development of vocational rehabilitation methodical centres for the disabled</td>
<td>175 (50.7)</td>
<td>50,684</td>
</tr>
<tr>
<td>2. Improving information environment for the disabled, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1. Implementation of the plan of measures of provision of services of the Lithuanian sign language interpreters 2013–2017</td>
<td>595 (172.3)</td>
<td>179,564</td>
</tr>
<tr>
<td>2.2. Implementation of projects of financing the publishing and circulation of periodical publications for the disabled and implementation of measures of public awareness raising and education (information campaigns, discussions, presentations, articles, programmes) while implementing the UN Convention on the Rights of Persons with Disabilities</td>
<td>919.1 (266.2)</td>
<td>287,304</td>
</tr>
<tr>
<td>2.3. Administration and maintenance of the UNRIIS database</td>
<td>30 (8.7)</td>
<td>-</td>
</tr>
<tr>
<td>3. Improving accessibility to public environment and adapting housing and surroundings thereof for persons with disabilities, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1. Adaptation of housing and surroundings thereof for persons with disabilities</td>
<td>2,526.2 (731.6)</td>
<td>966,751</td>
</tr>
</tbody>
</table>

In 2014, when implementing the programme measure “Developing accessibility of services for the disabled, enhancing self-sufficiency of the disabled and promoting their employment opportunities”, the following projects were financed: 413 projects of social rehabilitation services for the disabled, selected by tender in 60 municipalities and implemented by organisations working in the field of social integration; 26 projects of supporting the activities of associations of the disabled, selected by tender and implemented by umbrella associations of the disabled; 2 projects for the development of mobility and self-sufficient living skills of people with physical disabilities. When implementing social integration projects financed by tender, over 37,000 persons with disabilities, including 15 per cent of persons with severe forms of disability, received various services (benefits).

When implementing measures under the Plan of Measures of Provision of Services of the Lithuanian Sign Language Interpreters 2013–2017, interpreting services were provided to 759 deaf people; 223 persons were taught the sign language; sign language training programmes as well as training and educational publications were prepared. 8 projects of financing the publishing and circulation of periodical publications for the disabled were selected by tender and implemented by 4 associations of the disabled and 4 public institutions.

When implementing the measure “Adapting housing for persons with disabilities”, housing was adapted for the disabled, buildings that were relevant to the disabled were discussed in the information system “Infostatyba” and approved in construction completion commissions.

Housing adaptation projects were implemented following the Description of the Procedure for Financing Housing Adaptation for People with Disabilities 2013–2015. When implementing the measure, works of adaptation of housing for the disabled were carried out, information on housing adaptation was collected, accumulated and disseminated, and associations of the disabled were involved in the control and supervision of the implementation of housing adaptation.

Housing adaptation expenses are covered from state and municipal budgets in parts: 80 per cent from the state budget and at least 20 per cent from the municipal budget for persons with very severe and severe movement and self-service dysfunctions; 50 per cent from the state budget and 50 per cent from the municipal budget for persons with moderate movement and self-service dysfunctions. In 2014, the works of adaptation of housing to the disabled were performed in 57 municipalities. 236 pieces of housing were adapted for the needs of the disabled, including 124 pieces of housing for persons with very severe movement and self-service dysfunctions, 83 pieces of housing for persons with severe movement and self-service dysfunctions, and 29 pieces of housing for persons with moderate movement and self-service dysfunctions.

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When implementing the measure "Providing financial aids to disabled students", financial support was further provided to disabled students in 2014. Following the Description of the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools\(^{81}\), the funds are allocated for meeting special needs of the disabled studying in higher schools (a monthly benefit in the amount of 0.5 basic social insurance pensions) and partially reimbursing for studies (a benefit in the amount of 3.2 basic social benefit once in a semester).

In 2014, in accordance with the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools, support was provided to 1 021 disabled students attending 39 higher schools, including 920 (90 per cent) disabled students from 27 public higher schools and 101 (10 per cent) disabled students from 12 private higher schools. 1 021 disabled persons were paid benefits to meet special needs and 513 disabled persons were paid target benefits for partial reimbursement for study expenses.

### 4.3.2.3. PROVISION OF TECHNICAL AIDS FOR RESIDENTS

In 2014, the implementation of the measure "Acquisition and provision of technical aids for disabled people" of the programme "Social Integration of the Disabled" continued. The measure is implemented not only by providing the disabled with technical aids (TA), but also by repairing them. Fulfilment of these functions is assigned to the Centre of Technical Aid for Disabled People under the Ministry of Social Security and Labour (hereinafter referred to as the "Centre"). The purpose of the Centre is to ensure the implementation of measures for social integration of the disabled, activities and projects aimed at improving medical, social and vocational rehabilitation of disabled people, and to guarantee the provision of TA for residents to meet special needs.

People in Lithuania are able to obtain from the Centre TA bought in a centralised manner and tailored to the person's needs, or to receive reimbursement in the established amount for TA acquired by them in accordance with the Description of the Procedure for the Provision of the Disabled with Technical Aids and Reimbursement for the Expenses of Acquisition of the Aids. In 2014, appropriations for the implementation of the programme "Provision of Technical Aids for Residents" amounted to LTL 7 922 000. 34 123 residents were provided with technical aids, including 31 167 persons (of whom 660 children) who were provided with movement TA, 2 291 persons who were provided with sight TA, 665 persons who were provided with hearing TA.

In 2014, the overall TA provision level with paid compensations accounted for 75.14 per cent; adults’ TA with paid compensations – 73.4 per cent, and children’s TA with paid compensations – 84.3 per cent. In 2015, the approved appropriations planned for the above programme amount to EUR 2 142 117.

### 4.3.2.4. VOCATIONAL REHABILITATION PROGRAMME

Seeking to restore or increase the capacity for work level of the disabled and their professional competence and ability to participate in the labour market, the implementation of the Vocational Rehabilitation Programme and provision of vocational rehabilitation services continued in 2014.

The purpose of vocational rehabilitation services is to develop or restore working capacities of the disabled and increase their employment possibilities.

Seeking that disabled persons who complete the Vocational Rehabilitation Programme and become employed retain their employment as long as possible and assigning more responsibility for persons who have completed the

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Vocational Rehabilitation Programme to institutions providing vocational rehabilitation services, the Vocational Rehabilitation Programme (covering the following services: evaluation of professional competences, vocational guidance and counselling, restoration of professional competences or development of new competences, assistance when finding employment) was supplemented with a new service in 2014 – support at the workplace. It is the provision of assistance to the employed disabled person, by solving the problems of the lack of person's social skills, adaptation at the workplace, and motivation for work, intermediation between the person and the employer as well as counselling by solving the problems related to employment relations or conditions, and other assistance seeking more efficient and long-term integration in the labour market82. The objective is continuous employment of the person for at least 6 months – in this case an institution providing vocational rehabilitation services will be paid for the service of support at the workplace.

Persons participating in the Vocational Rehabilitation Programme are granted and paid the vocational rehabilitation benefit, irrespective of other income.

In 2014, LTL 4 899 800 from the state budget were used for the provision of vocational rehabilitation services. LTL 1 514 600 were used for payment of vocational rehabilitation benefits. 626 persons participated in the programme. The most popular programmes included the professions of an accountant, floral designer/flower shop assistant, user of computer basics, administrator of small-sized business, salesperson, manufacturer of artistic leather articles, tailor, warehouse manager. In 2014, 425 persons completed the Vocational Rehabilitation Programme. The indicator of employment of persons who became employed within six months after completion of the programme is 65.7 per cent.

On 1 March 2015, the Lithuanian Labour Exchange launched a new three-year project “Assistance for the Disabled”, co-funded from the European Union Structural Funds and the state budget of the Republic of Lithuania. The project aims at increasing the employment rate of the disabled through the provision of vocational rehabilitation services. The services are planned to be provided to 2 000 disabled persons. The project value amounts to EUR 7 588 166.13.

In 2015, EUR 2 432 808 are planned to be allocated for vocational rehabilitation services: EUR 1 129 518 from the state budget and EUR 1 303 290 from the European Social Fund.

In 2015, EUR 884 210 are planned to be allocated from the state budget for payment of vocational rehabilitation benefits.

4.3.3. ACTION PLAN FOR THE RETURN OF POLITICIAL PRISONERS AND EXILES AS WELL AS THEIR FAMILY MEMBERS TO LITHUANIA

Seeking to further provide state support to political prisoners and exiles as well as their family members returning to Lithuania (hereinafter referred to as the "returning persons"), the Action Plan for the Return of Political Prisoners and Exiles as well as Their Family Members to Lithuania 2015–2017 (hereinafter referred to as the "Action Plan") has been drawn up. The Action Plan provides for the social integration measures of the continuous Programme for the Return of Political Prisoners and Exiles as well as Their Family Members to Lithuania 2008–2012.

The Action Plan aims to ensure that all returning persons are provided with possibilities to acquire housing in Lithuania and integrate in the country's life. This is achieved through granting state support for relocation and social integration to the returning persons. While implementing social integration measures, relocation expenses are reimbursed, lump sum settlement benefits are granted, the Lithuanian language courses are financed, transportation of returning lonely persons of dignified old age to Lithuania is organised, social assistance for the socially supported citizens


TO THE BEGINNING  CONTENT  TO THE END
of the Republic of Lithuania permanently residing in other countries willing to return to Lithuania is provided, financial support is granted for the summer holiday camps of school-aged children of the returning persons who attend Vilnius High School Lithuanians’ House by improving the domestic conditions of this high school and organising cultural events, financial support is granted for organisations of exiles in Lithuania and Lithuanian communities functioning in the former USSR territory and maintenance expenses of the Temporary Accommodation Facility for Returning Exiles. In 2014, 262 returning persons used social integration measures which required LTL 449 000. The funds for the acquisition of flats by families of persons returning in 2014 were allocated in Vilnius City Municipality (LTL 1 300 000). In 2015, EUR 536 376 are planned to be used for the implementation of measures envisaged in the Action Plan.

4.3.4. SOCIAL INTEGRATION OF FOREIGNERS GRANTED ASYLUM

More than 400 foreigners granted asylum, the majority of whom are women and children, have been currently residing in Lithuania. Social integration of foreigners, who have been granted asylum in Lithuania, into the local community is the most sensitive and challenging element of the Lithuanian asylum system.

Support for foreigners, who have been granted refugee status, and for foreigners who have been granted subsidiary protection, is started to be provided at the Refugees Reception Centre located in Rukla, and subsequently continued in the territories of municipalities or is started to be provided in the territories of municipalities by the decision of the commission set up by the Minister of Social Security and Labour.

Support is provided in this Centre for the period not exceeding eight months. If during the fixed period a foreigner, who has been granted asylum, fails to prepare for integration in the territory of a municipality due to objective reasons, this period might be extended for up to 12 months. In the event that foreigners, who have been granted asylum, belong to vulnerable groups, this period might be extended for up to 18 months. Taking into consideration the best interest of the child, unaccompanied minor foreigners may be provided support at the Refugees Reception Centre until they attain 18 years of age.

After the integration period in the Refugees Reception Centre is over, support for integration is provided in the territory of a municipality. It may last up to twelve months following the date on which the foreigner, who had been granted asylum, left the Centre, but not longer than the validity period of a temporary residence permit to stay in the Republic of Lithuania or until a person leaves the Republic of Lithuania. If a foreigner falls into the group of vulnerable persons, the municipality may extend the social integration programme for up to 60 months.

The measures of foreigners’ integration of the Lithuanian state policy are financed from the state budget and the European Union Structural Funds.

In 2014, the Refugees Reception Centre provided support for integration of 175 foreigners who had been granted asylum: mainly from Russia, Afghanistan, Belarus, Ukraine, Syria, Eritrea. 92 foreigners who had been granted asylum lived in the territory of municipalities and used state support.

Seminars were organised for employees of municipal and non-governmental organisations, other institutions and agencies working in the field of social integration of foreigners granted asylum; various cultural events to encourage knowledge of other cultures were also organised.

In the first quarter of 2015, 80 foreigners who have been granted asylum used support at the Refugees Reception Centre. 76 foreigners who had been granted asylum lived in the territory of municipalities and used state support.

The United Nations High Commissioner for Refugees Representative in Lithuania, the Lithuanian Red Cross Organisation and “Caritas” have been participating in the process of social integration of foreigners who have been granted asylum.
4.3.5. INTEGRATION OF THIRD-COUNTRY NATIONALS

On 22 January 2014, the Government of the Republic of Lithuania assigned the formation of foreigners’ integration policy to the Ministry of Social Security and Labour. Previously, there had been no specific institution responsible for the formation of foreigners’ integration policy (the Ministry of Social Security and Labour was responsible for the formation of integration policy of persons who have been granted asylum rather than third-country nationals).

On the same date, the composition of the Commission for the Coordination of Implementation of Foreigners’ Integration was approved. The Commission consists of Vice-Ministers of Social Security and Labour, the Interior, Health, Finance, Culture, Education and Science and a representative from the Association of Local Authorities in Lithuania.

The order of the Minister of Social Security and Labour of 31 December 2014 approved the Action Plan for the Implementation of Foreigners’ Integration Policy 2015–2017. The measures of the plan will be co-financed from the Asylum, Migration and Integration Fund and the state budget of the Republic of Lithuania. While implementing the Action Plan for the Implementation of Foreigners’ Integration Policy 2015–2017, support will be provided to Migrant Counselling and Integration Centres (in Vilnius, Kaunas and Klaipėda), in which migrants may attend the courses of the Lithuanian language and the basics of the Constitution of the Republic of Lithuania, receive psychological, legal, representation, etc. services, as well as participate in training that facilitates their opportunities to find employment; information on accessibility of integration services to foreigners has been prepared and disseminated to foreigners through various institutions; information campaigns on foreigners’ integration have been carried out, training or professionals and educational events have been organised; the Lithuanian National Foreigners’ Integration Programme has been prepared, etc.

4.3.6. IMPLEMENTATION OF ECONOMIC MIGRATION POLICY

In implementing measures within the framework of the programme “Global Lithuania” coordinated by the Ministry of Foreign Affairs, the Ministry of Social Security and Labour has been annually publishing the electronic publication “Gyvenimas ir darbas Lietuvoje” (Life and Work in Lithuania) providing systematised information on work, starting of business, taxes, social guarantees, health protection, subsidised housing, education, youth policy, issues concerning citizenship of the Republic of Lithuania, identity documents, as well as legal assistance and other issues which are relevant to the nationals who emigrated from Lithuania and are planning or at least considering the possibility to return to Lithuania. The latest version of the electronic publication “Gyvenimas ir darbas Lietuvoje”, published in December 2014, is available at http://www.socmin.lt/lt/socialine-integracija/tarptautine-migracija-lietuvoje.html.

The Ministry of Social Security and Labour has signed a contract for the provision of online psychological consultations with the Public Institution “Gera būsena”. This measure aims to ensure that persons who emigrated from Lithuania have a possibility to receive free anonymous online psychological assistance (mainly through free application Skype and by e-mail). The consultations rendered by professional psychologists to emigrants facing different social or psychological problems help to avoid more serious mental disorders and enhance their emotional

84 Resolution No. 54 of the Government of the Republic of Lithuania of 22 January 2014 “On Setting Up the Commission for the Coordination of Implementation of Foreigners’ Integration”.
state. In 2014, psychological consultations were provided to 150 persons who emigrated from Lithuania. In 2015, the same number of psychological consultations is planned to be provided. Further information on the provision of online psychological consultations is available at http://www.psyvirtual.lt/.

4.4. STATE SUPPORT FOR THE ACQUISITION OR RENTAL OF HOUSING

Having analysed and evaluated the functioning of the system of support for the acquisition or rental of housing, the decision was made that the effective legal regulation concerning support for the acquisition or rental of housing does not ensure adequately efficient exercise of a person’s right to housing. With regard to the above, on 9 October 2014, the Seimas of the Republic of Lithuania adopted the Republic of Lithuania Law on State Support for the Acquisition or Rental of Housing (hereinafter referred to as the “Law”) which became effective on 1 January 2015.

The Law provides for the following forms of support for individuals and families entitled to support for the acquisition or rental of housing:

- **support for the acquisition of housing is provided** through subsidising part of the housing loan, covering the housing loan interest. Provision of support for the acquisition of housing aims at ensuring that families and individuals meeting the requirements set out in legislation (whose income and property do not exceed the maximum amounts of income and property established in the Law) could acquire a dwelling in the market by themselves;

- **support for the rental of housing is provided** through renting social housing to small property and low-income families and individuals or payment of a compensation for part of housing rental or lease payment. Provision of state support for the rental of housing aims at ensuring that small property and low-income individuals who have no dwelling or not suitable dwelling according to the Law and no possibility to acquire own dwelling could rent housing.

In 2014, state support for the acquisition or rental of housing was co-financed from the appropriations envisaged in the state budget for the implementation of the Special Programme for Financing of State Support for the Acquisition of Residential Houses or Apartments and from the programme income. Figure 4.4-1 presents data on state support for the acquisition of housing in 2011–2014.
In 2014, the highest number of individuals and families who were granted housing loans partially compensated by the state were recorded in Klaipėda (15 per cent), Vilnius (13 per cent) and Panevėžys (8 per cent) municipalities.

A very small number of individuals and families used support for the acquisition of housing (through partially compensated housing loans) over last 4 years; therefore, in order to create more favourable conditions for individuals and families entitled to support for the acquisition of housing to exercise this right, the following new provisions have been established in the Law and secondary legislation:

- individuals and families shall be able to choose a bank or a credit institution selected to grant housing loans partially compensated by the state, because a bigger number of banks or credit institutions, selected for the period of three years, will be able to grant housing loans partially compensated by the state;
- banks or other credit institutions that grant housing loans partially compensated by the state shall be paid an administration fee, which cannot exceed EUR 30 per year for one granted housing loan partially compensated by the state, for the performance of obligations set out in the agreements regarding the granting of compensated housing loans (subsidy financing) concluded with the Ministry of Social Security and Labour. The aim is to encourage more banks or other credit institutions to participate in the selection procedure regarding the granting of these loans;
- individuals and families shall be able to use a subsidy for paying part of the housing loan partially compensated by the state for the down-payment of the housing loan partially compensated by the state (or part thereof).

In 2014, according to the Data of Statistics Lithuania, 32,815 individuals and families entitled to social housing and included in the lists drawn up in municipalities, requested to rent social housing, which is 273 individuals more than in 2013.

Waiting lists for social housing (individuals and families) as of 31 December 2014

The highest number of individuals and families willing to rent social housing was recorded in the municipalities of the cities of Vilnius (21 per cent), Kaunas (11 per cent) and Klaipėda (8 per cent).

In 2014, LTL 29.7 million (LTL 11.0 million more than in 2013) were allocated from the state budget of the Republic of Lithuania for the development of social housing stock. These funds were used to supplement the stock.
with 405 units of housing. About 65 per cent of target appropriations from the state budget for the development of social housing stock were used by municipalities for the purchase of housing. The remaining funds were used for the building of new residential houses or reconstruction of available unused buildings and adaptation thereof to the purpose of social housing. The funds from the state budget allocated for the development of social housing stock in 2014 met 1.23 per cent of the demand for social housing. However, despite this indicator, the number of individuals and families entitled to social housing has been increasing annually.

Limited possibilities of the state budget of the Republic of Lithuania to finance the development of social housing stock promote to search for the alternative sources of financing. The Action Plan for the Development of Municipal Subsidised Housing Stock 2015–2020 was approved by Order No. A1-192 of the Minister of Social Security and Labour of 9 April 2015 “On the Approval of the Action Plan for the Development of Social Housing Stock 2015–2020”. LTL 173 million (EUR 49.9 million) have been envisaged for the implementation of the Action Plan from the European Regional Development Fund. These funds are planned to be used to acquire or equip 1 150 units of subsidised housing. The implementation of Measure No. 08.1.2-CPVA-R-408 “Development of Social Housing Stock” of Priority 8 “Increasing Social Inclusion and Combatting Poverty” of the Operational Programme for European Union Structural Funds Investments 2014–2020 will begin in 2016.

Having evaluated insufficient financial resources to develop social housing stock in municipalities and seeking to increase accessibility and efficiency of provided support for the rental of housing, the Law provides the following:

• the new form of provision of support for the rental of housing – compensation for part of housing rental or lease payment – establishing that families and individuals entitled to social housing and renting housing from natural or legal persons under market conditions shall become entitled to a compensation for part of rental or lease payments. Compensation for part of rental payment will not only increase the possibilities for providing families and individuals with housing, but also create a possibility to rent a dwelling meeting their needs;

• the obligation to individuals and families to declare their property and income every year. The annual amounts of evaluated income and property of individuals and families are associated with the state supported income amount;

• a possibility for individuals and families who rent social housing to continue renting the same housing for market prices after they are deprived of the right to social housing due to higher income or bigger property;

• a possibility for individuals and families who rent municipal housing under conditions other than social housing to acquire it for market prices, having evaluated the tenant’s investment that changed the value of the sold object. The funds received shall be used for the development of social housing stock;

• a possibility to reduce the number of families and individuals who are evicted from the dwellings rented from municipalities by force and create conditions for more rational management and use of municipal housing and disposal thereof. Individuals and families are deprived of the right to support for the rental of housing only in those cases when their declared property or income exceeds the income or property amounts established in the Law by more than 20 per cent.
5. COMMUNITY, CHILD, YOUTH AND FAMILY AFFAIRS

5. COmmuniTy, Child, y ouTH and FamilY Affairs

5.1. deVelopMenT of coMMuniTieS and THe non-Go VernMenT al SeCTor

5.1.1. IMPROVEMENT OF COOPERATION BETWEEN THE PUBLIC AND NON-GOVERNMENTAL SECTORS

While implementing the provisions of the Republic of Lithuania Law on Development of Non-governmental Organisations (hereinafter referred to as the “Law”), on 9 July 2014 the Government of the Republic of Lithuania approved resolution “On the Approval of the Formation and Regulations of the Council of Non-governmental Organisations” prepared by the Ministry of Social Security and Labour (Resolution No. 641).

