

2016

2017

SOCIAL REPORT



MINISTRY OF SOCIAL SECURITY AND LABOUR

2016-2017

SOCIAL REPORT



Vilnius
2017



A WORD FROM LINAS KUKURAITIS

DEAR ALL,

Equilibrium, or the happy medium – balance – is what we all aspire to until the end of our work and days. Likewise, as we now review the past year, let's take pride in what we managed to accomplish and identify the things that still pain us. Let this annual report be a halfway point – we have already travelled far, but we still have quite a way to go.

What can we be proud of?

The new Labour Code that was intensively debated at the Tripartite Council of the Republic of Lithuania and adopted on 14 September 2016 came into force on 1 July 2017. The provisions of the Labour Code are intended to simplify the procedure for hiring and dismissing employees, and establish more flexible working time and more different forms of work (fixed-term, temporary work, job sharing, working for several employer, apprenticeship contracts) – this will help create more new jobs. The new regulation also offers working parents a more flexible system of labour relations and work schedules that makes it easier to coordinate family, studies and work.

In order to increase social security in the event of unemployment, there is now an opportunity to obtain the employment record required to qualify for unemployment insurance benefit over a longer period of time, so the scope of beneficiaries has increased, as has the unemployment social insurance benefit itself and the duration of payment (from six to nine months). These changes also entered into force on 1 July 2017.

The Law on Employment has created a more effective model for the application of active labour market policy measures that reduces the risk of long-term unemployment. Active labour market policy measures are planned to be applied in a comprehensive manner. Ineffective active labour market policy measures have been abandoned, and new measures have been included which create more opportunities for acquiring practical skills and engaging in lifelong learning processes.

The Framework Law for the Protection of Children's Rights, which is meant to strengthen the protection of children's rights, develop family support services and centralise children's rights services, has been submitted to the Seimas of the Republic of Lithuania. Results were also achieved by discussing this law and inviting municipalities to become involved in the discussions: ten municipalities already have departments for the protection of children's rights that operate around the clock. The new Framework Law for the Protection of Children's Rights provides protection of children's rights of a completely different quality.

What still pains us?

The biggest challenges for the 2016–2020 social policy are poverty and social exclusion, rising income inequality, and population ageing due to emigration and low birth rates.

Here are a few facts:

Poverty: 22.2 per cent of the people in Lithuania were living below the poverty threshold (EUR 259).

Income inequality: in 2015, the income of the wealthiest 20 per cent of the population was 7.5 times as much as that of the poorest 20 per cent.

Emigration: according to data of Statistics Lithuania, approximately 50,330 people emigrated from Lithuania in 2016. Emigration is driven by the poor employment environment in Lithuania, unsatisfactory living conditions, low salaries, for scientists – low job prestige, and insufficient representation of employee interests.

What's next?

Insights, forecasts – these are all a look into the future. This is definitely a very important part of the job for politicians, leaders and a wealth of professionals. Knowing the purpose – in other words, the mission – of your life's journey, whether personal or professional, is just as important as breathing.

Our main focuses are specifically: reducing poverty and income inequality, strengthening protection of the family and children, and promoting social responsibility among citizens. To achieve this, we plan to do the following: increase salaries, increase pensions and benefits, and engage and recruit people who are receiving social assistance. We also plan to allocate child benefits for each family, reform the system for the protection of children's rights, and provide more services for families and communities. In addition, we intend to increase bargaining power (a goal which is