Pursuant to the above resolution, the Ministry of Social Security and Labour organised the process of putting up candidates to the Council of Non-governmental Organisations (hereinafter referred to as the “Council”) and the individual composition of the Council was approved by Order No. A1-658 of the Minister of Social Security and Labour of the Republic of Lithuania on 19 December 2014. The term of office of the members of the Council is two years. It consists of the representatives from nine state institutions (the Office of the President of the Republic of Lithuania, the Office of the Government of the Republic of Lithuania, the Ministry of National Defence, the Ministry of Culture, the Ministry of Social Security and Labour, the Ministry of Education and Science, the Ministry of Justice, the Ministry of the Interior, the Ministry of Agriculture), the Association of Local Authorities in Lithuania and ten non-governmental organisations, who were delegated to the Council by consensus by national umbrella non-governmental organisation (NGO) associations.

The Council started work on 9 February 2015, and three more meetings were organised by May 2015. The Council elected its chairman (representative of the Lithuanian Union of Local Community Organisations Mr. Navickas) and deputy chairman (Prime Minister’s Advisor Mr. Pankauskas), drafted and approved a Declaration of Impartiality as well as the Council’s Action Plan 2015–2016 and priorities, initiated working groups for individual issues related to the development of NGOs (law, European Union Investment Programming and Surveillance 2014–2020, formation of registers and NGO database, creation of the NGO Fund and supervision of national programmes, platforms of
interaction of governmental institutions an NGO), discussed the provisions of the draft amended Law on Public Procurement.

In 2014, while implementing the provisions of the Law on Development of Non-governmental Organisations, most municipalities drafted and approved the Regulations of the Municipal Council of Non-governmental Organisations and formed NGO councils.

5. COMMUNITY, CHILD, YOUTH AND FAMILY AFFAIRS

5.1.2. FINANCIAL MEASURES FOR NON-GOVERNMENTAL ORGANISATIONS

In 2014 and 2015, the Ministry of Social Security and Labour implemented the measures of the Action Plan of Development of Non-governmental Organisations and Communities 2014–2016⁶⁶ (hereinafter referred to as the “Action Plan”) approved on 2 April 2014. The major share of the budget of the Action Plan has been envisaged for the enhancement of NGO institutional capacities. Other small-scale activities were targeted at the improvement and maintenance of the NGO database, the research of the NGO sector, the training of social entrepreneurship for community representatives, NGO forums in regions and organisation of discussions of municipality and NGO representatives concerning the development of opportunities for involvement of NGO in the provision of public services.

Seeking to monitor and evaluate the development of the non-governmental sector, a Survey of the Development of the Non-governmental Sector, commissioned by the Ministry of Social Security and Labour, was conducted in 2014. The purpose of the survey was to analyse the nature and scope of NGO entrepreneurship, distinguish the aspects that determine the higher level of NGO entrepreneurship and that need to be improved, propose (recommend) the measures of boosting NGO entrepreneurship and financial independence. -

The survey data showed that the majority of NGOs participating in the survey do not carry out profitable non-project activities, and that one-third of NGOs carry out these activities. Only a small share of NGOs which carried out these activities claim that these activities are constant and ensure stable income, whereas more than half of representatives of NGOs that carry out non-project activities claim that these activities are episodic and income is not stable. Nevertheless, these NGO representatives positively evaluate the future prospects of these activities and, although these activities are not constant, they are expected to ensure stable income in the future.

The survey revealed that some NGOs undertake entrepreneurship initiatives, yet they are likely to lack skills to develop entrepreneurship in the future and ensure business continuity. Furthermore, entrepreneurship often covers rather traditional activities: training, consultations or renting of premises, yet there are quite a few examples of more flexible business models in NGOs.

The survey also revealed that the main reasons for not carrying out business-economic activities by NGOs in Lithuania are related to the lack of necessary skills, abilities and infrastructure, lack of possibilities to obtain investment funds to start the desired business-economic activities, as well as lack of understanding of procurement of services from NGOs by public authorities (both state and municipalities).

The data collected and summarised in the survey, formulated conclusions and recommendations will help create the conditions for more efficient planning, organisation and implementation of NGO activities, more rational use of resources, establishment of the opportunities for cooperation between non-governmental organisations and the public sector, as well as recognition of the value of non-governmental sector.


The purpose of the tender is to enhance institutional capacities of NGOs when financing the projects selected by tender. Tender applications could be submitted by NGOs, as defined in the Republic of Lithuania Law on Development of Non-governmental Organisations, also community organisations, as defined in the Republic of Lithuania Law on Local Self-Government, which have been registered for a period longer than one year on the date of submission of the application in accordance with the procedure prescribed by legal acts and which envisage activities in the area of enhancing institutional capacities of NGOs.

Over 430 projects were submitted to the Ministry; 69 organisations received financing. The tender budget amounted to LTL 225 904. The maximum available allocated amount per project – EUR 5 792. Those organisations that received financing envisaged project activities aimed at creating cooperation networks and mechanisms as well as strengthening financial independence of organisations.

### 5.1.3. PROGRAMME FOR SELF-GOVERNMENT OF LOCAL COMMUNITIES

The Programme for Self-Government of Local Communities\(^\text{87}\) (hereinafter referred to as the “Programme”) was launched in 2012. The Programme activities are aimed at encouraging Lithuanian communities to actively participate in making decisions on the use of Programme funds for satisfying the public needs of local communities. LTL 8 million are allocated from the state budget for the implementation of the Programme every year. The funds are distributed among municipalities according to the data submitted by the State Tax Inspectorate on the number of employed persons who pay personal income tax in municipalities.

All 60 municipalities (550 elderships) participated in the implementation of the Programme in 2014. Local Community Councils (LCC) made and implemented 2 518 decisions on financed activities, of which 2 510 (99.6 per cent) have been implemented. The majority of decisions concerned activities related to the improvement of the quality of public spaces and environment, organisation of cultural-educational events, increase of opportunities for occupying children and youth.

In 2014, LTL 7 972 800 (99.7 per cent) were spent for the Programme. Of these funds, LTL 5 312 700 were used for current issues (activity financing), and LTL 2 660 100 – for the acquisition of fixed assets. 31 municipal administrations used 100 per cent of received funds. 2 municipalities (Radviliškis and Raseiniai Districts) used all funds from the state budget allocated for the implementation of LCC decisions in 2014 by 31 September 2014. Programme monitoring and evaluation were carried out by the following methods: quarterly and annual activity and financial reports were drawn up on the basis of municipality reports by the Department of Supervision of Social Services under the Ministry of Social Security and Labour (DSSS) and submitted to the Ministry; discussions on the implementation of the Programme were organised in municipalities (in community forums organised in municipalities); a questionnaire survey of Programme implementers and participants was organised online by the Ministry, which was used as the basis for the analysis of the implementation of the Programme; the analysis results were presented in the annual conference on discussion of Programme implementation, held on 11 December 2014.

The purpose of the 2014 questionnaire survey (in total, 566 respondents from 58 municipalities filled in the questionnaire) and analysis of the implementation of the Programme was to evaluate the key aspects of practical Programme implementation in municipalities: formation of LCC, decision-making, implementation of decisions.

made in LCC, publicity of LCC activities. The findings of the questionnaire revealed that the majority of Programme participants did not encounter fundamental difficulties in relation to the formation of LCC (84 per cent), LCC decision-making (84 per cent) and implementation of LCC decisions (77 per cent). Among difficulties related to the formation of LCC, the respondents mentioned passiveness of residents, lack of potential representatives to LCC, retention of LCC composition proportions, and the rotation of LCC members. Difficulties related to LCC decision-making arose due to divergence of opinions regarding financed activities, different understanding of Programme goals, the aim to meet the narrow interests of a specific community (or organisation) rather than the public needs of a local community. In implementing LCC decisions, difficulties arose in relation to public procurement procedures, late commencement of Programme implementation, and the problems of planning funds and distribution on the quarterly basis.

The summary of analysis findings, the ideas expressed in community forums while discussing Programme implementation, the conclusions formulated in the reports submitted to the DSSS by municipal administrations, leads to the statement that Programme implementation was basically successful in 2014. The Programme encouraged communication and cooperation between the participants of main local communities (elders, sub-elders, representatives of community, religious and other non-governmental organisations, and municipal institutions) in pursuit of common goals, in discussions, making and implementing decisions relevant to local residents, increasing their interest in community affairs and responsibility for them.

While implementing the Programme in 2015 and seeking to ensure participation of representatives of local community population (sub-elders) in Local Community Councils, the Minister of Social Security and Labour of the Republic of Lithuania issued Order No. A1-63 on 5 February 2015, whereby he amended the Description of Implementation of the Programme for Self-Government of Local Communities 2013–2015. The new version establishes the compulsory minimum share of representatives of the local community population (sub-elders) in the LCC. Seeking to give more time to municipalities for implementation of the Programme in 2015, the Ministry of Social Security and Labour drafted relevant legislation earlier than in the previous year, and Programme administrator DSSS signed all trilateral agreements with municipalities ready to implement the Programme by the end of March 2015. EUR 2.6 million (LTL 9 million) were allocated for the implementation of the Programme in 2015.

5.2. CHILD RIGHTS PROTECTION, CHILD GUARDIANSHIP (FOSTER CARE) AND ADOPTION

5.2.1. REGISTER OF SOCIAL RISK FAMILIES WITH CHILDREN

Pursuant to the Republic of Lithuania Law on Social Services No. X-493 of 19 January 2006, a family at social risk shall mean a family in which there are children under 18 years of age and at least one of the parents abuses alcohol, narcotic, psychotropic or toxic substances, is gambling dependent, due to the lack of social skills does not know how to or is incapable of properly caring for children, abuses them psychologically, physically or sexually, does not use the state support he receives in the interests of the family, which results in a threat posed to the physical, intellectual, spiritual and moral development and security of the children. A family whose child has been established temporary guardianship (foster care) in accordance with the procedure laid down by laws shall be regarded as a family at social risk too. Starting with July 2006, following the Description of the Procedure of the Register of Social Risk Families with Children at the Municipal Child Rights Protection Service (Office), approved by Order No. A1-212 of the Minister of Social Security and Labour of the Republic of Lithuania of 28 July 2006, child rights protection offices (CRPO) have
been keeping the Register of Social Risk Families with Children (hereinafter referred to as the “Register”). Families who abuse alcohol or psychotropic substances or due to the lack of social skills are incapable of properly caring for and supervising the child are included in the Register according to their place of residence by the order of the director of the municipal administration upon recommendation of CRPO.

According to the data of 31 December 2014, a total of 9 930 social risk families with 19 668 underage children were recorded in the Register. In 2014 only, 1 661 social risk families with 2 825 children were included in the Register. In recent years, the number of social risk families and children raised therein did not change considerably (see Fig. 5.2.1-1), yet in 2014 the number of these families decreased mostly over recent five years (in 2011, a decrease by 300 families; in 2012 – by 215 families; in 2013 – by 154 families; in 2014 – by 305 families).

Changes in the number of families at social risk and children raised therein, 2010–2014

![Changes in the number of families at social risk and children raised therein, 2010–2014](image)

*Data of the State Child Rights Protection and Adoption Service*  
*Figure 5.2.1-1*

The change may be determined by the total number of population which decreases annually, also by social work with social risk families, which is strengthened and improved each year, for example, in 2014, the Ministry of Social Security and Labour established 83 additional job positions of social workers dealing with social risk families.

These social workers regularly evaluate changes in the family and together with the CRPO decide whether they should continue providing services to the family, work with it, change or provide additional services, whether delete the family from the Register upon absence of the criteria for being included in the Register, and whether other measures had to be applied to the family.

Like in the previous year, child day care centres (CDCC) actively provided services to both children and families. In 2014, 220 projects were financed (compared to 203 in 2013, 175 in 2012, and 176 in 2011). In 2014, 6 568 children (6 274 in 2013; 5 011 in 2012) were provided with day social care services at CDCC, whereas one CDCC provided services to averagely 26 children of different age per month. In 2014, 4 273 families were in the focus of project implementers. Thus, an increasing number of CDCC projects has been financed every year and the number of children provided with their services has been growing.

It should be noted that municipal administrations allocated additional funds to CDCC for the provision of half of all day social care services to children and families, financed by the Ministry of Social Security and Labour in 2014. On the basis of information obtained during the meetings of specialists working in the field of child welfare in
municipalities, organised in 2014 by the State Child Rights Protection and Adoption Service (hereinafter referred to as the “Service”), municipalities lack CDCC services to children from social risk families. It should be noted that the majority of CDCC established in municipalities are functioning in cities, district centres and larger towns. They are hardly accessible by children from more remote areas, thus the problem of children’s limited access to these centres remains relevant.

5. COMMUNITY, CHILD, YOUTH AND FAMILY AFFAIRS

5.2.2. CHILD GUARDIANSHIP

According to the data of late 2014, guardianship was established for 9 684 children, i.e. 858 children less than in 2012.

The majority of children placed under guardianship are older than 10 years (71.32 per cent); however, in 2014, like in the previous year, guardianship was mainly established for children under 3 years of age (31.43 per cent of children who were placed under guardianship in 2014). Slightly more than 60 per cent of these children (almost 66 per cent in 2013) were placed under institutional guardianship. In 2014, the majority of children deprived of parental care (684) were raised in their biological families by one of the parents (when one of the parents is incapable of caring for the child due to various reasons) before the establishment of guardianship, of whom 83 per cent were raised by their mothers only before the establishment of guardianship. Over recent three years, the number of children who were raised in a hospital (maternity hospital) before the establishment of guardianship increased by 50 per cent. In 2014, 68 per cent of children were deprived of parental care due to neglect by their parents or the only parent, their indifference to the child, non-supervision, improper bringing up or physical or psychological abuse. In 2013, children were deprived of parental care due to this reason in 70 per cent of cases; in 2012 – 71 per cent of cases.

At the end of 2014, 58.66 per cent of all children placed under guardianship were raised in the families of guardians and 4.56 per cent in social families.

Over recent three years the number of children placed under guardianship in social families has grown by 8.35 per cent. The number of social families who act as guardians is also increasing. Although the number of children placed under guardianship in a family was smaller at the end of the reporting year than in the previous two years, the percentage of children placed under guardianship in a family has increased by 0.76 per cent since 2012. The main motive of child guardianship in a family is the blood relationship with the child. More girls are placed under guardianship in a family, whereas more boys in a social family or an institution. In 2014, compared to 2012, the number of families appointed as guardians grew by 7.08 per cent.

The number of children placed under institutional guardianship has been decreasing annually – 3 562 children were placed under institutional guardianship in 2014. The number of children placed under institutional guardianship has fallen by 11.61 per cent since 2012. Although fewer children were changed the form of guardianship from institutional guardianship to guardianship in a family in 2014 than in 2012 and 2013, the number of cases of replacing institutional guardianship with guardianship in a social family has increased.

In 2014, like in the previous two years, the most frequent reason for the termination of temporary guardianship is the return of the child to his/her biological family (86.57 per cent of temporary guardianship cases); for the termination of permanent guardianship – full age or emancipation (82.14 per cent of permanent guardianship cases).
5.2.3. SEARCH AND TRAINING OF GUARDIANS (FOSTER PARENTS) AND ADOPTIVE PARENTS

In 2014, 22 institutions implementing the certified Programme of Training and Consultation of Guardians and Adoptive Parents by Social Workers (GIMK) carried out projects targeted at the provision of services of the search, training, selection, consultation of and assistance to guardians (foster parents) and adoptive parents.

In 2014, orientation training according to the GIMK programme was provided to 56 groups. Orientation training was attended by 582 persons (377 families), of whom 370 persons (260 families) wishing to become guardians (foster parents) and 212 persons (117 families) wishing to adopt. In 2014, the number of persons wishing to become guardians (foster parents) increased by 19 and the number of persons wishing to adopt increased by 52, compared to 2013.

In 2014, continuous training according to the GIMK programme and mutual assistance sessions were provided to 100 groups. They were attended by 799 guardians (foster parents) and adoptive parents.

5.2.4. RELEVANT ISSUES OF ADOPTION

On 31 December 2014, 1,747 children were included in the Register of Children Subject to Adoption: 743 girls and 1,013 boys. The majority of children in the register (78 per cent) are elder (aged 10–17). In 2014, as much as 87 per cent of children included in the register had health disorders, compared to as few as 13 per cent of healthy children. 406 of 1,747 children included in the Register of Children Subject to Adoption were offered for adoption in the families of citizens of the Republic of Lithuania or foreign countries. In 2014, 74 married couples and 6 single persons, permanently residing in the Republic of Lithuania, adopted 88 children deprived of parental care: 45 girls and 43 boys. 73 adopted children were aged under 3; 12 children – aged 4–6; 1 child – 7 years old; and 2 children – 10 years old.

In 2014, 53 citizens of the Republic of Lithuania, residing in a foreign country on a permanent basis, and families of foreign nationals adopted 78 children. The majority of children were adopted in Italy, Sweden and the USA. Most of them had special needs. The age of many adoptive foreign spouses ranged between 41–45 and 46–50.

In 2014, 11 authorised foreign state institutions, including four Italian, two American and one Swedish, one French, one Spanish, one New Zealandese and one Canadian, functioned in Lithuania. During the reporting period, like in the previous year, the majority of children, including children with special needs, were adopted by families represented by Italian, American and Canadian authorised institutions.

5.2.5. OVERVIEW OF THE SITUATION OF VIOLENCE AGAINST CHILDREN

Register of child victims of violence. In 2014, according to the data of the child rights protection offices (CRPO) of the city and district municipal administrations, 1,238 cases when 1,192 children suffered were recorded. It should be noted that the difference in the number of children who suffered from violence (1,192) and the number of cases of violence against children (1,238) shows that there are cases of repeated violence against children.

According to the data of the Information Technology and Communication Department under the Ministry of the Interior, 1,337 children suffered from physical, sexual and psychological violence and neglect in 2014.
The difference in statistics of the abovementioned institutions demonstrates that CRPO did not receive information on all child victims of violence, although these cases had been reported to the police.

**Profile of child victims of violence.** In 2014, mainly children aged 10–14 were victims of violence; 436 cases of violence against these children were recorded. Teenagers aged 10–14 constitute 36.6 per cent of all child victims of violence. These children mainly suffered from physical and psychological violence, whereas smaller children (aged 0–3 and 4–6) mainly suffered from psychological violence. Children aged 10–14 and 15–17 were mainly sexually abused (see Table 5.2.5-1).

### Distribution of the types of violence against children by age groups, 2014

<table>
<thead>
<tr>
<th>Age groups (years)</th>
<th>Sexual abuse</th>
<th>Physical violence</th>
<th>Psychological violence</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–3</td>
<td>1</td>
<td>36</td>
<td>106</td>
</tr>
<tr>
<td>4–6</td>
<td>11</td>
<td>42</td>
<td>123</td>
</tr>
<tr>
<td>7–9</td>
<td>11</td>
<td>79</td>
<td>99</td>
</tr>
<tr>
<td>10–14</td>
<td>27</td>
<td>239</td>
<td>170</td>
</tr>
<tr>
<td>15–17</td>
<td>18</td>
<td>137</td>
<td>93</td>
</tr>
</tbody>
</table>

*Data of the State Child Rights Protection and Adoption Service*  
Table 5.2.5-1

The data on the type of violence by age shows that in 2014 more boys suffered from violence (670 cases) than girls (568 cases). However, in 2014, girls suffered from sexual abuse almost 4 times more often than boys, yet boys more often suffered from physical and psychological violence.

Perpetrators of violence against children. Family members (parents or either of them, guardians (foster parents), grandparents, brothers or sisters) have been mainly exerting violence against children over years. Violence against children in a family may have a negative impact on the child’s psychological and physical health condition, which may determine behaviour disorders in the future.

In 2014, physical violence against children was mainly caused by close adults (333 cases out of 547 cases of physical violence). Psychological violence was also mainly caused by close adults (541 cases out of 622 cases of psychological violence), whereas children were mainly sexually abused by other adults whom they knew (their mothers’ friends) and close family members (see Table 5.2.5-2).

### Violence against children by perpetrators of violence, 2014

<table>
<thead>
<tr>
<th>Type of violence</th>
<th>Perpetrators of violence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adult strangers</td>
</tr>
<tr>
<td>Sexual abuse</td>
<td>32</td>
</tr>
<tr>
<td>Physical violence</td>
<td>81</td>
</tr>
<tr>
<td>Psychological violence</td>
<td>48</td>
</tr>
</tbody>
</table>

*Data of the State Child Rights Protection and Adoption Service*  
Table 5.2.5-2
Organisation of assistance for child victims of violence. As already mentioned, according to the data of municipal CRPO, a total of 1 238 cases when 1 192 children suffered from violence were recorded in 2014.

In cases of violence against children assistance is most often initiated and/or provided to children and their family members by specialists of various fields and from various institutions:

- CRPO;
- law enforcement institutions;
- medical institutions (paediatricians, psychiatrists, gynaecologists);
- mental health centres (psychologists, psychiatrists);
- social workers of elderships;
- social workers, educators and psychologists working in schools or care institutions;
- specialists of the pedagogical-psychological services;
- specialists of crisis centres;
- centres of specialised assistance;
- specialists providing integrated assistance to child victims of violence and their family members according to the project;
- specialists working in non-governmental organisations, etc.

According to the CRPO data, child victims of violence and their families were provided with assistance in 1 262 cases during the reporting period. It could be stated that almost all child victims of violence and/or their families were provided with any type of assistance. In 2014, in cases of violence against children assistance by social workers (196) and psychologists (172) as well as other types of assistance (180), e.g. legal consultations, recommendations from CRPO and other specialists were mainly organised; prevention visits of specialists to families were conducted, etc. It should be noted that in 184 cases specialist teams worked with the child victim and his/her family and provided integrated assistance (social, psychological, medical, etc.). In 49 cases a child victim was provided with individual assistance by a social educator at school. According to the data provided by CRPO, almost in all cases assistance to child victims of violence and their family members was organised in the territory of the municipality (1 226 cases). Assistance and services were sought in institutions or organisations functioning in other municipalities only in 36 cases.

5.2.5.1. RELEVANT ISSUES OF IMPLEMENTATION OF THE NATIONAL PROGRAMME FOR PREVENTION OF VIOLENCE AGAINST CHILDREN AND FOR ASSISTANCE TO CHILDREN 2011–2015

Preventive publicity measures and events. In 2014, when implementing the measure “Organising events of prevention of violence against children, developing the campaign “Say NO to Violence against Children” by forming public intolerance to violence against children: disseminating information about the rights of the child through mass media, preparing and publishing information and methodical publications” of the National Programme for Prevention of Violence against Children and for Assistance to Children 2011–2015, the Radio Station ZIP FM broadcasted 1 (one) minute long audio clip regarding children’s protection against sexual exploitation and sexual abuse. It should be noted that the Ministry of Education and Science, the Ministry of the Interior as well as non-governmental organisations have been actively participating in the process of solving the cyberbullying problem.
Integrated services to child victims of violence. In implementing the measure of the National Programme for Prevention of Violence against Children and for Assistance to Children 2011–2015, a tender for the organisation of integrated services to child victims of violence and victims (witnesses) of indirect domestic violence and their family members was called in 2014, and it has been implemented by 7 non-governmental organisations. The projects have been implemented by 70 employees: 24 volunteers (social workers, psychologists and other specialists), 20 psychologists, 14 administrative staff members, 7 social workers, 4 medical professionals and 1 lawyer also contributed to the implementation of the activities within projects.

In 2014, when implementing the project, qualified specialists of the field provided integrated assistance to 862 child victims of direct and indirect violence and 509 family members. 650 children, of whom 313 boys and 337 girls, became victims of direct violence; 212 children, of whom 103 boys and 109 girls, became victims of indirect violence.

Free child helpline – primary assistance. In 2014, primary assistance consultants from the Public Institution “Vaikų linija” answered 123 349 calls (76.3 per cent on workdays, 23.7 per cent at weekends and on holidays). The average call duration was 2 minutes. In 2014, “Vaikų linija” answered 54 567 calls less than in 2013 (177 916 calls were answered in 2013; 153 367 calls were answered in 2012). In 2014, there were 1 086 781 less call attempts than in 2013. The number of answered calls is also smaller, compared to the previous year (by 54 567 calls). The call analysis of 2014 shows that girls and boys who called primary assistance “Vaikų linija” mainly indicated four problems: relations with their peers and family members, violence and abuse, and psychosocial health. The main problems, like in the previous year, are differently distributed in the call analysis of girls and boys.

Secondary assistance. In 2014, 254 calls were referred by “Vaikų linija” to secondary assistance (Child Helpline, CHL). The average duration of CHL calls was 11 minutes and 10 seconds. In 2014, the age of children referred to CHL was 11–15 years. The gender of callers, like the age group, in 2012–2013 did not differ from the reporting period. In 2014, the number of referred girls’ calls (63.4 per cent) exceeded the number of referred boys’ calls (22.4 per cent). Like in the previous year, both boys and girls who called the CHL mainly talked about relations with their family members rather than relations with their friends. In 2014, the problems discussed during children’s calls were almost the same like in 2012–2013 (see Tables 5.2.5.1-1 and 5.2.5.1-2).

<table>
<thead>
<tr>
<th>Problems mainly indicated during calls by girls</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychosocial health: mainly talked about fears and anxiety</td>
<td>Violence and abuse: mainly talked about physical and psychological violence as well as bullying</td>
<td>Violence and abuse: mainly talked about bullying, emotional abuse and physical violence</td>
<td></td>
</tr>
<tr>
<td>Relations with family members, primarily with siblings and parents</td>
<td>Relations with family members, particularly with parents and less often with siblings</td>
<td>Relations with family members, particularly with parents; talked about addicted parents</td>
<td></td>
</tr>
<tr>
<td>School: worries about learning difficulties</td>
<td>Psychosocial health: mainly talked about the feeling of loneliness, fears and anxiety, thoughts or intentions to commit a suicide, depression</td>
<td>Psychosocial health: mainly talked about fears and anxiety, suicide, the feeling of loneliness</td>
<td></td>
</tr>
<tr>
<td>Relations with peers</td>
<td>School: talked about learning difficulties, absence from school and problems related to teachers</td>
<td>School: talked about learning difficulties and problems related to other adults</td>
<td></td>
</tr>
<tr>
<td>Violence and (mainly) emotional and physical violence as well as bullying</td>
<td>Sexuality: talked about pregnancy and puberty</td>
<td>Sexuality: talked about contraception</td>
<td></td>
</tr>
</tbody>
</table>

Data from the State Child Rights Protection and Adoption Agency
5. COMMUNITY, CHILD, YOUTH AND FAMILY AFFAIRS

Problems mainly indicated during calls by boys

<table>
<thead>
<tr>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relations with family members: unlike</td>
<td>Violence and abuse. Boys, like girls,</td>
<td>Violence and abuse. Unlike girls, boys</td>
</tr>
<tr>
<td>girls, boys more often talked about their</td>
<td>primarily talked about physical violence.</td>
<td>mainly talked about physical violence</td>
</tr>
<tr>
<td>problem relations with parents. Boys talked</td>
<td>They also mentioned emotional violence</td>
<td>and emotional abuse.</td>
</tr>
<tr>
<td>a lot about addicted parents and related</td>
<td>and bullying.</td>
<td></td>
</tr>
<tr>
<td>problems.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>They suffered from physical violence and</td>
<td>Relations with family members: boys talked</td>
<td>Relations with family members: talked</td>
</tr>
<tr>
<td>abuse as well as bullying.</td>
<td>about their problem relations with parents.</td>
<td>about problem relations with parents,</td>
</tr>
<tr>
<td></td>
<td>A lot of boys talked about addicted parents</td>
<td>parents’ divorce, and addicted parents.</td>
</tr>
<tr>
<td></td>
<td>and related problems.</td>
<td></td>
</tr>
<tr>
<td>Problems at school related to teachers</td>
<td>Psychosocial health: talked about suicide,</td>
<td>Psychosocial health: talked about fears</td>
</tr>
<tr>
<td></td>
<td>the feeling of loneliness, fears and anxiety</td>
<td>and anxiety, the meaning of identity and</td>
</tr>
<tr>
<td></td>
<td>as well as leisure occupation</td>
<td>life, the feeling of loneliness</td>
</tr>
<tr>
<td>Psychosocial health: many boys called</td>
<td>Physical health</td>
<td>Relations with peers</td>
</tr>
<tr>
<td>just to talk, which testifies their feeling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of loneliness and the need to share their</td>
<td></td>
<td></td>
</tr>
<tr>
<td>everyday life with somebody who listens</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to them</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relations with peers, namely with friends</td>
<td>School and the learning difficulties</td>
<td>Sexuality</td>
</tr>
<tr>
<td></td>
<td>experienced by boys; absence from school</td>
<td></td>
</tr>
</tbody>
</table>

Data from the State Child Rights Protection and Adoption Agency

Table 5.2.5.1-2

Assistance by email. In 2014, 114 (compared to 57 in 2013 and 113 in 2012) emails were received through the CHL website, asking for psychological, social and legal assistance.

5.2.5.2. IMPLEMENTATION OF THE PROVISIONS OF THE COUNCIL OF EUROPE CONVENTION ON THE PROTECTION OF CHILDREN AGAINST SEXUAL EXPLOITATION AND SEXUAL ABUSE AND OTHER INTERNATIONAL COMMITMENTS

In 2014, the Ministry of Social Security and Labour pursued international commitments to implement the provisions of the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse (hereinafter referred to as the “Lanzarote Convention”).

The purposes of the Lanzarote Convention are to:

1) prevent and combat sexual exploitation and sexual abuse of children;
2) protect the rights of child victims of sexual exploitation and sexual abuse;
3) promote national and international cooperation against sexual exploitation and sexual abuse of children.

The Convention serves as a means to promote international cooperation, exchange information in order to prevent sexual exploitation and sexual abuse of children. The Lanzarote Convention has been ratified by 36 countries and signed by 11 countries. In order to properly implement the provisions of the Lanzarote Convention, Lithuania has been actively participating in the activities of the Lanzarote Committee, cooperating and exchanging information.

The Lanzarote Committee monitors the implementation of the Lanzarote Convention in order to improve the capacity of states to prevent and combat sexual exploitation and sexual abuse of children, facilitates the collection, analysis and exchange of information, experience and good practice between states, also expresses an opinion on
any question concerning the application of the Convention and facilitates the exchange of information on significant legal, policy or technological developments.

On 16–19 February 2015, the 11th meeting of the Lanzarote Committee was held in the Hague and a study visit to Europol was organised. During the visit, the Committee was acquainted with the activities pursued by Europol in order to reduce sexual exploitation of children while carrying out transnational investigations, international operations, etc. Furthermore, the participants of the visit were introduced to various cooperation measures, involving specialists from various fields: psychologists, lawyers, IT professionals, investigators and other experts who take specialised (expert) training in Germany and become qualified to handle special data, cooperate and help to efficiently carry out the investigation while identifying perpetrators of children across the European Union and in other countries of the world.

On 6–7 November 2014, in cooperation with the Council of Europe Lanzarote Committee and the Committee on Social Affairs and Labour of the Seimas of the Republic of Lithuania, the Ministry of Social Security and Labour organised an international conference entitled “Progress in protecting children's rights: challenges and opportunities” in the Seimas, dedicated to the 25th anniversary of the United Nations Convention on the Rights of the Child. Lithuania, being the member of the Council of Europe and the Member State of the European Union, has been implementing many international legal acts in the area of the protection of the rights of the child. The conference discussed the relevant issues of the implementation of the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse, the importance of international cooperation, the progress achieved in the implementation of the provisions of this Convention and practice seeking to ensure children's welfare and child-conducive environment in legal proceedings. The conference was attended by about 250 experts from Lithuania and foreign countries.

Assistance to child victims of sexual exploitation. The Ministry of Social Security and Labour has been implementing the project “Establishment of the Support Centre for Child Victims of Sexual Abuse” of the 2009–2016 European Economic Area Financial Mechanisms. The project is implemented by the child and mother care home “Užuovėja”. The project is co-funded from the European Economic Area Financial Mechanism and the state budget of the Republic of Lithuania and implemented together with the partner, the Icelandic Government Agency for Child Protection (Barnaverndarstofa). Bilateral cooperation in project implementation creates the conditions to take over the Icelandic best practice while working with child victims of sexual abuse.

Lithuania currently does not guarantee the possibility to every child victim of sexual abuse and sexual exploitation to receive necessary integrated assistance in a child-conducive environment. After the project is implemented, the centre with all services necessary for the child victim of sexual abuse and for his family members in one place will be established. The centre will provide integrated assistance (psychological, social, legal, medical). The project aims to strengthen cooperation among the specialists from different departments. The building reconstruction preparatory works have been currently going on. The centre will start providing services in April 2016. Moreover, training for specialists working with child victims of sexual abuse and their families is starting. The interdepartmental action plan (guidelines) for cases of sexual abuse of children is being prepared. These guidelines aim at helping Lithuanian institutions responsible for the child's wellbeing, health and protection of rights, at more efficiently implementing functions related to the protection of the rights of the child and the child's representation in criminal proceedings in order to protect the child's rights and legitimate interests, and at ensuring a closer interdepartmental and interinstitutional cooperation. The purpose of the guidelines is to guarantee interdepartmental and interinstitutional cooperation of different fields when providing integrated assistance (legal, social, psychological, health and education) to child victims of sexual abuse and their families. The guidelines are targeted at organisations and specialists working with child victims of sexual abuse and their families. The guidelines present the scheme of recommended actions to be taken by various institutions and specialists working in these institutions, who handle cases of sexual abuse of children.


Currently, Lithuanian residents or foreigners who tend to commit crimes against children's sexual independence have insufficiently restricted possibilities to find employment and work with children, having concealed their criminal background, hence the high risk of sexual abuse of children by these persons. The provisions of the Draft Law aim at creating a safe environment to the child when educating and bringing him/her up. After the proposed provisions of the Law are adopted, cases of violence against children are expected to decrease and the possibilities to persons, who have committed crimes against children, to do a job related to children will be restricted. This will result in a reduced risk of abuse of children in institutions in which they are educated, taken care of, treated, etc. This will also help to control crimes against children. The Draft Law also proposes establishing that upon employing a person, he/she shall submit a certificate on data about a natural person from the Register of Suspected, Accused and Convicted Persons to the employer, certifying that he/she has not been convicted for the commitment of the acts specified in the Draft Law. A person who wants to engage in voluntary activities shall also have to submit a certificate on data about a natural person from the Register of Suspected, Accused and Convicted Persons to the organiser of voluntary activities, whereas a person who concludes a contract with the provider of services regarding the provision of services to the child shall have the right to request from the provider of services to submit a certificate on data about a natural person from the Register of Suspected, Accused and Convicted Persons. Furthermore, persons who have been found guilty of committing criminal acts against children’s sexual independence and integrity by final judgement of conviction and employed on the date of coming into force of this Law shall immediately terminate the labour contract or voluntary activities. The employer or the organiser of voluntary activities shall have the right to request from persons who are employed or engaged in voluntary activities to submit a certificate on data about a natural person from the Register of Suspected, Accused and Convicted Persons to the employer or the organiser of voluntary activities. If a person fails to submit the certificate within the term given by the employer, a person shall be suspended from work or voluntary activities. If the certificate is not submitted within a month from the beginning of suspension, the labour contract or voluntary activities shall be terminated. The Draft Law establishes that the Government of the Republic of Lithuania or its authorised institution shall approve the list of jobs, activities or services which will not be allowed to work, carry out or provide due to direct contact with children by persons who have been found guilty of committing criminal acts against children's sexual independence by final judgement of conviction.

5.2.6. ACTIVITIES OF THE CHILDREN’S MAINTENANCE FUND

Pursuant to Article 38 of the Constitution of the Republic of Lithuania, it is “the right and duty of parents to bring up their children to be honest people and faithful citizens and to support them until they come of age”. Article 3.204 of the Civil Code of the Republic of Lithuania entered into force on 1 January 2002 providing that the state shall maintain underage children receiving no maintenance from their parents or adult close relatives, who are in a position to maintain the child, for more than a month. In 2006, in implementing the aforementioned provision of the Civil Code and having evaluated the circumstances, the Republic of Lithuania Law on Children’s Maintenance Fund was adopted and took effect on 1 January 2008. The purpose of the law is to ensure the child's right to social security and to guarantee the state's commitment to pay a fixed maintenance allowance to a child in the presence of the grounds stipulated in this law. Pursuant to the law, children receiving no maintenance from their parents may receive an
allowance in the amount up to 1.5 basic social benefits (previously MSL – minimum standard of living) per month. The state thereby acquires the right to require that the persons who are liable to provide child maintenance would repay to the state the child maintenance allowance paid by the state. The Children’s Maintenance Fund (hereinafter referred to as the “Fund”), operating since 1 January 2008, was established while observing Article 27(4) of the UN Convention on the Rights of the Child. It stipulates that States Parties shall take all appropriate measures to secure the recovery of maintenance for the child from the parents or other persons having financial responsibility for the child, both within the State Party and from abroad.

During the period of 2008–2014, 48 055 new applications for payment from the Fund were received. During the first year of operation (2008), the Fund received 17 970 applications for payment, in 2009 – 7 570, in 2010 – 5 039, in 2011 – 4 665, in 2012 – 5 099, in 2013 – 4 039, in 2014 – 3 673. 23 704 children on the average received payments from the Fund in 2013.

In order to recover payments made by the Fund, the administration of the Fund initiates pre-trial investigations into criminal liability of the debtor for avoidance to pay child maintenance awarded by a court’s decision or stipulated in a child’s (children’s) maintenance agreement approved by the court. In 2014, a total of 112 requests to launch a pre-trial investigation were drawn up and filed to law enforcement institutions. In 2014, a total of 147 pre-trial investigations were initiated. In 2014, 7 notifications of accomplished pre-trial investigations were received (cases were referred to adjudication before court). 23 pre-trial investigations were accomplished by delivering a criminal order.

In 2014, 1 740 decisions were passed (regarding indebtedness exceeding LTL 9 million), and 1 522 decisions were delivered to bailiffs for enforcement.

5.3. YOUTH POLICY

Youth policy comprises the activities targeted at finding solutions to youth problems and seeking to create favourable conditions for personality development of young people and their integration in social life. It is targeted at people aged 14–29, the number of whom was 617 000 in Lithuania in 2014.

In 2014, while developing youth policy, considerable focus was shifted to the strengthening of regional youth policy, integration of young people not in employment, education or training (hereafter referred to as “NEET”) in social life and the labour market, and launching of the EU Erasmus+ programme.

At the beginning of 2014, the analysis of municipalities was carried out with a view to identifying the main youth policy related problems, and its findings were used to plan data-based regional youth policy and organise the conference “Strengthening of regional youth policy” aimed to give an overview of regional youth policy tendencies and its strengthening opportunities. Furthermore, in 2014 the financing of job positions of municipal youth affairs coordinators was completely restored (LTL 2.7 million, or EUR 790 000, were allocated). The same amount has been envisaged for 2015 as well.

Municipal youth affairs coordinators have been involved in the implementation of the Youth Guarantee (YG), and their functions are established in the Description of the Procedure for Implementation of the Youth Guarantee88, which provides that a municipal youth affairs coordinator shall collect information about inactive young people from the child rights protection office of the municipal administration, youth organisations and organisations working with youth, open youth centres, open youth spaces, territorial police units, elderships, local labour exchange offices, educational institutions, social assistance, care and support organisations; therefore, an increasing number of actors have been involved in the implementation of the YG on the municipal level, thus strengthening the regional level.

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In 2014, preparation for the implementation of the EU programme Erasmus+ in the youth field and the package of measures the YG were carried out and subsequently were launched. There has been established a coordination, monitoring and supervision system for the implementation of the EU Erasmus+ programme in the youth field and clear cooperation between youth and employment representatives regarding youth while implementing the YG in Lithuania has been envisaged.

5.3.1. REGIONAL YOUTH POLICY

In 2014, the Action Plan of Strengthening Regional Youth Policy 2015–2017 (hereinafter referred to as the "Action Plan") was drafted and approved in early 2015. While implementing regional youth policy, the Action Plan pays considerable attention to increasing the youth employment level and motivation, involving the business sector in the implementation of youth policy in municipalities, as well as improving dissemination of information on the issues relevant to youth. While implementing the Action Plan, on 20 March 2015, two new tenders were announced in relation to support for youth initiatives, focusing on youth in rural areas and towns, on the solution of their problems, on the increase of their activeness and promotion of interinstitutional cooperation in order to solve youth employment problems in the regions. A total of 270 applications were received with respect to both tenders. The Ministry of Social Security and Labour plans to allocate EUR 86,886 for these tenders each year.

In early 2014, the analysis of municipalities regarding the main youth problems was conducted, followed by the analysis of functions assigned to municipal youth affairs coordinators carried out in September with a view to ascertaining how municipalities follow the Model Job Description of a Municipal Youth Affairs Coordinator. The aim is to ensure efficient fulfilment of the state function (assigned by the state to municipalities) of the protection of youth rights, and activity monitoring is carried out.

In 2014, monitoring of the legal regulation of the Methodology and the Description of the Assessment of Youth Policy Quality in Municipalities was carried out and in 2015 a new version of these documents was approved. The results obtained during quality assessment will help municipal administrations, the municipal youth affairs council, youth organisations and organisations working with youth to agree on the priorities of the development of youth policy, and will be useful when drafting programmes and measures targeted at youth, youth organisations and organisations working with youth.

5.3.2. NATIONAL YOUTH POLICY

In 2014, the National Youth Policy Development Programme 2011–2019 was successfully implemented. In 2014, 50 measures were implemented in accordance with the Action Plan 2014–2016 for the Implementation of the...
National Youth Policy Development Programme 2011–2019\textsuperscript{94}, and the programme coordination and interinstitutional cooperation process was smooth. While implementing programme measures, considerable attention was paid to raising youth awareness of the employment issues, the activities of youth employees, work with youth, and its development in open youth centres and spaces. In order to consolidate youth organisations and encourage young people to participate in social life as well as be active and aware Lithuanian citizens, 92 youth organisations and organisations working with youth were financed under the tenders in 2014. 40 781 persons participated in financed programmes and projects. A detailed map of financed youth organisations and organisations working with youth is presented below.

\begin{figure}[h!]
\centering
\includegraphics[width=\textwidth]{map_of_youth organisations.png}
\caption{Map of Youth Organisations and Organisations Working with Youth Financed in 2014}
\end{figure}

Data of the Ministry of Social Security and Labour, the Public Institution Agency of International Youth Cooperation, the Department of Youth Affairs under the Ministry of Social Security and Labour

\begin{figure}[h!]
\centering
\includegraphics[width=\textwidth]{map_of_youth organisations.png}
\caption{Map of Youth Organisations and Organisations Working with Youth Financed in 2014}
\end{figure}

\section*{5.3.3. IMPLEMENTATION OF YOUTH GUARANTEE}

Seeking to ensure adequate implementation of the Youth Guarantee in 2014 in accordance with the Plan Implementing the Youth Guarantee\textsuperscript{95}, the Ministry of Social Security and Labour ensured the implementation of the Programme for Voluntary Activities in 2014 and its continuity. A new version of the National Programme for


\textsuperscript{95} Order No. A1-692 of the Minister of Social Security and Labour of the Republic of Lithuania of 16 December 2013 “On the Approval of the Plan Implementing the Youth Guarantee”.

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Voluntary Activities of Youth was approved. The programme aims to provide young people with conditions to get involved in voluntary activities and acquire personal, social, professional competences and working experience, thus helping them to choose a profession, reintegrate into a formal education system and/or prepare for the integration into the labour market. In accordance with the abovementioned programme, the Department of Youth Affairs under the Ministry of Social Security and Labour (hereinafter referred to as the “Department of Youth Affairs”) was implementing the project “Youth Voluntary Service” (from 1 October 2013 until 30 October 2015). The target group of the project is unemployed young people aged 16–29. Voluntary activities are carried out at least 20 hours per week and last for up to three or six months. In 2014, 356 project participants engaged in three or six months long voluntary activities under the ESF project “Youth Voluntary Service” targeted at young unemployed people aged 16–29 and implemented by the Department of Youth Affairs together with the Lithuanian Youth Council, the Agency of International Youth Cooperation and 12 non-governmental organisations. 229 persons accomplished the project, and 102 of them (44.5 per cent) integrated in the labour market or the education system.

Moreover, it should be noted that in 2014 the Department of Youth Affairs financed 33 open youth centre and space programmes. During the implementation of open youth centre and space programmes, 15 600 persons aged 14–29 received the services of motivation, development of general competences, involvement in socially useful activities, and individual social-pedagogical consultation. 800 of them were NEETs, of whom 205 (25.1 per cent) integrated in the labour market or the education system and 127 (15.5 per cent) registered in the labour exchange.” Open youth centres and spaces are planned to become the partners of the Department of Youth Affairs while implementing the YG, in particular focusing on NEET.

### 5.3.4. IMPLEMENTATION OF THE EU ERASMUS+ PROGRAMME IN THE AREA OF YOUTH

In 2014, the EU Erasmus+ programme (2014–2020) was launched by implementing part of the programme "Youth in Action" in the area of youth. The programme aims to enhance the key competences and skills of youth with fewer opportunities, encourage young people to participate in the democratic European life and labour market, promote active citizenship, cultural dialogue, social inclusion and solidarity.

In early 2014, the obligations set by the European Commission were fulfilled and national authorities as well as national agencies were appointed in relation to implementation of the EU Erasmus+ programme in Lithuania, and the necessary legal acts for the implementation of the Erasmus+ Regulation were drafted and approved. The new focus relevant in 2014–2020 is consolidation of interinstitutional and cross-sectoral cooperation: the coordination mechanism has been envisaged between the national authority in the area of education and training – the Ministry of Education and Science, the national agency in the area of education and training – the Education Exchanges Support Foundation, the national authority in the area of youth – the Ministry of Social Security and Labour, and the national agency in the area of youth – the Public Institution Agency of International Youth Cooperation.

In 2014, while implementing the EU Erasmus+ programme in the area of youth, 325 project applications and 36 accreditation applications were received, and 124 projects were financed. It should be noted that 36 applications for accreditations of the European Voluntary Service (EVS) were received in 2014. Of these applicants, there were 21 new organisations and 15 organisations wishing to renew their previously held EVS accreditation. As many as 7 new organisations have been currently participating in the project “Youth Voluntary Service” and, having tried local voluntary activities, agree to accept international volunteers.

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One of the activities supported under the EU Erasmus+ programme, co-financed from the state budget, is administration of the Eurodesk network. In 2014, the Eurodesk network was developed and supported in Lithuanian regions, enabling direct and easy access to young people and youth employees living in different cities. 31 Eurodesk Lithuania representative offices have been currently functioning in Lithuania: in Moletai, Kaunas, Panevėžys, Utena, Vilnius, Rietavas, Mažeikiai, Lazdijai, Plungė, Biržai, Šiauliai, Alytus, Zarasai, Marijampolė, Kupiškis, Klaipėda District, Šilalė, Rokiškis, Radviliškis, Ukmernės, Visaginas, Naujoji Akmenė, Mažeikiai, Klaipėda, Šilutė, Druskininkai, Anykščiai, Kuršėnai and Jurbarkas. In 2014, regional representatives provided immediate consultations to 890 young persons and organised 119 information events. These events reached 4,555 young persons and professionals working with youth. 24 news and 57 articles of young journalists were announced on the portal in 2014. The portal recorded 614,769 page views.

Eurodesk Lithuania further developed the system of youth information and consultation. In cooperation with Vilnius City Municipality, the first youth information centre was opened in Vilnius. It provides young people with relevant information and individual consultations and organises information events.

Another activity supported by the EU Erasmus+ programme is the development of a structural dialogue with youth through the National Working Group. Financing for the implementation of the structural dialogue process by the National Working Group from the European Commission has been allocated since 1 August 2014. The agreement has been reached that responsibility for finance and activity implementation is undertaken by national youth councils throughout the European Union (the Lithuanian Youth Council in Lithuania). To sum up the key activities carried out between 1 August 2014 and 31 December 2014, the following work was done: (1) an analysis of the youth empowerment situation in Lithuania was conducted (legal, political and environmental aspects were overviewed); (2) a methodological publication for persons organising structural dialogue consultations was prepared;
(3) 20 immediate consultations and meetings with young people about youth empowerment were held (over 250 young persons participated in meetings, and consultations were held in 19 different cities); and (4) a communication strategy for 2015 was prepared. The National Working Group has been purposefully working during cycle IV in order to enhance visibility of the structural dialogue process among young people.

5.3.5. SHORT-TERM FOLLOW-UP

Consistent efforts are exerted in order to create favourable conditions for youth to become an active part of society and promote youth socialisation processes. The national youth policy priorities are to: involve young people in social life, promote active participation of youth at the national and regional levels, inform and consult youth, develop fact- and knowledge-based youth policy by strengthening the activities of youth researchers and cooperation with universities and research institutes in the area of youth. The plans for 2015 include improvement of the procedure for the collection of information on NEET in order to obtain reliable data about the situation in every municipality. The YG will be further implemented seeking to ensure provision of services to young people and prevention of occurrence of NEET in all municipalities. Furthermore, there are plans to submit the draft Law Amending the Law on Youth Policy Framework (new version) to the Seimas of the Republic of Lithuania for deliberation. The new draft proposes to define youth work, improve the activities of institutions working in the area of youth and strengthen regional youth policy.

5.4. FAMILY POLICY

Successfully implemented family policy remains one of the key strategic goals of the State of Lithuania, and the decisions of the Ministry of Social Security and Labour affect the life of families in Lithuania, seeking family-friendly decisions as well as active involvement of families in decision-making.

When implementing the National Demographic (Population) Policy Strategy in the Area of Family Welfare, 47 non-governmental organisation (NGO) projects were selected by tender and financed.

In total, LTL 395 000 were allocated from the state budget for project implementation in 2014. 47 NGOs mainly carried out their activities in Vilnius (18 organisations); 17 organisations implemented activities in Kaunas Region, and 12 organisations in other Lithuanian regions (Alytus, Šiauliai, Klaipėda, Utena, Tauragė). 485 persons worked with families. Project implementers organised 2 754 different activities to families, engaged couples and individual persons. A total of 25 225 persons participated in the activities, of whom 2 851 families and 4 310 engaged couples (some people participated in several events organised by the same project implementer).

Seeking to strengthen families and ensure their full-fledged functioning, two types of activities were carried out: provision of integrated services to beneficiaries and other activities not related directly to the services provided to families (preparation and acquisition of methodical information). 37 NGOs provided psychological and social consultations. The services reached 363 families and 610 individuals. Social consultations were provided to 442 families and 756 individuals. Other consultations were provided to 171 families and 672 individuals.

Reduction of domestic violence was one of the priority goals. The aims included ensuring prevention of domestic violence and provision of assistance to persons who have suffered from domestic violence.

organisation of information campaigns on the prevention of domestic violence;
• support for projects of NGOs and institutions, targeted at the prevention of domestic violence and assistance;
• storing and systematisation of data;
• competence building of specialists through organisation of training;
• improvement of the system of imposing sanctions on convicted abusers in penitentiary institutions and probation services;
• support for organisations working with abusers;
• supervisions, etc.

On 25 November – 10 December 2014, an information campaign entitled “16 Days without Violence”, aimed at preventing domestic violence, was held. During the campaign society was familiarised with various manifestations of domestic violence, its consequences, legal outcomes and liability, and they aimed at developing intolerance of violent behaviour and informing about assistance provided to victims. During the information campaign, articles were published in portals and in the press, radio programmes and social advertising were created.

In 2014, the ministry organised a tender for the selection of projects targeted at the campaign “16 Days without Violence” (25 November – 10 December 2014); 45 local projects and one national project received funding. The projects were implemented in 45 communities, towns and cities. They aimed at familiarising society with the manifestations of domestic violence, its consequences, legal outcomes and liability, developing intolerance of violent behaviour and informing about assistance provided to victims.

A public opinion poll “Domestic Violence” was conducted in 2014. The data of the poll show that 18.4 per cent of respondents are suffering or have suffered from domestic violence. Women suffer from domestic violence almost three times more often than men (26.3 per cent and 9.3 per cent respectively). Domestic violence remains concealed, and the opinion poll data show that 70 per cent of respondents who have suffered from violence did not seek assistance.

The respondents who claimed to have suffered from domestic violence have more often heard about and seen events against domestic violence as well as relevant information in mass media. Thus these events and information may positively affect understanding, recognition and evaluation of violence (in particular, psychological violence). The respondents mainly suffered from psychological and physical violence, and less often from economic violence and sexual abuse.

In 2014, training for police officers was organised covering the topics of “Protection against domestic violence” and “Prevention of domestic violence and protection of victims”; 161 officers were trained. Methodical recommendations “Domestic violence” have been published with respect to police officers who deal with this type of violence.

A tender for the selection of projects of specialised assistance centres (SAC) 2015 has been organised. The aim of the tender is to select organisations that will provide specialised comprehensive assistance, as defined in Article 2(8) of the Republic of Lithuania Law on Protection against Domestic Violence, to victims of domestic violence in 2015. The tender received 18 applications; financing was allocated to 15 organisations by Decree No. A3-200 of the Chancellor of the Ministry of Social Security and Labour of 31 December 2014.

In 2014, assistance was provided to 8 380 victims of domestic violence; 7 272 individual assistance plans with regard to victims of domestic violence were drawn up. On the average, the centres provided specialised assistance to 93 per cent of victims of domestic violence who asked for assistance independently or who were reported about by the police. 432 persons (5 per cent) refused assistance. The following services were provided: information and consultation to 7 811 persons (93 per cent), psychological assistance to 4 043 persons (48 per cent) and legal assistance to 2 624 persons (31 per cent).
In the first quarter of 2015, SAC recorded 2,812 victims of violence. Assistance was provided to more than 2,600 victims of domestic violence.

**The award ceremony of mothers of many children at the President’s Office**

Seeking to foster family values, reinforce the family institute, promote births and develop a positive attitude of society towards large families, the medal of the Order for Merits to Lithuania has been awarded annually at the President’s Office since 2004 to mark the Mother’s Day. A representative from the top management of the ministry also attends the award ceremony.

Article 37(1) of the Republic of Lithuania Law on State Awards establishes that the medal of the Order for Merits to Lithuania shall be bestowed upon the mothers who gave birth to, raised and brought up properly seven and more children.

According to the established procedure of nominations, the candidatures of mothers of many children, qualified under Article 37(1) of the Law on State Awards, shall be nominated to the President of the Republic of Lithuania by the Minister of Social Security and Labour of the Republic of Lithuania on the basis of written recommendations from city and district municipal administrations. The final list of nominations shall be approved by the decree of the President of the Republic of Lithuania.

On the basis of the President’s decree, the Minister of Social Security and Labour issues an individual order on granting premiums to the mothers of many children and pays EUR 290 (LTL 1,000) to every mother.

**The festival of families and social families in Vazgaikiemis**

When implementing measure “Publicising of the activities of the National Demographic (Population) Policy Strategy in the Area of Family Welfare” of the National Demographic (Population) Policy Strategy in the Area of Family Welfare, the festival of families and social families, which is becoming a tradition, was organised to mark the International Family’s Day and the International Children’s Day. The aim of the festival is to gather individual families, become involved in social and voluntary activities, rally family and social family organisations, promote positive parenthood in families without children, strengthen mutual communication and cooperation and, most important, learn to share warmth and feel closeness.

This festival also promotes institutional cooperation, because it involves municipalities creating opportunities for large families who do not have any means of transport to come to the festival. This lovely event attracted about 10,000 participants in 2014. They started to plant an oak wood of families and social families; individual families had the opportunity present their business; regions introduced their sociocultural heritage. LTL 30,000 from the state budget were allocated for the organisation of the festival.
6. ACTION PLAN FOR INCREASING SOCIAL INCLUSION 2014–2020

Seeking to promote social inclusion and reduce poverty, none of the areas should be ignored: integration of vulnerable social groups in the labour market, ensuring minimum income, services targeted at family and children and at facilitating reconciliation of family and work responsibilities for parents as well as at healthy and all-round development for children, consolidation of communities, non-governmental organisations, etc. The Action Plan for Increasing Social Inclusion 2014–2020 envisages measures covering all these activity and policy areas.

Lithuania has been successfully implementing the aim to reduce the number of persons suffering from poverty and social exclusion by 170 000 in the period from 2010 to 2020 (up to 814 000 in 2020). According to the data of the 2013 Survey on Income and Living Conditions, the aim has been reached by 60.6 per cent. The progress achieved is particularly evident in the comparison of indicators of the crisis period and the economic recovery period. According to the data of the abovementioned survey, in 2010, 1 068 000 residents (34 per cent) experienced the risk of poverty or social exclusion, compared to 917 000 residents (30.8 per cent) after three years, i.e. their number fell by 151 000 persons (14.1 per cent).

However, the number of people suffering from poverty and/or social exclusion in Lithuania is significantly bigger than in other EU Member States. The bigger share of residents in poverty or social exclusion is recorded in Bulgaria, Romania, Greece, Latvia and Hungary.

The social consequences of the crisis and the accumulated debts of the social insurance and state budget did not open up the opportunity to increase social benefits. The different pace of growth in income of individual resident groups determined the increase in income differentiation. The number of residents whose income was below at-risk-of-poverty threshold, which amounted to LTL 811 (EUR 234.88) per month per capita, has risen. According to the 2013 Eurostat data, at-risk-of-poverty rate in Lithuania reached 20.6 per cent and was by 2 percentage points higher than in 2012 and by 4 percentage points higher than the EU average (16.6 per cent).

The growing children's at-risk-of-poverty rate is an issue of concern: in 2013, it increased by 6.1 percentage points to 26.9 per cent, compared to 2012. The changed procedure of payment of the maternity (paternity) benefit affected the increase in the children's at-risk-of-poverty rate. According to the data of Statistics Lithuania, in 2013, the highest at-risk-of-poverty rate by household type was recorded in households consisting of one adult with one or more children and reached 42.8 per cent, i.e. it was almost double the level of households with two adults raising children (24 per cent). Thus households with children were at-risk-of-poverty more often than households without children (21.8 per cent and 19 per cent respectively).
In order to reduce poverty and social exclusion, the Action Plan for Increasing Social Inclusion 2014–2020\(^\text{97}\) (hereinafter referred to as the “Action Plan”) was approved at the end of 2013 and specified in early 2015. The strategic goal of the Action Plan is to improve the quality of life, strengthen social cohesion and ensure equal opportunities for all.

While planning the measures of increasing social inclusion, the focus has been shifted to the strengthening of prevention of youth and children’s poverty and social exclusion – creating equal opportunities of healthy and all-round development for all children and encouraging full-fledged participation of families with children and youth in the labour market. In order to achieve this goal, the government plans to invest in accessibility of pre-school and non-formal education, children's day care centres, provision of integrated services, social work with children placed under guardianship, as well as measures to promote youth employment.

In order to ensure the rights of persons in difficulty, an efficiently functioning system of high quality social, housing, health, education, culture and other public services acquires utmost importance. People should receive assistance in all stages of their life when they are mostly in need of it. A large share of measures of the Action Plan aim at developing and improving the system of public services, infrastructure, increasing accessibility of subsidised and sheltered housing, improving the qualifications of people who provide services, involving the users of services and the non-governmental sector in decision-making and provision of services.

Social and wellness services for families and vulnerable social groups will be developed with a view to promoting wellness of society, giving priority to the prevention of illnesses, traumas and other external death causes, creating the conditions to ensure good mental and physical condition, and to reduce the morbidity and mortality rates.

In 2015, when specifying the Action Plan, the target groups of population experiencing the highest poverty risk or social exclusion have been distinguished: children, youth, elderly persons, family/persons of working age, the disabled, and the Roma people.

The Action Plan was supplemented with new measures, the majority of which are targeted at the increase in employment of socially vulnerable groups; therefore, measures will be implemented not only to promote youth entrepreneurship and implement youth guarantees, but also to help elderly persons, Roma, the disabled, convicts, other socially vulnerable groups (consultation, motivation, vocational rehabilitation, competence development measures as well as measures of the promotion of voluntary activities). Furthermore, the Action Plan was supplemented with data on funds allocated for the implementation of measures in 2015–2016.

The Action Plan envisages regulatory measures aimed at ensuring sufficient income for people at all stages of life (both work pay, pensions and social benefits). The government plans to draft amendments to legal acts to provide for the pension indexation mechanism and to improve the system of ensuring minimum income.

New and particularly important measures to solve the problem of poverty, envisaged in the Action Plan, aim at the provision and adaptation of housing to individual groups. Over EUR 24 million have been allocated for the implementation of measures in 2015–2016.

The Action Plan is a complex document and its measures are being implemented by the Ministries of Social Security and Labour, Health, Economy, Education and Science, Agriculture and other ministries, municipalities, non-governmental organisations and social partners. Intensive work of state institutions and close cooperation with employers, educational establishments and social partners will help to achieve the strategic goal of reduction of poverty and social exclusion. The implementation of all goals and objectives indicated in the document will be evaluated by concrete quantitative indicators.

The measures of the Action Plan will be co-financed from the European Union Structural Funds and the state budget.

7. GENDER EQUALITY

Gender equality is one of the principal values of the European Union (EU) and a horizontal priority for all policy areas, enshrined in the EU Treaty. In Lithuania, equal rights for women and men in all areas are guaranteed de jure by the Republic of Lithuania Law on Equal Opportunities for Women and Men. Programmes, measures and projects are consistently and systematically being implemented in order to solve problems related to gender equality.


For the purpose of implementing the National Programme of Equal Opportunities for Women and Men 2010–2014 (hereinafter referred to as the “Programme”), the Plan for the Implementation of Programme Measures (hereinafter referred to as the “Plan”, Resolution No. A1-323 of the Government of the Republic of Lithuania) has been adopted on the 7th of July 2010 and is being carried out by the ministries. Implementation of the Plan is being coordinated by the Commission on Equal Opportunities for Women and Men, which is composed of representatives from all of the ministries as well as representatives selected and delegated to the commission as full members by non-governmental organisations. In 2014, a total of 46 measures were implemented. The majority of them were implemented in the areas of employment, development of mechanisms and methods for the implementation of equal opportunities for women and men, fulfilment of EU and international obligations, and health care. Programme implementation measures were financed from general appropriations allocated to ministries and institutions implementing the Programme. While implementing Programme measures, intensive cooperation with women’s non-governmental organisations was pursued in 2014.

In June–July 2014, the elections of employers who ensure equal treatment of women and men were organised. The aim of the competition was to find and award the workplace that is most favourable in terms of gender equality and to use it as an example for employers, trade unions and society to become informed of the advantages of gender equality planning in workplaces. Also, to encourage employees to evaluate their workplaces in terms of gender equality, and overall to increase an understanding of the benefits for the company or organisation if gender-sensitive jobs were
created. The “Best Equal Opportunity Employer 2014” competition was publicised through social networks and portals such as Delfi.lt, 15min.lt and www.internetozinios.lt. In 2014, the functioning of the electronic network of women’s organisations and the information portal for women was ensured. Visitors of the portal were able to find out about the topical issues of gender equality, read the articles of various experts, and follow social initiatives. The 2014 statistics of the portal: 32,000 page views, 10,300 unique visitors, 400,000 users reached through Facebook. The electronic network was used for conduction, monitoring and development of discussions on the topic of equal opportunities for women and men between these stakeholders and active participants of the network: members of the network, representing state and municipal institutions, non-governmental organisations (NGO), education and science institutions, trade unions, communities and other experts of equal opportunities for women and men. The network was also used to publicise relevant information about events and trainings being organised.

In May 2014, the “SuperTėvelio Tėvadienis 2014” (The Super Father’s Day 2014) competition was organised and publicised through social networks. This information campaign was used to initiate an ongoing public discussion about the benefits of positive and responsible fatherhood for both society and one’s personal environment. The Facebook page of this campaign had 1,198 followers. Furthermore, information about the carried out educational tool and the ideas of responsible fatherhood reached over 213,000 people through this social network.

The Ministry of Social Security and Labour together with other institutions and non-governmental organisations organised trainings, seminars, and round-table discussions on various gender equality topics, which were attended by over 300 representatives from various organisations: trade unions, women’s groups or organisations, employees from various institutions, etc.

Visibility of the European Institute for Gender Equality in 2014 was ensured through continuous updates of the Lithuanian content for the Institute’s website and the organised translation of the new content from sources in English into Lithuanian language.

Furthermore, a general comprehensive comparative assessment of the Programme impact was carried out in order to identify and evaluate the impact on the changing public opinion. The survey revealed that society favourable perceptions towards women executives and women with the political and economic decision-making power have been constantly rising. Women’s participation in the labour market and promotion of women’s entrepreneurship were also evaluated favourably, yet the reduction of the gender related pay gap and efficiency of institutional mechanisms received less favourable evaluation.


The National Programme of Equal Opportunities for Women and Men 2015–2021 was approved by the resolution (No.112) of the Government of the Republic of Lithuania on the 4th February, 2015. Programme aims are towards facilitation of the consistent, integrated and systematic promotion of gender equality in all areas and elimination of the gap in the status of women and men. The goals of the Programme are as follows: to promote equal opportunities for women and men in employment and work; to seek for the balanced number of women and men in decision-making and highest positions; to increase efficiency of institutional mechanisms for gender equality; to promote the aspect of gender in the areas of education and science, health care, culture, environment, national defence and justice. Consequently, seeking to evaluate the implementation of the Programme 2015–2021, the criteria for the implementation of the above goals has been established.
In order to ensure the implementation of the set aims of the Programme 2015-2020, the Action plan for the Programme implementation 2015-2017 Order No. A1-199 has been approved by the Minister on the 13th of March 2015. The majority of the outlined measures in the action plan are related to issues such as legal, educational, increase in the efficiency of institutional mechanisms, etc.

7.3. EU AND INTERNATIONAL COOPERATION ON GENDER EQUALITY ISSUES

In 2014, the representatives from the Equality between Women and Men Division drafted, coordinated and presented Lithuania’s position in regards to the equal opportunities for women and men for the EU and international organisations’ working groups, such as: the EU High Level Group on Gender Mainstreaming, the Advisory Committee on Equal Opportunities for Women and Men of the European Commission, the Working Party on Social Questions of the Council of the EU, the Management Board of the European Institute for Gender Equality, the Experts’ Forum of the European Institute for Gender Equality, the Gender Equality Council of Europe, the United Nations Commission on the Status of Women.

In order to assure the membership and ability to participate for women’s non-governmental organisations in the EU association of women’s organisation „European Women’s Lobby” - the membership fee has been paid. Furthermore, additional financial contribution was made towards the costs of the meeting and the capacity building seminar organised in December 2014 for the members of the Lithuanian Women’s Lobby organisation.

In November 2014, The Lithuanian delegation, composed of women’s non-governmental organisations, attended the conferences organised by the Nordic Council of Ministers together with the Nordic Information on Gender (NIKK) and Iceland’s Ministry of Welfare in Reykjavik on the topics of “Part-Time Work” held on November 12th and “Equal Pay and Gender Equality in the Labour Market” held on November 13th. These conferences presented the conclusions of the second part of the survey “Part-Time Work in the Nordic Region” conducted by NIKK (researchers Cathrine Egeland and Ida Drange), gave an overview of the problem of the gender related pay difference for the same job, explored potential causes and shared the best practices in solving this problem.
8. USAGE OF THE EUROPEAN UNION STRUCTURAL SUPPORT

8.1. SUPPORT FROM THE EUROPEAN UNION STRUCTURAL FUNDS

8.1.1. MEASURES UNDER PRIORITY 1 "HIGH QUALITY EMPLOYMENT AND SOCIAL INCLUSION" OF 2007–2013 OPERATIONAL PROGRAMME FOR THE DEVELOPMENT OF HUMAN RESOURCES

The support provided by the European Union (hereinafter referred to as EU) Structural Funds to Lithuania offers opportunities to achieve a national long-term goal: ensure continuous economic growth in the country and diminish the gap between the economic development of Lithuania and the EU average. To this end, efforts have been made to improve the indicators of the growth of the gross domestic product (hereinafter referred to as GDP) in the Lithuanian economy and to create more new and better jobs.

The implementation of the Priority 1 "High Quality Employment and Social Inclusion" of the Human Resource Development Operational Programme 2007–2013 (hereinafter referred to as HRDOP), administered by the Ministry of Social Security and Labour sought to fulfil the following tasks:

Task 1 – to increase the adaptability of employees and enterprises to labour market needs;
Task 2 – to promote employment and participation in the labour market;
Task 3 – to enhance social inclusion.

8.1.1.1. INCREASE OF YOUTH EMPLOYMENT

During 2014–2015, big attention was paid to the measures aimed at increasing youth employment. According to the data of the EU statistics agency, Eurostat, during 2014, the unemployment rate of the youth under 25 (the share of unemployed persons aged 15–24 of the entire population of that age who did not study and were able to work) in
Lithuania accounted for 26.4 per cent. Out of 411,000 Lithuanian residents aged 15–24, 121,000 people did not study and could take part in the labour market, 89,000 young people worked and 32,000 persons did not have a job.

One of the biggest incentives for increasing youth employment was brought about by the Youth Guarantee Initiative. The meeting of the European Council that took place on 27–28 June 2013 in Brussels adopted a comprehensive plan to fight against youth unemployment. Under the plan, the Youth Guarantee Initiative is to be implemented during the period of 2014–2020. The purpose of the Youth Guarantee Initiative recommended by the European Commission is to ensure that within four months of leaving school or losing a job, young people who have not joined the labour market on their own should get a high quality job or an opportunity to continue studies. Measures of youth employment promotion include creation of jobs, apprenticeship, traineeship and active participation of social partners. The EU Member States, including Lithuania, will be assisted by the EU structural funds to implement the Youth Guarantee Initiative.

The Ministry of Social Security and Labour will implement the measures of the Youth Guarantee Initiative under the Operational Programme for the European Union Funds investments in 2014–2020 (hereinafter referred to as the 2014–2020 Operational Programme), Goal 7.4.1 “Reduce the number of young people between 15 and 29 years of age not in employment, education or training”. To achieve the goal, about EUR 89.7 million has been allocated from the Youth Guarantee Initiative (hereinafter referred to as the YGI), European Social Fund (hereinafter referred to as the ESF) and state budget funds. The activities envisaged under the goal are laid down in the implementation plan of the YGI. The aim is to ensure that within four months of finishing studies in a formal education system or losing a job and registering with the labour exchange or joining the YGI all young people aged 15–29 who do not work, do not study and do not take part in training should start working, studying, get apprenticeship or traineeship. Every participant will have an individual plan developed in accordance with personal needs and status. Measures taken under the YGI will facilitate transition of young people from the educational system to the labour market and help them gain the skills necessary for the labour market. The plan is to have 45,000 young people involved in the YGI under the ESF funded projects.

Seeking to increase youth employment, the Ministry of Social Security and Labour implemented other HRDOP measures financed by the EU structural funds.

Within the framework of HRDOP Priority 1, the measure “Promotion of youth employment and motivation” was launched in 2014. The purpose of the measure is to motivate socially vulnerable young people to integrate in the labour market and / or the formal education system by building their personal, social and professional competences and creating conditions for them to get involved in a social occupation and professional activity as well as voluntary work. The goal of the measure is to increase opportunities for employment of the youth to have them actively compete on the labour market. A total of EUR 2.3 million has been allocated to implement the measure. Within its framework a project “Voluntary Youth Service” of the Department of Youth Affairs under the Ministry of Social Security and Labour (hereinafter referred to as the DYA), and a project “Trust Yourself” of the Lithuanian Labour Exchange under the Ministry of Social Security and Labour (hereinafter referred to as the LLE) were implemented in 2014. A total of EUR 1.158 million was allocated for both projects which should be finished in 2015.

The purpose of the DYA project “Voluntary Youth Service”, which is aimed at unemployed youth aged from 16 to 29, is to offer conditions for young people to take part in voluntary work. Priority in implementing the project is given to persons without basic education, with basic education, with secondary education, registered with the LLE, graduates of vocational training programmes and persons who have gained higher education. Before 1 May 2015 the number of the youth involved in project activities totalled 400 people. They perform voluntary work in almost 175 organisations. At present, about 280 organisations are prepared to get accreditations to accept volunteers.

The purpose of the LLE project “Trust Yourself” is to integrate the youth into the labour market and/or education system by offering them social rehabilitation and preparation for the labour market services and using the experience of non-governmental organisations (NGOs). The project involves young people aged 16–25 who do not work, do not
study and do not take part in active labour market policy measures. Up to 1 March 2015, 2,491 young people took part in the activities. When implementing the project, 714 people got employed, 446 persons were referred to active labour market policy measures and 80 young persons decided to study.

Big attention to youth employment is paid under the HRDOP global grant measure "Integration of job-seekers into the labour market". Although the target of the measure is all job-seekers registered with the labour exchange, yet the implementation of the 2014–2015 projects selected the youth as a priority target group. As a result, 11,000 young people under 29 were involved. They had an opportunity to obtain professions demanded by the labour market by taking part in vocational training programmes. For those who started to work under a gained profession, supported employment measures were organised. Participation of the youth in mentioned measures rendered very positive results: employment indicators after the application of the measures have been up to 80 per cent of the young people involved.

The measure is about to be finished yet the youth can still use the opportunity to take part in the activities under it because in April 2015 an additional amount of EUR 6.2 million has been approved to implement a project “Stay in the Labour Market”. The project will be implemented until November 2015.

During 2014–2015, implementation of the HRDOP global grant measure “Support for the first job” continued. The purpose of the measure is to increase youth employment by offering additional financial incentives for employers to hire young people. Under the measure, employers receive a compensation for part of the remuneration paid to young employees. The purpose of the initiative is to encourage employers to hire people aged 16–29 who had not worked before. These subsidies should motivate employers to hire personnel who might need in-service training during the first months of their work. A total amount of EUR 9.3 million has been allocated for the measure. From the beginning of implementation of the measure until 1 April 2015, 26,334 requests for compensation were submitted, including 19,358 requests which received a positive response. A total amount of EUR 6.3 million has been paid for 17,738 employed young people; support has been provided to 2,488 enterprises.

Until 2015, the HRDOP measure “Promotion of Entrepreneurship” was underway. The Entrepreneurship Promotion Fund pays the biggest attention to young people, unemployed, disabled and older persons. The goal of the fund is to offer loans and create conditions for very small and small enterprises, as well as natural persons to start a business and for social enterprises to develop their business. The fund promotes the use of a financial engineering tool to gain entrepreneurship skills, get self-employed and create new jobs. The implementation of the measure (provision of loans) is combined with training and consultation of start-ups, provision of support in developing and implementing business plans. From the beginning of the implementation of the measure until 1 April 2015, 2,551 new jobs were created. Trainings organised by the Entrepreneurship Promotion Fund were attended by 4,789 persons, including 4,681 people who completed the course successfully. Loans were given to 1,172 persons (entities), including 571 persons from the priority group (435 people under 29, 92 people over 50, 27 unemployed and 17 disabled persons).

During 2014–2015, another HRDOP measure “Subsidies for promoting entrepreneurship” has been underway. Its purpose is to offer additional financial incentives for the recipients of loans of the Entrepreneurship Promotion Fund to facilitate their entry into the market. The measure has been allocated LTL 15 million (EUR 4.6 million). Under the measure, beneficiaries of loans offered by the Entrepreneurship Promotion Fund receive compensation for a part of the remuneration paid to employees these companies have hired. According to the data of 31 March 2015, the measure was used by 669 recipients of loans. They received EUR 2.5 million in the form of compensation of a part of the remuneration paid to 1,883 employees.
8.1.1.2. OTHER MEASURES OF HRDOP PRIORITY 1

During 2014–2015, a HRDOP measure "Reconciling work and family life: development of integral assistance" was underway. Under the measure, 22 projects were financed, one of which was with the purpose to determine effectiveness of applicability of integral assistance. The aim of the projects was to create and develop quality integral assistance (social care and nursing) for the disabled and elderly people at home and offer consultations to their family members to help them reconcile family and work life. The measure has been allocated EUR 5.9 million. Projects have been implemented in the following municipalities: Anykščiai, Biržai, Kaunas, Kretinga, Pasvalys, Radviliškis, Šakiai, Šilalė, Šilutė, Tauragė, Telšiai, Trakai, Ukmergė, Vilkaviškis region, Alytus, Klaipėda, Šiauliai, Visaginas, Vilnius, Elektrėnai and Raseiniai. Within the framework of the projects implemented, 508 nurses were employed and integral assistance was provided to 1,172 disabled persons and elderly people by 1 May 2015. In addition, technical equipment and 57 vehicles were purchased to provide integral assistance. Moreover, 70 mobile teams were set up comprising 670 employees (social workers, assistant social workers, nurses, assistant nurses, physical therapists, massage specialists). The project involved volunteers.

During 2014–2015, the Department of Supervision of Social Services under the Ministry of Social Security and Labour continued implementing the project under the measure "Building competences of employees of social service institutions". The purpose of the measure was to increase competences of employees of social service institutions, build their knowledge and skills. A total amount of EUR 1.5 million has been allocated to fund the project. The plan is to have 4,400 different employees of various social service institutions improve their qualifications by September 2015.

Up to 1 April 2015, 2,956 employees from 58 municipalities improved their occupational qualifications, gained special knowledge and skills. The number of people who have successfully completed training totals 2,944 persons. Specifications of requirements for the information system (log) have been developed and co-ordinated. Development of information system modules is underway; individual parts of the system are presented and discussed.

In 2014, seeking to ensure quality and access to services of rehabilitation and reintegration into society to the persons addicted to psychoactive substances and avoiding their social exclusion, the Drug, Tobacco and Alcohol Control Department implemented a project under the measure of HRDOP "Psychological and Social Rehabilitation of Persons Suffering from Addiction to Psychoactive Substances". The project was allocated EUR 3.2 million. According to a signed agreement the number of people involved in the project will be at least 625 participants. If funding were increased, the project could provide free psychological and social rehabilitation services to over 700 persons addicted to psychoactive substances. Up to 1 April 2015, the project activities involved 532 persons, including 89 people who got employed. The project will be implemented until the last quarter of 2015. The plan is to have one-third of the target group representatives employed.

During 2014, HRDOP Priority 1 measure "Human resource development in enterprises" was underway. The purpose of the measure was to increase qualifications, knowledge and skills of corporate managers and employees, increase employee abilities to adapt to company needs and changes on the labour market. A total amount of EUR 71.9 million has been allocated to implement the projects under the measure. This amount includes EUR 51.6 million of the EU funds. Within the framework of the measure funding has been allocated to 240 projects. In compliance with the agreements signed with project implementing authorities, 39,024 employees will be trained by the end of 2015. Until 1 April 2015, 36,856 employees of the companies took part in training. From the beginning of implementation of the measure until 1 April 2015, EUR 63.1 million was spent, including EUR 44.2 million of the EU funds.

While implementing projects under the HRDOP measure “Integration of job-seekers into the labour market”, funding of active labour police measures continued. The purpose of the measure is to encourage unemployed persons and economically non active people to get involved or return to the labour market, increase the motivation of the unemployed (particularly long-term unemployed), their employment capacities and opportunities of getting employed
as well as support of social enterprises. In 2014, the biggest attention was paid to the following target groups: young people under 29, persons over 50 and long-term unemployed. The total number of job-seekers involved in the project activities implemented within the framework of this measure during 2014–2015 is 32,000 people. After participation in the projects about 70 per cent of people were employed. During 2015, the last project of the measure will be finished. The plan is to complete implementation of the measure during the fourth quarter of 2015.

Until 2015, implementation of the measure “Promotion of social dialogue” will continue. The purpose of the measure is to build capacities of employers, employers’ organisations and their associations, trade unions and their associations in the area of social partnership, improve collective work relations, promote conclusion of collective agreements, raise awareness of trade union members and the general public about the development of social dialogue. The target group of the measure is enterprises, institutions and organisations seeking to develop social dialogue, sign collective agreements, set up Safety and Health Committees. Under the measure, 33 projects were financed, the total value of which was over LTL 15 million (EUR 5.8 million). The project activities implemented under the measure will involve almost 18,000 people. Plans are underway to sign 289 collective agreements and 14 sectoral collective agreements. By the end of the first quarter of 2015, project activities involved 22,697 persons; 216 collective agreements and 13 sectoral collective agreements were drafted, 203 collective agreements and 12 sectoral collective agreements were signed, 17 projects were implemented and 1 project was terminated. During 2015, the remaining projects will be finalised.

8.1.2. MEASURES OF THE 2007–2013 COHESION PROMOTION OPERATIONAL PROGRAMME FINANCED BY THE EUROPEAN REGIONAL DEVELOPMENT FUND

The aim of Priority 2 “Quality of and access to public services: health, education and social infrastructure” of the Cohesion Promotion Operational Programme (hereinafter referred to as the CPOP) is to ensure access and high quality of key health care, education services as well as services provided by the institutions in charge of state employment support policy and services to the disabled.

Supported measures and funds allocated to implement them

<table>
<thead>
<tr>
<th>No.</th>
<th>Financed measures</th>
<th>Allocated EU funds, EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Development of infrastructure of non-institutional social services</td>
<td>44.30</td>
</tr>
<tr>
<td>2.</td>
<td>Development of infrastructure of institutional social services</td>
<td>39.18</td>
</tr>
<tr>
<td>3.</td>
<td>Modernisation of infrastructure of the Territorial Labour Exchanges of the Lithuanian Labour Exchange (the measure is completed)</td>
<td>20.35</td>
</tr>
<tr>
<td>4.</td>
<td>Development of institutions responsible for providing of services, including professional rehabilitation, to the disabled</td>
<td>23.30</td>
</tr>
</tbody>
</table>

Data of the Ministry of Social Security and Labour

Table 8.1.2-1

Within the framework of the measures of CPOP Priority 2 administered by the Ministry of Social Security and Labour, 204 agreements on the financing and administration of infrastructure development projects have been signed since the beginning of the financing period. According to the data of 29 April 2015, 129 projects were successfully implemented, 6 projects were terminated upon the request of the authorities in charge of implementing the projects and 69 projects will be finished in 2015.
According to the data of 1 May 2015, the total amount of funds allocated by the European Regional Development Fund (hereinafter referred to as the ERDF) is EUR 106.4 million. The measures implemented under CPOP priority 2 are aimed at the following target groups: adult persons with disabilities, children with disabilities and mental disorders, elderly people, families at social risk, adults at social risk, children deprived of parental care, oncological patients and their family members, employers, jobseekers and persons seeking a professional career.

The ERDF funds allocated to the measures “Development of infrastructure of institutional social services”, “Development of infrastructure of non-institutional social services” and “Development of institutions providing services to the disabled” contributed to increasing quality of public services and their development in the entire country. As many as 227 service provision facilities were modernised or newly constructed. Upon implementation of all projects the plan is to provide services to about 254,000 persons. These services will be more accessible and more in line with the needs of service recipients.

On 1 May 2015, 129 projects were accomplished, 144 facilities were either renovated or constructed, 3,361 places of provision of services for service recipients were created, and 600 new jobs across the country were established. By the end of the reporting period the remaining 69 projects will be accomplished.

### Projects according to target groups on 1 May 2015

<table>
<thead>
<tr>
<th>Target group</th>
<th>Number of projects</th>
<th>EU funds allocated, EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults with disabilities</td>
<td>35</td>
<td>33.25</td>
</tr>
<tr>
<td>Families at social risk</td>
<td>31</td>
<td>10.96</td>
</tr>
<tr>
<td>Elderly persons</td>
<td>9</td>
<td>3.57</td>
</tr>
<tr>
<td>Disabled children</td>
<td>6</td>
<td>2.97</td>
</tr>
<tr>
<td>Adults at social risk</td>
<td>11</td>
<td>4.11</td>
</tr>
<tr>
<td>Children deprived of parental care</td>
<td>16</td>
<td>8.58</td>
</tr>
<tr>
<td>Institutions providing mixed services</td>
<td>79</td>
<td>38.80</td>
</tr>
<tr>
<td>Employers and persons seeking for a professional carrier</td>
<td>1</td>
<td>21.20</td>
</tr>
</tbody>
</table>

Data of the Ministry of Social Security and Labour

### 8.1.3. EUROPEAN UNION FUND INVESTMENT OPERATIONAL PROGRAMME OF 2014–2020

Within the framework of the Operational Programme 2014–2020, the Ministry of Social Security and Labour is responsible for implementation of the measures under Priority 7 “Promotion of quality employment and labour market involvement” and Priority 8 “Increasing social cohesion and fighting against poverty”. The measures have been allocated over EUR 564 million of the EU funds.

While planning investment of EU funding during 2014–2020, priority lies with increasing employment of the unemployed, in particular long-term and unskilled unemployed, disabled and long-term integration into the labour market of young people, in particular those who do not work or study (under the YGI), reduction of poverty and social exclusion, increasing of accessibility to social housing of the most vulnerable groups, increasing of the accessibility and quality of community services by transition from institutional care to community care, development of services rendered to family. To implement these tasks, 27 measures will be carried out, including 4 measures financed by the European Regional Development Fund (hereinafter referred to as the ERDF) and 23 measures financed by the ESF.
8.1.3.1. WORK PERFORMED AND TASKS STARTED IN 2014

During 2014, the Ministry of Social Security and Labour started implementing four measures under the 2014–2020 Operational Programme by taking advantage of opportunities offered by Resolution No. 998 of the Government of the Republic of Lithuania of 30 October 2013 “On Approval of Description of the Temporary Procedure for Selection of Planned State Projects Co-financed by the European Union Funds”. The measures include the following:

- Integration of unemployed into the labour market;
- Building administrative capacities of the Lithuanian Labour Exchange;
- Professional rehabilitation of the disabled;
- Support to the disabled in social enterprises.

Within the framework of these four measures, from Quarter II 2014 to Quarter I 2015 the following actions were undertaken:

- Seven state project lists have been planned, developed and approved;
- Decisions taken concerning allocation of the EU and national co-financing funds to seven projects.

During 2014, five projects were started to be implemented and another two projects were launched in the beginning of 2015. The total amount of the EU funds and state budget allocated to these projects is EUR 107.4 million, including EUR 85.2 million of EU funds accounting for 15 per cent of all EU funds administered by the Ministry of Social Security and Labour during the period 2014–2020.

- By 1 May 2015, EUR 18.7 million was used implementing project activities that involved over 15,000 persons;
- Development of a module for monitoring implementation of the Youth Guarantee Initiative has been started on the basis of the information system of the Lithuanian Labour Exchange.

8.1.3.2. INCREASING EMPLOYMENT

In recent years the rate of unemployment in Lithuania has been decreasing but remained high. According to the data of the Lithuanian Labour Exchange, on 1 January 2015, the number of unemployed registered in the country totalled 169,200 people. On the same date the unemployed registered in territorial labour exchange offices accounted for 9.3 per cent of the working age population in the country, which is 1.8 percentage points less than during the previous year.

The key problem with regard to job-seekers and non-active persons is that their qualifications and skills are low, they do not correspond to market needs and they lack work experience. Difficulties at the labour market are often faced by poorly educated and non-qualified persons, the youth (due to the lack of work experience), senior people and the disabled. Therefore, the aim of the projects carried out under the measure “Integration of unemployed into the labour market” under Operational Programme 2014–2020, Priority 7 “Increasing quality employment and labour market involvement” is to improve occupation qualification and competences of the unemployed, build their practical skills, promote territorial mobility and address emotional, personal and communication problems of the unemployed and increase their motivation. The main priority lies with the youth, long-term and non-qualified unemployed, those who were out of the labour market for a long time and senior people.
During 2014, the Lithuanian Labour Exchange started implementing four projects financed by the ESF and the state budget. A total amount of EUR 78.1 million has been allocated, including EUR 59.08 million of ESF funds.

With a view to implementing a recommendation “develop vocational training of working-age persons who have become unemployed as a result of sanctions or warned about dismissal to help them gain or raise their qualifications so that they could occupy vacancies or get self-employed and those who have been warned about their dismissal could remain in the same workplaces” issued by Meeting Minutes No. 45 of the Government of the Republic of Lithuania of 20 August 2014, a project “Gaining in-demand profession” was launched. The project will offer an opportunity to involve 3,000 unemployed into vocational training, by giving priority to persons dismissed from enterprises that incur losses as a result of import embargo of certain products from the EU and other foreign countries declared by the Russian Federation. A total amount of EUR 4.34 million has been allocated to the project, including EUR 3.29 million of the EU funds and EUR 1.05 million of the state budget funds. The duration of project implementation is 14 months. From the beginning of the project implementation until 1 April 2015 the project involved 1,100 unemployed persons.

It is estimated that the other three projects implemented by the Lithuanian Labour Exchange will involve about 39,000 unemployed persons, including 14,000 unskilled unemployed, 10,800 long-term unemployed and persons who have not worked for a long time, 14,000 persons over 54 who will be referred to vocational training (formal and non-formal) programmes, subsidised employment, supported development of work skills and supported activities of territorial mobility. A total amount of EUR 73.7 million has been allocated to implement the projects, including EUR 55.8 million of the ESF funds.

From the beginning of project implementation the measures involved over 8,500 unemployed. By 1 May 2015 over EUR 4.45 million was spent.

With a view to encouraging social enterprises to increase employment of disabled employees who cannot compete in the labour market under the same conditions, retain their workplaces, support employed disabled, increase their social integration and reduce social exclusion, help the disabled to perform their work functions assisted by others, a new project was started in 2014 to support employment of the disabled. It is implemented under the measure “Support to the disabled in social enterprises” within the framework of the 2014–2020 Operational Programme, Priority 8 “Increasing social cohesion and fighting against poverty”. A total amount of EUR 21.4 million ESF funds have been allocated to the project to support employment of the disabled working social enterprises, subsidising one part of their remuneration and state social insurance contributions and funding assistant's services which are necessary for the disable to perform work functions. By 1 April 2015 over EUR 13.25 million of the ESF funds were spent on the project activities. The project involved over 6,700 disabled persons and 121 assistants aided 327 disabled to perform their work functions.

In March 2015, a new ESF funded project was launched: “Assistance to the disabled”. The main objective of the project is to increase employment of the disabled by providing to them professional rehabilitation services. During March 2015, three people were involved in the professional rehabilitation programme.
Measures and projects implemented in 2014–2015

<table>
<thead>
<tr>
<th>Task/measure/projects of the 2014–2020 Operational Programme</th>
<th>Funds allocated by the EU and state budget to projects</th>
<th>Start of project implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure “Integration of the employed into the labour market”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supported employment of long-term unemployed</td>
<td>EUR 18.1 million</td>
<td>1 August 2014</td>
</tr>
<tr>
<td>Increasing competences of unskilled persons</td>
<td>EUR 35.3 million</td>
<td>1 August 2014</td>
</tr>
<tr>
<td>Gaining in-demand profession</td>
<td>EUR 4.34 million</td>
<td>1 December 2014</td>
</tr>
<tr>
<td>Support to older unemployed persons</td>
<td>EUR 20.3 million</td>
<td>2 January 2015</td>
</tr>
<tr>
<td>Measure “Professional rehabilitation of the disabled”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistance to the disabled</td>
<td>EUR 7.6 million</td>
<td>24 February 2015</td>
</tr>
<tr>
<td>Measure “Building administrative capacities of the Lithuanian Labour Exchange”</td>
<td>EUR 0.405 million</td>
<td>26 February 2015</td>
</tr>
<tr>
<td>Development of the monitoring system of the Youth Guarantee Initiative</td>
<td>EUR 0.405 million</td>
<td>26 February 2015</td>
</tr>
<tr>
<td>Measure “Support to the disabled in social enterprises”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support to social enterprises in 2014–2015</td>
<td>EUR 21.4 million</td>
<td>1 May 2014</td>
</tr>
</tbody>
</table>

**Total amount of allocated financing under four measures: EUR 107.4 million**

Data of the Ministry of Social Security and Labour

Table 8.1.3.2-1

8.1.3.3. OTHER WORK PERFORMED WHEN IMPLEMENTING MEASURES UNDER THE 2014–2020 OPERATIONAL PROGRAMME

Thirteen plans for implementation of the measures administered by the Ministry of Social Security and Labour were developed. Out of that number 6 plans have been co-ordinated and approved by Order No. 90 of the Minister of Social Security and Labour of the Republic of Lithuania of 24 February 2015. These plans are following:

- “Integration of unemployed into the labour market”;
- “Building administrative capacities of the Lithuanian Labour Exchange”;
- “Professional rehabilitation of the disabled”; 
- “Support to the disabled in social enterprises”;
- “Increasing youth employment”;
- “Reform of institutional care”.

The remaining seven plans for implementation of measures that have been developed will be approved during Quarter II 2015:

- “Development of social housing fund” (regional planning);
- “Development of social service infrastructure” (regional planning);
- “Improving quality and access to the infrastructure of Vilnius territorial labour exchange”;
- “Social integration of persons addicted to psychoactive substances”;
- “Social integration of Roma”;
- “Support to employment”;
- “Subsidies for start-up business”.


Project selection criteria have been developed in relation to development of measures of the Operational Programme of 2014–2020 administered by the Ministry, submitted to the Monitoring Committee of the Operational Programme of 2014–2020 and approved.

In accordance with the approved plans for implementation of measures descriptions of project financing conditions are developed, lists of state projects are drawn and necessary legal acts are developed to implement the measures and their projects which implementation will be launched in 2015 under the Operational Programme of 2014–2020.

During 2015, the following measures of the 2014–2020 Operational Programme will be started.

**Measure “Increasing youth employment”** (financed by the YGI and the ESF) *(implementing the YGI)*. Activities to be financed include the following: *early intervention and youth activation services (primary intervention):* measures for developing additional capacity and competence building (entrepreneurship, project management, increasing knowledge about information technologies, etc.); psychological and social rehabilitation services; assistance in getting to know oneself; services of building social and life skills; motivation services; information services about opportunities available to young persons; intermediation services with educational establishments; organisation of voluntary work; training during voluntary work; mentoring services during voluntary work and other activities under individual operational plans; *measures promoting integration into the labour market (secondary intervention):* vocational training of the unemployed; supporting acquisition of work skills; subsidised employment; employment rotation; territorial mobility; voluntary practice; acquisition of work skills under a bilateral agreement for the acquisition of work skills and other activities under individual operational plans.

Within the framework of the measure EUR 69 million has been allocated of the EU and state budget funds. The projects that will be implemented by the end of 2018 will involve 35,000 unemployed and non-studying persons of the age between 15 and 29. The estimated date of launching the projects is July 2015.

**Measure “Reform of institutional care”**. Within this measure financed by the ESF, activities will be implemented that are necessary for a smooth transition from institutional care to community services to children deprived of parental care and persons with mental disorders: new forms of social, health care and other services that are necessary to implement the reform of institutional care; development of methodological documents and their presentation packages; assessment of population needs with regard to reformed bodies (pilot projects) and development of individual plans on the assessed needs; assessment of employee competences and work motivation in reformed bodies (pilot projects), development of plans for building occupational competences and/or retraining of such employees; development of infrastructure plans in regions in which pilot projects are implemented; provision of new forms of services to target groups; development of community services and their provision to target groups; improvement of occupational competences of employees working in the system of social services; implementation of public awareness and education measures necessary to implement the reform of institutional care; internal and external assessment of implementation of the reform of institutional care.

The total amount of EUR 7 million of the EU funds is planned to be allocated for the first implementation phase (2015–2017) of the measure. The project will be launched in July 2015.

**Global grant measure “Subsidies for starting-up a business”**. Under the measure it is envisaged to provide subsidies to promote entrepreneurship to help start-ups to get established in the market. This includes partial reimbursement of interest and remuneration of staff after getting loans from the Entrepreneurship Promotion Fund. A total amount of EUR 16 million has been allocated to implement the measure.

**Global grant measure “Support to employment”**. Under the measure, plans are to offer financial incentives to employers who employ persons facing difficulties on the labour market. A total amount of EUR 40.5 million of ESF funds has been allocated for the measure.
Measure “Development of social housing fund” is implemented by regional project planning. Under the measure, a total amount of EUR 49.9 million of ERDF funds and EUR 8.8 million of municipal funds has been allocated for the development of a social housing fund. It is planned that 1,150 social housing will be newly equipped or purchased.

Measure “Development of social service infrastructure” is implemented by regional project planning. Under the measure, a total amount of EUR 17.2 million of ERDF funds, EUR 2 million of municipal funds and EUR 1 million of state budget funds has been allocated to the development of infrastructure of non-institutional social services and modernisation of homes for the elderly.

Measure “Building administrative capacities of the Lithuanian Labour Exchange”. A total amount of EUR 2.3 million of ESF funds has been allocated to increase qualifications of the Lithuanian Labour Exchange, EURES activities, development and implementation of a quality management system and other activities.

Measure “Social integration of persons addicted to psychoactive substances” (ESF). The measure finances provision of psychological and social rehabilitation, assessment and recovery of professional capacities, building new capacities, training of general skills, vocational training, intermediation in employment. A total amount of EUR 8.7 million of the ESF funds has been allocated to implement the measure.

Measure “Integration of Roma into the labour market” (ESF). The measure finances individual and group motivation building, assessment of personal needs, training of social and work skills, their maintenance and recovery, socio-cultural services, vocational guidance, sharing of information, consultation, assessment and recovery of occupational capacities or development of new capacities, training of general skills (e.g. digital literacy, languages, entrepreneurship), vocational training, building on-the-job training skills, intermediation and other assistance in getting employment and after that. A total amount of EUR 868,000 of ESF funds has been planned to implement the measure.

8.2. OTHER ASSISTANCE OF THE EU

8.2.1. EUROPEAN GLOBALISATION ADJUSTMENT FUND

The European Globalisation Adjustment Fund (EGF) aims to support redundant workers due to the consequences of globalisation or the world financial and economic crisis in order to facilitate their re-integration in the labour market when the dismissal of such workers causes significant damage to regional or local economy.

The main purpose of the EGF is provision of re-integration into the labour market measures on an individual basis facilitating their speedier return.

During 2013–2015 no projects supported by the EGF have been implemented because redundancies have not corresponded to the criteria laid down in the EGF Regulation. After the European Parliament and the European Council adopted EGF Regulation for 2014–2020, national legislation has been drafted for 2014–2015.

The Lithuanian Labour Exchange monitors the scope of redundancies and provides information to the Ministry. When the criteria laid down in the EGF Regulation are met, applications will be developed to obtain financial support from the EGF.
8.2.2. EUROPEAN REFUGEE FUND

The European Refugee Fund is one of the four parts of the General Programme “Solidarity and Management of Migration Flows”. The purpose of the programme is gradual introduction of integrated management of the external borders of the EU and implementation of the overall policy directions of refugee and immigration. On the basis of the programme, the following four funds have been set up: External Borders Fund, European Return Fund (hereinafter referred to as the RF), the European Fund for Integration of Third-Country Nationals (hereinafter referred to as “the EIF”); the European Refugee Fund (hereinafter referred to as “the ERF”).

The aim of the ERF is to support and promote efforts of Member States to accept refugees and asylum seekers and bear responsibility for consequences of their acceptance in line with legal acts of the Communities governing these matters by co-financing the activities specified in Decision No. 573/2007/EC of the European Parliament and the Council of 23 May 2007.

Pursuant to strategic guidelines of the European Commission (hereinafter referred to as “the EC”), the Ministry is implementing two priorities supported by the ERF:

**Priority 1**: Implementation of the principles and measures set out in the Community acquis in the field of asylum, including those related to integration objectives.

**Priority 2**: Development of reference tools and evaluation methodologies to assess and improve the quality of procedures for the examination of claims for international protection and to underpin administrative structures in an effort to respond to the challenges brought forward by enhanced practical cooperation with other Member States.

During 2015, five projects have been implemented under the ERF programme of 2013, the total value of which is EUR 706,000. According to the project implementing the action “Improvement of acceptance conditions and asylum procedures” of the ERF programme 2013, Priority I, asylum seekers are offered legal, medical, social and psychological services, Lithuanian language and IT courses, information sharing meetings with specialists from a variety of institutions and lessons for children and adults. In order to help them learn about Lithuania, cultural and cognitive excursions are organised along with social events conducted by the local community. Housing facilities of asylum seekers are renovated. Within the framework of the project implementing the action “Integration of foreigners granted asylum in the Republic of Lithuania” of the ERF programme 2013, Priority I, foreigners granted asylum receive social assistance, material support to vulnerable persons, health care services, legal and psychological services and other relevant consultations, training on the basics of the Constitution of the Republic of Lithuania in municipalities, vocational training and computer literacy courses. Under the project implementing the action “Improvement of Member States’ capacities to develop, monitor and assess their asylum policy, in particular by seeking practical co-operation between Member States” of the ERF programme 2013, Priority II, activities have been undertaken to develop reports about the countries of origin of asylum seekers and place them in the information system (http://www.coi.migracija.lt).

During 2014 and the first quarter of 2015, the projects financed by the ERF programme of 2013 involved over 250 foreigners granted asylum and over 440 asylum seekers.

8.2.3. EUROPEAN FUND FOR INTEGRATION OF THIRD-COUNTRY NATIONALS

The aim of the EIF programme is to strengthen the efforts made by the Member States in enabling third-country nationals of different economic, social, religious, linguistic and ethnic backgrounds to fulfil the requirements for residence and to facilitate their integration into the European societies.
The EIF programming documents lay down three strategic priorities of the EIF:

- Implementation of actions designed to put the "Common Basic Principles for Immigrant Integration Policy in the European Union" into practice;
- Development of indicators and evaluation methodologies to assess progress, adjust policies and measures and to facilitate co-ordination of comparative learning;
- Policy capacity building, co-ordination and intercultural competence building in the Member State across the different levels and departments of government.

The aforementioned priorities are implemented through actions, one part of which targets third-country nationals directly and the other part is aimed at strengthening capacities of our society, institutions and organisations relating to the integration of third-country nationals. EIF supports projects, which encourage third-country nationals legally residing in Lithuania to learn the Lithuanian language, provide knowledge about Lithuanian history, culture and conditions of life, study and employment in Lithuania. The EIF also supports projects aimed at performing studies and research related to the integration of third-country nationals and the assessment of the integration policy development as well as projects which promote cooperation and relations between competent authorities and organisations and which build intercultural competences of experts.

EIF support is provided in accordance with annual and multiannual (2007–2013) programmes developed by the Ministry and approved by the European Commission.

A multiannual programme, which is implemented through annual programme, is allocated about EUR 6.7 million EUR (including EUR 5.2 million of the EU funds). During the period of implementation of the annual EIF programme, 81 projects were implemented.

The total value of the EIF programme of 2013 is over EUR 891,000. During 2014 until the first quarter of 2015, the projects of this EIF programme involved about 600 third-country nationals legally residing in Lithuania and about 580 Lithuanian society members, including students, pupils, teachers, members of trade unions, child protection specialists, social workers, experts from municipalities and other organisations.

### 8.2.4. ASYLUM, MIGRATION AND INTEGRATION FUND

With a view to addressing common challenges arising in the area of internal affairs and taking a consistent approach to migration and security at the EU level, two EU funds have been set up for the financial period of 2014–2020. These funds are the Asylum, Migration and Integration Fund (AMIF), which consists of the 2007–2013 ERF, EIF and RF, and the Internal Security Fund. Responsibility for implementation of the AMIF lies with the Ministry of Social Security and Labour.

The aim of the AMIF is to contribute to an efficient management of the EU migration flows, which is a part of an area of freedom, security and justice in compliance with common asylum, subsidiary protection, temporary protection policy and common migration policy. Lithuania has been allocated EUR 8.1 million for the implementation of the AMIF during 2014–2020. The amount of national co-financing accounts for 25 per cent (EUR 2.7 million). In addition, during the same financial period Lithuania will receive EUR 1.5 million for technical assistance. It consists of AMIF calls of proposals for organisation, raising public awareness, dissemination of information, monitoring of project implementation, strengthening administrative capacities of administering bodies.

AMIF funds will be allocated to the following fields:

1) Improvement of Common European Asylum System;
2) Integration of third-country nationals and support of legal migration;

3) Organisation of return procedures of third-country nationals.

AMIF funds will support the projects for the target groups of which are the following: third-country nationals or stateless persons who have applied for asylum in Lithuania, foreigners granted asylum, third-country nationals who are legally residing in Lithuania (having residents permits), third-country nationals who have chosen to make use of voluntary return to their country of origin or who are subject to enforced return measures.

Decision No. C(2015)1731 of the European Commission of 20 March 2015 approved the Lithuanian national programme concerning support from the Asylum, Migration and Integration Fund for 2014–2020. The first calls for proposals will be announced during quarter II–III of 2015. The implementation of the projects is planned after the conclusion of grant agreements.

8.2.5. FUND FOR EUROPEAN AID TO THE MOST DEPRIVED

The aim of the Fund for European Aid to the Most Deprived (hereinafter referred to as FEAD) is to promote social inclusion in the EU by contributing to achieving the poverty reduction target of at least 20 million of the number of persons at risk of poverty and social exclusion in accordance with the Europe 2020 strategy and by supporting national schemes that provided non-financial assistance to the most deprived persons through the help of partner organisations.

FEAD replaced the previous Programme for supply of food from intervention stocks for the benefit of the most deprived persons in the Community in which Lithuania took part from 2006 to 2013.

For the FEAD 2014–2020 programming period is designated EUR 90.8 million, of which EUR 77.2 million of the EU funds. The average amount allocated per year is EUR 12.5 million, including 15 per cent of co-financing.

FEAD supported activities related to acquisition of food and hygiene products. Hygiene products will be purchased from 2016.

The right to receive assistance from the FEAD support is given to persons whose average monthly income does not exceed state-supported income approved by the Government of the Republic of Lithuania (hereinafter referred to as SSI) by 1.5 times per month (i.e. EUR 102). Monthly income received by one person or several persons living together is calculated in compliance with the Lithuanian Law on Cash Social Assistance for Deprived Persons. In exceptional cases (e.g. in the event of accident, severe illness or similar) municipal authorities have the right to set a higher amount of income but it should not be higher than 2 SSI (i.e. EUR 153).

Selection of projects – State project planning.

FEAD projects are implemented by a state enterprise Lithuanian Agricultural and Food Market Regulation Agency together with the Charity and Support Fund - “Food Bank” and Lithuanian Red Cross Society.

During 2014 were signed two grant agreements for the amount of EUR 11.6 million. During the same year, FEAD support in food product packages reached 272 thousands individual beneficiaries in the whole country.
9. INTERNATIONAL COOPERATION

9. INTERNATIONAL COOPERATION

9.1. ACTIVITIES RELATED WITH THE MEMBERSHIP IN THE EUROPEAN UNION

In July 2014, Italian presidency of the Council of the European Union marked the beginning of the presidency by a new group of three Member States – Italy, Latvia and Luxembourg, which will end in the late 2015, with every country’s presidency lasting for half year.

The Council of the EU (hereinafter the Council) is one of three major institutions involved in the EU decision-making process. The key function of the Council together with the European Parliament (hereinafter – EP) is initiating and adopting EU legislation. The Council usually adopts compromise decisions agreed upon following long discussions between the Member States.

Italian presidency of the Council coincided with the changes in the EU institutions: in July 2014, new members of the EP elected for the term of five years gathered to the plenary session, in November 2014, the new European Commission (hereinafter – EC) was appointed for the term of five years. These changes caused slowdown in law-making processes, but there was a hope for certain issues stuck in a deadlock to be reconsidered again.

In November 2014, the EC introduced its working programme with Investment plan development as one of the central objectives. The main part of the plan is to establish European Fund for Strategic Investments in the European Investment Bank. The Fund will use public funds for its activities in order to raise additional private investments – minimum EUR 315 billion investments are expected. The Fund will finance, first of all, slightly more risky and strategic projects: development of broadband internet and power supply networks, and will promote small enterprises with less than 3,000 employees. The plan is aimed at consistent elimination of investment obstacles, promotion of job creation and economic growth. According to EC calculations, the EU GDP would increase by EUR 330–410 billion and up to 1,3 million new jobs would be created in three years. The plan is expected to be completed in 2015–2017. The areas within the competence of the Ministry, unfortunately, are not attractive to business, since they do not guarantee quick return on investment. In Lithuania, the Ministry of Finance was appointed to co-ordinate the Investment plan implementation.

The working programme of the Council is constructed to sustain consistency of the Council’s actions during rotation of the presiding countries. The Programme defines the main long-term strategic directions for the period of over one year and a half, and objectives to be completed before 2016.
9.1.2. LONG-TERM OBJECTIVES

Job creation, fight against poverty and social exclusion remain the key strategic objectives of the EU. In order to fulfil these objectives, the importance of mobility, social dialogue, quality job creation, structural reforms of labour markets, investments into human capital through education and vocational training will be emphasised. Special attention will be focused on young people encouraging them to exercise their rights and on their employment matters and initiatives aimed at fighting against youth unemployment.

Social security monitoring, development of social security policy, social policy funding and its effectiveness, adequacy of pensions and long-term supervision will also be prioritised.

9.1.3. SHORT-TERM OBJECTIVES

9.1.3.1. REVIEW OF THE EUROPE 2020 STRATEGY

The purpose of the Council is to improve co-ordination between economic, employment and social policies in pursuit of the goals set in the Europe 2020 Strategy, to monitor employment, poverty and social exclusion indicators, labour market activation of women.

The Europe 2020 Strategy is a long-term plan for EU economic growth and job creation comprising five goals to be achieved by 2020. Two of the goals belong to the competence of the ministry: 75% of 20–64 year old people must be in employment; the number of people living in poverty, socially excluded or in risk of social exclusion must be reduced by minimum 20 million.

Five years after the Europe 2020 Strategy was launched, the EC conducted its revision. In 2012, the overall employment rate in the EU was 68.4%, in Lithuania – 69.9%, thus Lithuania is closer to its set employment rate goal, i.e. reaching 72.8% by 2020.

When assessing the progress made in pursuit of poverty reduction goal, the EC admits that considering difficult outcomes of the economic crisis, the poverty reduction goal looks unachievable. The number of persons suffering from poverty or social exclusion in the EU in the period from 2009 until 2012 increased from 114 up to 124 million. Nearly 100 million persons are expected to be affected by poverty by 2020. The EC names Lithuania as the country moving in the right direction in terms of poverty reduction. In 2012, 975 thousand persons or 32.6% of the Lithuanian population were exposed to poverty risk or social exclusion. If compared with previous years, this number decreased by 3.6%, while the set goal is to reduce the number of persons affected by poverty risk or social exclusion down to 814 thousand people by 2020.

In 2015, same as every year when assessing the EU economic situation, the EC presented the Annual Growth Survey and Joint Employment Report. These documents have already been approved by the EPSCO Council98.

According to the Annual Growth Survey and Joint Employment Report, Lithuania has been improving the situation in its labour market for the second reporting period in a row: long-term and youth unemployment rate decreased, the number of youth not in employment, education and training dropped down, while both employment rate of elderly people (55–64 year old) and population economic activity level increased.

European growth potential is threatened by structural lack of skills, therefore Lithuanian efforts to link the measures aimed at improving vocational training and training systems with the Youth Guarantee Initiative and commitments undertaken by the European Alliance for Apprenticeships received favourable assessment by the EC.

During Latvian presidency of the Council, Council conclusions on moving towards more inclusive labour markets were adopted. As it is stated in the conclusions employment is the best route out of poverty and to ensure a decent living, therefore the countries are encouraged to continue putting their efforts in securing access to employment, especially for people in disadvantaged or vulnerable situations such as young people, older workers, people with disabilities, people with a migrant background or the low-skilled.

Member States agreed for the inclusive growth agenda to be oriented towards to enable everyone to have opportunities, to obtain skills and be able to take up employment, education or training, and to ensure that all people can benefit from adequate social protection when exposed to different risks across their lifecycle.

It was agreed that in the context of ageing society, measures related to prevention, rehabilitation, accessibility and independent living become increasingly important to help older persons stay active as long as possible and not become dependent on care services.

9.1.3.2. THE EMPLOYMENT GUIDELINES

According to the Treaty on the Functioning of the European Union, the Member States must consider their economic and employment policies as common EU interest and co-ordinate their actions in the Council. Since 2010, following the Europe 2020 Strategy, every year the EC is preparing the Employment Guidelines, suggesting common priorities and goals of employment policy to be agreed by the national governments and approved by the Council. The present set of guidelines should contribute to the implementation of the Europe 2020 Strategy according to the new approach to economic policymaking based on investment, structural reform and fiscal responsibility, as set forth in the EC Annual Growth Survey 2015.

The Employment Guidelines encourage the Member States to facilitate job creation, to support the creation and growth of small entreprises, to actively promote the social economy and foster social innovation. The Member States are invited to shift tax burden from the labour force to other sources of taxation, to encourage wage-setting mechanisms allowing for a responsiveness of wages to productivity developments.

The Member States have to promote productivity and employability through an appropriate supply of relevant knowledge and skills. The number of long-term unemployed should be reduced by means of comprehensive strategies, the provision of specific active support to long-term unemployed to return to the labour market, addressing youth unemployment issue through consistent implementation of national plans within the framework of the Youth Guarantee Initiative. Gender equality, including equal wages, must be ensured in the labour market.

The Member States should also reduce labour market segmentation. Institutions and employment protection rules should provide a suitable environment for recruitment and provide adequate levels of protection to those in employment and seeking employment or employed on temporary contracts or independent work contracts. Member States should also ensure that their social protection systems effectively activate and enable those who can participate in the labour market, protect those (temporarily) excluded from the labour markets and/or unable to participate in it, and prepare individuals for potential risks.

Social policy must be simplified and better targeted, complemented by affordable quality childcare and education, training and job assistance, housing support and accessible health care, access to basis services such as bank account and Internet and for action to prevent early school leaving and fight social exclusion.

The pension systems should be reformed in order to secure their sustainability and adequacy for women and men in a context of increasing longevity and demographic change, including by linking statutory retirement ages to life expectancy, by increasing effective retirement ages, and by developing complementary retirement savings.
9.  INTERNATIONAL COOPERATION

9.1.3.3. LABOUR LAW

The EU Council is intending to continue discussions on labour mobility, to achieve progress with the EC proposal on a European network of Employment Services (EURES). The purpose of the EURES modernisation is to provide employers with an opportunity to submit more job proposals, thus increasing chances of finding job for people. In December 2014, the Council reached a general approach on this issue, the document has been submitted to the EP for discussion.

The Council has planned to continue discussions on creation of a European platform against undeclared work. The aim is to improve the EU co-operation in the field of undeclared work. In October 2014, the EPSCO Council reached a general approach on this issue, the document has been submitted to the EP for discussion.

The Council undertook a commitment to implement of the social partners’ agreement on working time for the inland waterway transport sector by establishing minimum number of rest hours per day and week and maximum number of working hours at night – in December 2014, the EPSCO Council approved this political agreement, the process of the directive99 transposition into the national law is in place.

Furthermore, the Council decided to proceed with amendment of the seafarers' directive100 in order to recognise unconditional right of seafarers to information and consultation, abolishing any exclusions previously effective. The decision made by the EP essentially complies with the joint agreement reached by the Council in December 2014, consultation between the representatives of the Council, EC and EP on draft legal act was launched in May 2015 and completed, the directive is expected to be passed in June 2015 at the EPSCO Council.

9.1.3.4. OCCUPATIONAL HEALTH AND SAFETY

In December 2014, the Competition Council agreed on a common approach regarding draft regulations on cableways installations and personal protection equipment, discussion of which started in 2015 in the working groups of experts.

Works related with the new Occupational Health and Safety at Work Strategy are further carried out in the EU. In June 2014, the EC Communication was published101. In March 2015, the Council approved this programme by confirming the necessity to improve implementation of existing health and safety rules, to improve the prevention of work-related deseases and to take account of the ageing of the EU’s workforce.

The Council is planning to continue working on maternity directive. The purpose of this proposal is to prolong minimum maternity leave duration for pregnant workers and workers who have recently given birth or are breastfeeding from 14 to 18 weeks, establishing mandatory 6 weeks holidays after birth. This EC proposal was submitted back in 2008, the newly-elected EP is expected to undertake a more flexible position regarding this proposal than the previous one, and with political will of the ministers present, the EC is determined to resume discussion of this issue on the basis of the previous document or to submit a new proposal.


9.1.3.5. EQUALITY BETWEEN WOMEN AND MEN

Celebrating the 20th anniversary of the Beijing Platform for Action, in December 2014 the Council adopted the conclusions reviewing the progress of platform implementation and defined the direction of gender equality after 2015. The conclusions are intended to achieve closer co-operation between the Member States, EC, other EU and non-EU institutions and organisations in pursuit of the quality between women and men. Member States are encouraged to assess the progress made since 1995 and to prioritise the gender equality not only at EU but also at United Nations level, by renewing their commitments in the United Nations agenda after 2015 and by developing a new strategy of the gender equality after 2015.

The Council is further working on the improvement of gender balance on the boards of listed companies in the EU. In December 2014, ministers failed to agree on a common approach, Lithuania is among 18 Member States who approved the proposal. Further discussion of the matter is entrusted to the working group of experts.

The Council’s conclusions on transparent income opportunities for women and men are expected to be adopted by 2016 in order to raise the issue of the difference in pensions for women and men, to examine the roots of such difference and its consequences and to suggest specific actions to be taken by the Member States in order to reduce such difference. In March 2015, the working groups of experts started discussing this issue.

9.1.3.6. ANTI-DISCRIMINATION

The Council is committed to continue working on Anti-discrimination directive102, the purpose of which is to implement the principle of equal treatment between persons outside the labour market. Discussions on this proposal have been taking place for years; in December 2014, the Council approved the progress report, further discussion on this matter was forwarded to the Social questions working group of the Council. This directive stipulates that all buildings, objects, means of transport and infrastructure must be adapted to the needs of persons with disabilities within 20 years from the day of adoption of the directive. Lithuania would need EUR 2,43 billion for fulfilment of this requirement, which the state would not be capable of during the above-stated period. Lithuania is seeking extension of the period for this requirement fulfilment (e.g. up to 30 years).

9.1.3.7. YOUTH

The Council is seeking implementation of the Youth Guarantees and Youth Employment initiatives to reduce youth unemployment, focusing additional attention on the vulnerable groups, including: youth, women, elderly workers and long-term unemployed.

Lithuania is among three first countries (joined by Italy and France), which successfully completed the negotiations and the action programmes regarding Youth employment initiative 2014–2020 of which have been approved by the EC.

The Council aims to encourage young people to exercise their rights to foster their autonomy and participation in social life. In December 2014, the Council’s conclusions were adopted on this matter. The Member States are urged to develop youth-oriented measures, which would ease their integration-related problems, special attention focusing

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102 Directive establishes equal treatment of persons, irrespective of their religion or belief, disability, age or sexual orientation.
on transit periods from youth to adults’ world, from education to labour market. The document further states that Erasmus+ and Youth Guarantees initiatives are the programmes that also make important impact on young person’s successful integration into labour market, education. The EC is further invited to support the among-mentioned activities and initiatives, to ensure co-operating of various players engaged in youth policy.

Discussions on strengthening trans-sector policy co-operation in order to deal with socioeconomic challenges of youth are taking place in the EU. The goal is to raise youth issues in various fields to achieve broader obligations and responsibilities. In May 2015, the Education, Youth, Culture, and Sport Council adopted conclusions on this matter.

Lithuania is focusing its attention on establishing network of partners for interdepartmental and intersectoral co-operation. The social partners network created by the Lithuanian Labour Exchange is dealing with youth employment issues, assesses and submits proposals on implementation of measures. Youth Methodical Councils operate under the Lithuanian Labour Exchange and 10 territorial labour exchange offices, with over 100 youth organisations and organisations working with youth.

The Council’s conclusions on intensifying work with youth to ensure harmonious society have been adopted. During Latvian presidency of the Council, Latvia is encouraging the EC to take initiative and to prepare a recommendation regarding the system of work with young persons, but the EC holds the position to have minimum law-making initiatives.

9.1.4. REPRESENTATION IN THE EU

All law-making or other EC's initiatives submitted to the Council, first of all, are discussed at experts’ meetings. Employment Committee, Social Protection Committee, Working Party on Social Questions and Youth Working Party are the main committees and working parties performing preparatory works prior to the meetings of the Council on the issues within the competence of the Ministry. Ministry’s representatives participate also in other 63 committees and working groups of the Council, Commission and as established in Article 52 of the Treaty of Accession to the European Union, as well as scientific working groups and committees. Ministry’s employees are actively involved in completion of tasks of three EU agencies, namely: the European Foundation for the Improvement of Living and Working Conditions (Eurofond), Agency for Safety and Health at Work, and the European Institute for Gender Equality (hereinafter – EIGE).

9.1.5. ASSURING SOCIAL PROTECTION IN THE EUROPEAN UNION

On 1 May 2015, the EU Member States were celebrating the fifth anniversary of application of the new EU regulations on coordination of social security systems (hereinafter – the new regulations). The latter regulations replaced the old regulations that were in effect before.


By 2016, the EU Council expects to receive a proposal from the EC regarding amendment of the provisions of coordination of social security systems – the EC published such plans back in the programme 2014, with later postponement of the plans.

9.1.5.1. COORDINATION OF THE EU SOCIAL SECURITY SYSTEMS

In the period from 1 June 2014 until 31 May 2015, representatives of the Ministry of Social Security and Labour attended the meetings of the EU Administrative Commission for the Coordination of Social Security Systems (hereinafter – Administrative Commission) and the EU Advisory Committee for the Coordination of Social Security Systems, at which practical aspects of implementation of the new coordination regulations were considered, amendments to the above-mentioned regulations were discussed, positions of the delegations of the Member States were introduced, information about amendments made to the national legislation in the field of social security was provided. Major attention was devoted to the matters of determining applicable legislation, coordination of family benefits and unemployment benefits. The Administrative Commission approved the EC initiative to organise Reflection forum on coordination of social security systems, in which members of the Administrative Commission should discuss the principles of social security coordination, amendment of the effective coordination rules and the relation of the new regulations with other EU legal acts regulating arrival and employment of third countries nationals in the EU Member States. The first meeting of the Reflection forum was held in December 2014, at which members of the Administrative Commission were discussing the mutual relation between the new regulations and the Directive 2004/38/EC and implementation of related decisions of the EU Court of Justice. In March 2015, the Reflection Forum discussed coordination of family benefits and information exchange between competent institutions of the Member States.

Preparation for electronic information exchange in the course of implementation of the new regulations remains an urgent issue. The second half of 2014 marked the beginning of the second stage of the project regarding the development of a system of Electronic Exchange of Social Security information (hereinafter – EESSI) - planning stage. In this stage, in cooperation with the EESSI Executive Board, EESSI project planning documents were prepared and approved. The stage of EESSI project implementation has started since January 2015. European part of the EESSI system is planned to be completed by the end of 2016. The Member States will have to implement respective national information systems and to join the European part of the EESSI system within the period of two years, i.e. by the end of 2018.

In November 2014 and April 2015, two meetings of the EU Social Security Coordination Communication Network were held. The meetings were attended by EC representatives and representatives of all Member States (experts of coordination of social security systems or communication experts). The primary and central purpose of such meetings is to share good experience in spreading information to migrants about social security. After the meeting in 2014, it was decided to establish an online forum for interactive exchange of information and discussion on relevant issues by the experts and EC members. Participants of the meeting in 2015 discussed the structure, benefits and future perspectives of the already-established forum. A few information companies were introduced at the latter meetings: the United Kingdom introduced its social information company for British nationals residing in Spain, Bulgaria introduced its new electronic database for social security experts, Italy introduced its information company for deaf persons. Future meetings of the EU Social Security Coordination Communication Network are intended to be concentrated more on information companies by separate social benefits (pensions, unemployment benefits, health insurance, etc.).

The Foreign Benefits Office under the State Social Insurance Fund Board (hereinafter – SSIF Board) is a competent institution granting pensions and establishing applicable legislation in accordance with the EU regulations.
for coordination of social security systems. In 2014, 5,318 applications for pensions or prolongation of payment of granted pensions were received in total in accordance with the EU regulations for coordination of social security systems. Including:

- for old age pension – 3,159 applications;
- for survivor’s and orphan’s pension – 943 applications;
- for work incapacity pension – 1,216 applications.

The total number of 2,312 applications for pensions under the above-mentioned regulations were sent to other EU and European Economic Area countries. Including:

- for old age pension – 1,274 applications;
- for survivor’s and orphan’s pension – 314 applications;
- for work incapacity pension – 724 applications.

During the above-mentioned period, 18,891 applications were received to issue a PD A1 document regarding determination of applicable legislation and 19,400 PD A1 documents were issued.

The SSIF Board examined 24 applications for reimbursement of unemployment benefits under Article 65 of the Regulation (EC) No. 883/2004. Countries that applied for reimbursement of unemployment benefits: Sweden and Poland submitted three each, Latvia, Estonia, Slovakia and Germany – two each, Hungary, Czech Republic, Bulgaria, Luxembourg and United Kingdom submitted one reimbursement claim each. The SSIF Board did not submit any applications for reimbursement of unemployment benefits to other Member States.

Persons receiving unemployment benefit in Lithuania and travelling in search for job in other EU or European Economic Area (hereinafter – EEA) Member State, as well as foreign nationals coming to the Republic of Lithuania in search for job and receiving unemployment benefits in other EU or EEA Member States are issued E300 series forms or U series SED.

During 2014, the territorial labour exchange offices issued 340 documents certifying length of unemployment insurance (SED U002 and PD U1 documents) to EU migrating persons. Persons with the latter documents were travelling to the following countries (or institutions of the following countries directly requested for such documents): Ireland - 30, Belgium – 15, Spain – 23, Finland – 10, United Kingdom – 18, Italy – 5, Latvia – 7, Poland – 8, Norway – 31, France – 8, Sweden – 6, Germany – 113, Iceland – 1, Denmark – 2, Estonia – 4, Austria – 19, Malta – 1, Switzerland – 2, Slovakia – 3, Czech Republic – 4, Netherlands – 21, Hungary – 3, Portugal – 3. Gender distribution of this group of persons: 192 women and 148 men. 39 documents were issued to persons under 35, 137 documents to persons aged 26–35, 96 to persons aged 36–49, and 68 documents to persons over 50.

Accordingly, 1,448 documents certifying the length of unemployment insurance (SED U002 and PD U1 documents) were received from other EU and EEA Member States. Documents were received from the following countries: Ireland - 240, Belgium – 3, Spain – 39, Finland – 39, United Kingdom – 691, Cyprus – 20, Latvia – 14, Poland – 4, Norway – 54, France – 7, Sweden – 38, Germany – 123, Iceland – 11, Denmark – 57, Estonia – 3, Austria – 3, Greece – 7, Switzerland – 8, Malta – 3, Czech Republic – 4, Netherlands – 69, Finland – 4, Portugal – 3, Bulgaria – 4. Gender distribution of this group of persons: 747 women and 701 men. 267 documents were issued to persons under 25, 590 documents to persons aged 26–35, 377 to persons aged 36–49, and 214 documents to persons over 50.

Territorial labour exchange offices also issued 22 documents certifying information on applicant’s family members and their incomes (SED U 006 document). Persons with the latter documents were travelling to the following countries (or institutions of the following countries directly requested for such documents): Spain – 3, Finland – 2, United Kingdom – 1, Norway – 16.
Territorial labour exchange offices issued 97 documents on unemployment benefits export (SED U008 and PD U2 documents) to Lithuanian nationals travelling to other EU or EEA Member State in search for work, including 66 documents issued to women and 31 to men, all nationals of the Republic of Lithuania. Territorial labour exchange offices received 298 documents on unemployment benefits export from other Member States. 135 women and 163 men, including 282 nationals of the Republic of Lithuania and 16 foreign nationals, came to Lithuania with the latter documents in search for work.

9.1.5.2. MISSOC ACTIVITIES

On 16–17 October 2014, the meeting of national correspondents of the EU’s Mutual Information System on Social Protection (hereinafter – MISSOC) was held in Rome (Italy). The existing situation of the MISSOC, development of MISSOC website and communications, activities of the European Social Policy Network, development of information concerning housing support and planned activities were discussed at the meeting. Monitoring of the outcomes of the recent Italian social protection reforms and EU policy guidelines were introduced: goals of the Italian presidency in the social area, overview of the social programme of the Latvian presidency, EC’s future plans. Guidelines of Table XII Long-term care were examined and amendments were suggested. Discussion of adequacy of pensions was held (EU Social Protection Committee's report on adequacy of pensions).

9.1.6. STRATEGIC GUIDELINES OF LITHUANIA WITHIN EU

In 2015, strategic guidelines for Lithuania’s EU policy for 2015–2020 were prepared. It is a medium-term strategic planning document stipulating main initiatives of Lithuanian EU policy, on which Lithuanian position in the Council should be based. These strategic guidelines are expected to be approved at the Government’s meeting; their monitoring will be carried out on a yearly basis – progress will be discussed at the meeting of the Government’s EU Commission.

The following strategic guidelines belong to the Ministry’s competences: quality employment, social security, equality between women and men, non-discrimination, active youth.

In the field of quality employment, Lithuania will support EU initiatives promoting economic growth and job creation, thus implementing the Europe 2020 Strategy, as well as EU proposals promoting conformity of skills to market demands, flexibility and dynamics of the labour market, eliminating obstacles to labour mobility within the EU, youth employment, efforts will be made to exchange experiences in dealing with unemployment and other social problems at the EU level.

In the field of social security, efforts will be made to reduce poverty and social exclusion, thus pursuing child and family welfare, to seek good practice exchange at the EU level to ensure adequate system of social protection and pensions, to achieve consistent assessment of the impact of other EU policy fields on social security.

Regarding the equality between women and men, EU initiatives promoting equality between women and men and eliminating any differences between the status of women and men in all fields as well as efforts in pursuit of more efficient functioning of the institutional mechanisms of gender equality will be supported, efforts will be made to secure EIGE remaining the only EU agency dealing with gender equality, without merging it with any other agencies.

In non-discrimination field, EU policy ensuring equal opportunities for everyone and promoting non-discrimination and its development will be supported, which is aimed at ensuring effective practical application of legal clauses of the equal opportunities and non-discrimination policy, considering social, economic and cultural diversity of the EU.

Regarding active youth, Lithuania will aspire to join the new and support the existing EU initiatives creating opportunities for youth to take active participation in making and implementing national and EU decisions concerning youth, and thus promoting their political and social activity, as well as initiatives helping them to integrate into society and to move smoothly from education to labour market, to contribute to intersectoral development of the EU youth policy.

9.2. MEMBERSHIP IN OTHER INTERNATIONAL ORGANISATIONS

Lithuania is a member of a number of international organisations. Through participation in their activities Lithuania holds an opportunity to be involved in dealing with the major problems of global community and to influence them where possible. Representatives of the Ministry of Social Security and Labour represent Lithuania in the International Labour Organisation (hereinafter – ILO), Council of Europe, United Nations, and other organisations. At present, Lithuania holds a candidate status in another international organisation – Organisation for Economic Co-operation and Development (hereinafter – OECD). The Ministry of Social Security and Labour is actively involved in cooperation with this organisation.

9.2.1. MEMBERSHIP IN THE INTERNATIONAL LABOUR ORGANISATION

In 2014, Lithuania was appointed as Deputy Member of the ILO Governing Body for the 2014–2017 period (from 2011 until 2014, Lithuania was a Regular member of the ILO Governing Body). It is an executive body of the ILO shaping further policies of the ILO, deciding on the agenda of the ILO Conference, discussing and adopting the budget, electing the Director-General, therefore membership in the Governing Body is considered as highly significant for Lithuania in carrying out its activities in the ILO.

The 103rd session of the ILO Conference took place on 28 May – 12 June 2014, at which representatives of the workers, employers and governments from 185 countries focused their major attention on transition from the informal to the formal economy, abolishment of forced labour and employment. The conference resulted in the protocol and recommendation on abolishment to forced labour, the latter new international documents setting guidelines for state parties are expected to contribute to reduction of forced labour all over the world.

On 10 June 2014, the Ministry of Social Security and Labour, Institute for Social Policy and the Research Department of the International Labour Office signed an Agreement on the Research Cooperation in the Fields of Social Security and Labour Law. The purpose of this Agreement is to develop mutual co-operation by conducting joint scientific research studies regarding changes taking place in the field of social security and labour, exchanging good practice and other useful information.

The Ministry of Social Security and Labour, in co-operation with the ILO, organised international conference How to Make Formal Work Attractive on 17–18 September 2014, in Vilnius. The conference was attended by ILO Director-General Guy Ryder and Regional Director of Europe and Central Asia Heinz Koller, Deputy Secretary-General of the OECD William Danvers and Head of Employment Analysis and Policy Division Mark Keese, Director
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of Employment and Social Legislation, Social Dialogue of the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission Armindo Silva, as well as ministers and other high level representatives and experts from the Member States of the European Union and European Free Trade Association, international, European and national social partners. Participants of the conference discussed informal work matters, exchanged information and good practice, policy methods and measures implemented by governmental institutions dealing with informal work problem.

In December 2014, the ILO published a report on wages Global Wage Report 2014/15. Wages and income inequality\(^{106}\). Dynamics in actual wages at global scale are analysed, by reflecting unique wage trends and relative purchasing power at global and regional level. The report is studying the relation between wages and inequality at household level. Statistics show that wages represent the major separate source of income in a household with at least one working-age member in majority of countries and draw attention to the changes in wages and employment policies as the crucial factors in emphasising the latter trends in inequality respect. The report also contains analysis of differences in wages between certain groups, such as men and women, migrants and nationals, workers engaged in informal and formal economy.

In January 2015, one of the most important ILO annual report "World Employment and Social Outlook: Trends 2015"\(^{107}\) was issued. The report includes a forecast of global unemployment rates, explains the factors standing behind them, such as surviving inequality and falling wage shares. Based on the report, the global unemployment prospects are forecasted to worsen in the next five years – the world unemployment rate in 2015 is expected to increase by 3 million and by another 8 million in the next four years. Global employment gap, considering the number of lost jobs since the beginning of the recession, amounts to 61 million at the moment. Considering future new participants of the labour market in the next five years, 280 million new jobs should be created by 2019 in order to eliminate this recession-caused employment gap. According to the ILO experts, inequality problems should be approached by carefully developed labour market and taxation policy, integrated labour market reforms are needed to promote job quality and update skills. The ILO forecasts the unemployment rate in Lithuania to decrease from 11.35% down to 9.85% in the period from 2014 until 2019.

On 16–27 March 2015, the 323\(^{rd}\) session of the ILO Governing Body was held at which the participants discussed possibilities of strengthening workers’ protection against unacceptable forms of labour, trends of minimum social security creation and development. The International Labour Office provided the Governing Body with the information on achieved progress in application of standards. The ILO finally progressed from the standstill situation, when the discussion started in 2012 between the representatives of the workers and employers on the right to strike and standards supervision system paralysed the ILO’s activities. Social partners agreed to work together and undertook an obligation to implement a package of measures aimed at improving the ILO system of standards supervision.

9.2.2. MEMBERSHIP IN THE COUNCIL OF EUROPE

Representatives of the Ministry of Social Security and Labour participate in the activities of the following committees and commissions of the Council of Europe: European Committee for Social Cohesion, Human Dignity and Equality (hereinafter – CDDECS) and its Bureau, the Governmental Committee of the European Social Charter and the European Code of Social Security (hereinafter – GC) and its Bureau, the Committee of the state Parties to the Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse (T-ES), the Committee of Experts on the Council of Europe Strategy for the Rights of the Child (DECS-ENF), the Gender Equality Commission

(DECS-GEC) and meetings of its National Focal Points, the Committee of Experts on the Rights of People with Disabilities (DECS-RPD) and its working group.

9.2.2.1. CDDECS ACTIVITIES

In June 2014, the reorganised CDDECS held its first meeting. The Council of Europe’s (hereinafter – CoE) Director General of Democracy Snežana Samardžić-Marković noted that the establishment of the committee was a part of the CoE’s reform aimed at making the CoE more efficient and politically relevant for its Member States. Several Member States, including Lithuania, expressed their concerns about social cohesion matters not included into the Committee’s agenda. Following the election, Dutch representative was elected as the Chair, French – Vice-Chair, Lithuanian representative Rita Skrebiškienė, Director of International Affairs Department of the Ministry of Social Security and Labour was elected to the Bureau of the Committee.

During the round table discussion “Guaranteeing Equality and Equal Dignity for All”, participants discussed vulnerability and stereotypes, CoE Commissioner for Human Rights Nils Muiznieks emphasized the huge impact made by austerity on social exclusion, namely: increasing children’s poverty, children’s labour, youth unemployment, rise in the number of young people not in employment and not in any education or training, disregard of elderly people and their problems of accessing health care, constant facing unproportioned poverty by women, rising number of incidents of violence against Roma people and migrants. Legal programmes were cut down due to the crisis. Lots of surveys show negative impact of equality on economic growth. The ‘flooring’ of social security must be ensured – human rights must be secured, human rights must be included into all policy cycles. Groups of vulnerable people should have adequate protection of their rights and interested secured.

The Commissioner admitted the importance of social cohesion matter in the agenda raised by many Member States. Everything was interrelated and all three pillars forming social cohesion must work together, i.e. equality and non-discrimination, participation and representations, intercultural contacts, co-operation and competence.

The 2nd round table discussion “Making Justice Accessible for All” discussed universality and indivisibility of human rights, the need for their better implementation. More trust and confidence of citizens was needed, especially, in the police, justice, and other available redress mechanisms. A gap between the law and human experience was still present, therefore awareness and will of institutions and capacities to undergo changes were needed in order to realise the problems of human rights implementation. Independent institutions helping victims and monitoring implementation of the rights must have been given power to work more efficiently.

Draft agenda of CDDECS for 2014–2015 was drawn on the basis of exchange of opinions right before the round table discussions. Directing activities to promotion of equality and non-discrimination, assessment of social consequences of austerity and implementation of human rights in the national policies was agreed. It was further agreed on the need to improve the draft by focusing more attention on social cohesion.

The CDDECS Committee’s meeting held in November 2014 focused its major attention on the CDDECS agenda 2014–2015. The Member States submitted two hundred fifty suggestions of activities. Six activities were chosen, following which working groups consisting of representatives of the Member States were formed to carry out the latter activities. It must be noted that the issue of social cohesion was still in the focus of attention. It was agreed on the need to revise (rather than to develop a new one) Social Cohesion strategy 2010. It must be noted that Azerbaijan, which in the past expressly voiced its intention to organise the third meeting of the social cohesion ministers in autumn 2015, in Baku, was no longer resolute regarding its proposal. Lithuanian representative was going to attend the round table discussion Social inclusion of all persons and in particular of all persons in vulnerable situations and the effectiveness of rights.
Interesting discussions were held exchanging opinions with the CoE Governmental committees, in particular, with the European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment: on a yearly basis about 370 visits are held at the Member States' institutions, where people with restricted freedom are kept in custody, mainly to the police headquarters and prisons. Before arriving, the Committee's representatives do not ask for permission but rather inform about their arrival. Political discussion regarding the Committee's activities in the zones of conflict started, without clearly naming the situation in the Ukraine.

The CDDECS Committee held a meeting in February 2015, at which the implementation of the CDDECS agenda was discussed in details. All suggestions received under the planned six activities, for implementation of which working groups were established, were reviewed. The major attention was focused on the activity 1, in which the Lithuanian representative was also involved – round table discussion “Social Inclusion of All Persons, and in Particular of the Persons in Vulnerable Situations and the Effectiveness of Rights”, which was held at the CDDECS Committee's meeting in May. Preparation and approval of the discussion document took longer than planned, because opinions of the working group members split: Dutch and Finnish representatives supported the topic of LGBT while Lithuanian and Swiss representatives were more focused on social cohesion.

Assessment of the progress made in the activity 2 – Social Cohesion Strategy and Action Plan – raised lots of questions, what the new strategy should be like to make it acceptable, known and enforceable in the Member States, i.e. to make it a real document. France, in co-operation with Poland, was actively involved in the working group's activities, while Turkey and Russia acted completely independently. It was agreed to send out a questionnaire with a request to assess the existing and future new strategy directions, goals, need for establishing a working group, inviting external experts to the Member States.

With regard to specifics sectors of the CoE, in which exchange of opinions would be useful, it was decided on the youth sector, because of increasing attention recently paid by the CoE on the matters of education, especially, as social inclusion of youth was not thoroughly covered by other working bodies of the CoE.

### 9.2.2.2. ACTIVITIES OF THE GC

In 2014, the Ministry of Social Security and Labour, in co-operation with other institutions, prepared and in early 2015 submitted to the CoE the 12th Report on the Implementation of the European Social Charter according to 4th Group's (Children, families, migrants) Articles 7, 8, 16, 17, 19 (Paragraphs 1, 3, 5, 7, 9-11), 27, 31 (Paragraphs 1 and 2), reporting period – 2010–2013.

In May 2014, the 129th session of the GC took place in Strasbourg. The Committee discussed the ILO experts' conclusions for the countries regarding the implementation of the European Code of Social Security (hereinafter referred to as the Code) and draft resolutions for the Committee of Ministers. The Committee also discussed the negative conclusions of the European Committee of Social Rights (hereinafter – ECSR) regarding the implementation of the European Social Charter (hereinafter – Charter) by the State Parties. In line with other countries, the GC also discussed the negatives conclusions of the ECSR for Lithuania regarding minimum amounts of pensions (state social insurance and assistance) and unemployment benefits and allocation of state social insurance pensions for permanent residents.

The 130th session of the GC was held on 12–17 October 2014, in Turin (Italy). In addition to other countries, the GC also discussed the negative conclusions of the ECSR for Lithuania regarding social assistance amount per person, including for elderly people, and social assistance granting to permanent residents of Lithuania only. Information was provided about positive changes that took place after the amendments to the Law on Cash Social Assistance for Poor Residents of the Republic of Lithuania came into effect in 2012, social assistance reform was introduced. During the
session of the GC, the joint meeting of the GC and ECSR was held for the first time. The meeting was dedicated to analysis of most problems causing variations in interpreting and implementing the Charter regarding Article 12 and the personal scope of Charter.

In October 2014, a high-level conference of the Charter was held to gather politicians of the EU Member States, representatives of the CoE and European Union institutions to discuss possible revival of the Charter-based regulatory system both during and after the crisis. Possibilities to guarantee greater integration of the European Union law and the Charter clauses, to toughen judicial supervision of the Charter implementation and to strengthen the impact of the Charter, as irreplaceable international law source, which defends fundamental human rights together with the European Convention of Human Rights were discussed. This conference is expected to represent an important step in reviving citizens’ support to democracy, the rule of law and fundamental rights, as well as to ensure balanced distribution of duties involving population in the implementation of the Charter rights. Ministers, vice-ministers and state secretaries talked about the role of the Charter in establishing social rights during the crisis and after it and implementation of social rights in Europe. Minister of Social Security and Labour Algimanta Pabedinskienė emphasised the role of the Charter in securing social and economic human rights and shared the Lithuanian experience of implementing the Charter for over a decade by now. Lithuania, same as majority of countries, found it very difficult during the economic recession, but temporary remedies, such as cut of salaries in public sector and revision of certain benefits allowed to ensure social security and social assistance of a relevant level for the most deprived group of population. Reduced benefits have been restored to their former level recently and attempts were being made to compensate losses according to financial possibilities, prioritising the most vulnerable persons.

9.2.3. MEMBERSHIP IN THE UNITED NATIONS ORGANISATION

United Nations Conventions. Lithuania has signed the main human rights conventions of the United Nations (hereinafter – UN). Fulfilling its international commitments, every several years Lithuania must prepare, submit and defend reports under these conventions. The Ministry of Social Security and Labour is directly responsible for the preparation of communications, reports and information under four UN human rights conventions:

- the International Convent on Economic, Social and Cultural Rights;
- Convention on the Elimination of All Forms of Discrimination Against Women;
- Convention on the Rights of the Child;
- Convention on the Rights of Persons with Disabilities;

In 2014, the Ministry of Social Security and Labour successfully defended the regular reports on the implementation of the International Convent on Economic, Social and Cultural Rights, and Convention on the Elimination of All Forms of Discrimination against Women.

On 9 July 2014, in Geneva the fifth regular report of the Republic of Lithuania on the implementation of the Convention on the Elimination of All Forms of Discrimination Against Women in Lithuania was introduced and defended at the 58th session of the UN Committee on the Elimination of Discrimination Against Women.

UN Committees. Committees are formed of independent experts on the basis of international conventions to monitor implementation of the conventions. Lithuania is represented in two such committees dealing with the matters within the competence of the Ministry of Social Security and Labour.

In the UN Committee on Elimination of Discrimination against Women Lithuania has been represented by Prof. Dalia Leinartė since 2012, and she is currently seeking her second term of office at the election in 2016. The Ministry of Social Security and Labour together with the Ministry of Foreign Affairs prepared and launched the action plan of
the publicity campaign of the Lithuanian candidate to the UN Committee on Elimination of Discrimination against Women.

Following successful publicity campaign, Prof. Jonas Ruškus has been elected in June 2014 as an expert to the UN Committee on the Rights of Persons with Disabilities.

**UN events.** Representatives of the Ministry of Social Security and labour participate in the major UN events.

On 9–12 March 2015, Vice-Minister of Social Security and Labour Gintaras Klimavičius attended the 59th session of the UN Commission on the Status of Women, round table discussion and parallel events. The session was dedicated to review of the progress achieved in implementation of the Beijing Declaration and Action plan, 20 years after its adoption in 1995, at the Fourth World Conference on Women. The Vice-Minister delivered a speech at the general debates introducing the progress made by Lithuania in the implementation of the Beijing declaration – the recently-adopted National Programme on Equal Opportunities for Women and Men 2015–2021 was mentioned, the important role played by institutional mechanisms in gender equality was highlighted. The Vice-Minister participated in one of four round table discussions on the Making the Economy Work for Women and Girls.

On 9–11 June 2015, the eighth session of the Conference of States Parties to the Convention on the Rights of Persons with Disabilities was held in New York. Its main theme was integration of the rights of persons with disabilities into the Development Agenda after 2015. Head of Equal Opportunities Division of the Social Inclusion Department of the Ministry of Social Security and Labour Eglė Čaplikienė represented Lithuania and delivered a speech at this event. Until now, the Convention has been signed by 159 countries, ratified by 155, additional protocol has been signed by 92 and ratified by 86 countries. Two round table discussions, other events were held during the conference. Lithuania also contributed to the event organised by the International Alliance of Persons with Disabilities.

### 9.2.4. CO-OPERATION WITH THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

On 9 April 2015, the OECD Council approved the OECD’s recommendation to give the status of a candidate to Lithuania. The official decision on Lithuania’s candidacy to the OECD was made at the OECD Ministerial Council on 3–4 June 2015.

Since 2013, the Ministry of Social Security and Labour was invited to participate in the Committee for Employment, Labour and Social Affairs (hereinafter – the Committee) and its working groups under the invitee’s rights. In the second half of 2015, the Ministry of Social Security and Labour is planning to apply for the participant’s status in the Committee.

Currently, the most pressing issues include handling inequality in incomes and new challenges faced by economy. Lots of attention is focused also on the attempts to assess the impact of inequality in incomes on economic growth. According to the OECD experts, in order to promote economic growth, reduction of inequality in incomes is more relevant for families with children and for young people. Conclusion is made that inequality in incomes makes an adverse impact on economic growth, while the central tool for reducing the inequality in incomes, i.e. redistribution does not slow down the growth.

The Committee pays a lot of attention to employment of persons with mental disability. The set of basic political principal was approved (including: improving key players’ understanding of the problem and support granting; making early intervention to prevent long-term expenses; providing integrated health and employment services).

The Committee also analyses additional areas in which the need for reviewing and updating the OECD working strategy arises. The Member States approve four main goals, on which the review would be based, namely: (1)
increasing number of jobs, (2) improving work quality, (3) adding flexibility to labour market, (4) ensuring fair distribution of results. Member States further emphasise the importance of harmony between social and employment policies, co-ordination of policies in different areas in pursuit of good functioning of labour market.

In July 2014, the OECD Secretary-General approved Lithuania's intention to join the Recommendation on Gender Equality in Education, Employment and Entrepreneurship and Action Plan for Youth.

In 2015, the OECD experts were working on the Policy Note on Youth (hereinafter – Report). It is a part of the implementation of the OECD Action Plan for Youth. The purpose of the Report is to give recommendations regarding improvement of youth integration into the labour market in Lithuania. On 16–19 March 2015, the authors of the Report visited Lithuania. The experts held meetings with representatives of 22 competent institutions to discuss youth employment. Final Report version will be presented in September 2015.

Since January 2014, the Ministry of Social Security and Labour has been taking part in the review on youth entrepreneurship implemented by the European Commission and OECD. The main objective of the project is to promote youth entrepreneurship at national level, to assess the existing programmes and policy directions, to give recommendations to the national governments on the use of money granted by the European Social Fund to support young people starting their own business. On 20–24 October 2014, the experts working in this project visited Lithuania. During the visit, meetings with representatives of 16 institutions were organised to discuss the situation of youth entrepreneurship in Lithuania. On 18 May 2015, the Ministry of Social Security and Labour hosted a seminar to introduce the interim project report. At the seminar attended by representatives of 20 competent institutions, draft report was introduced and report outcomes and recommendations were discussed. The project issued three main recommendations, including: (1) further development of entrepreneurship in education, in particular, in vocational and higher education; (2) further development of entrepreneurship culture; (3) strengthening the area of business development services for young entrepreneurs.

9.3. BILATERAL CO-OPERATION

On 1 October 2014, in Kishinev (Moldova) the Republic of Lithuania and the Republic of Moldova signed a bilateral agreement on social security (hereinafter – Agreement) and Administrative arrangement on application of the latter Agreement.

The purpose of the Agreement is to provide for a pension payment procedure to persons residing in the territory of any of two countries and with periods of pension insurance in both countries and to handle the matters regarding pension granting and payment and payment of social insurance contributions for persons moving from one country to the other to live and (or) work. If the latter bilateral agreement was not signed, matters regarding social security, as well as payment of pensions, would be regulated by the national legislation of the countries. Therefore, when establishing person’s right to receive a pension, person’s period of employment in Moldova would not be considered.

The Agreement can bring favourable outcomes for business conditions and its development. Once the Agreement comes into effect, the matter of applicable law and payment of contributions for persons working in the territory of one of two countries will be regulated, thus avoiding double payment of social insurance contributions in both countries for the same period of service, workers will have better freedom of movement.

The Agreement belongs to the category of international agreements subject to ratification. On 7 May 2015, the Seimas (Parliament) of the Republic of Lithuania ratified the Agreement. The Agreement will come into effect once Moldova completes certain legal procedures established in its national legislation.
On 2–3 December 2014, the Ministry of Social Security and Labour received a visit of the delegation from the Ukrainian Ministry of Labour and Social Policy and Ukrainian Pension Fund headed by Ukrainian Vice-Minister of Social Security and Labour Sergey Ustimenko.

During the meeting, the amendment of the Agreement between the Republic of Lithuania and Ukraine on social security was discussed, particularly regarding the possibility to recalculate previously-granted pensions for persons, by applying a new principle of including soviet period of insurance, according to which each state would calculate and pay pension only for the period of insurance (employment) in its country, while soviet period of insurance, e.g. acquired in Kazakhstan, would be included by the country, in which pension insurance period is longer. Similar principle of soviet pension insurance periods distribution is established in the bilateral agreements with Latvia, Estonia, and Moldova. The Ukrainian representatives approved the Lithuanian proposal and committed themselves in 2015 to give their opinion regarding the agreement amendment suggested by Lithuania.

At the International Labour Organisation Conference held in June 2014, Minister Algimanta Pabedinskienė met with Ukrainian Minister of Labour and Social Policy Lyudmila Denisova and discussed potential co-operation between the Lithuanian and Ukrainian ministries providing social security in their countries. A. Pabedinskienė shared Lithuanian experience in fighting against unemployment and promoting employment for vulnerable groups of people, in particular, elderly and young people, assuring equal opportunities for women. The issues of transposition of the European Union directives into the national law and labour migration were also discussed during the meeting.

On 5–7 May 2014, the Ministry of Social Security and Labour received a Belarus delegation. During the visit, amendments to the Agreement on social security signed between the Republic of Lithuania and Belarus Republic on 4 February 1999 (hereinafter – the Agreement on social security) were discussed.

The main discussed issues were related with recently encountered problems, because changes in the national legislation of the countries make uniform application of the clauses of the Agreement on social security more difficult. It was suggested to apply the Agreement not only to permanent but also to temporary residents of both countries, in order to secure the possibility to receive social insurance benefits while residing in the other contracting state. Opinions were exchanged regarding the amendment to the procedure of including soviet period of service and possibility to recalculate granted pensions. The issues on determining applicable legislation, payment of orphan pensions and other relevant and urgent issues regarding application of the Agreement on social security were also discussed.

In December 2014, proposals from New Zealand on the Draft agreement on working holiday scheme (hereinafter – Draft agreement) to be signed by the Governments of the Republic of Lithuania and New Zealand were received. Negotiations on the Draft agreement have ended and this Agreement is expected to be signed by the countries in the nearest future.

The purpose of this Draft agreement is to promote youth movement to discover different traditions and cultures, to offer an opportunity to the nationals aged from 18 to 30 year old of the contracting countries to visit the other contracting country and stay there for 12 months on holidays, with the right to study or work for the period of maximum six months.

During 2014, 200 Lithuanian nationals participated in the youth exchange programme within the framework of the Agreement on youth exchanges signed by the Governments of the Republic of Lithuania and Canada. Great majority of Lithuanian nationals participate in the programme under the Working Holiday category. In 2014, no Canadian nationals visited Lithuania under the youth exchange programme.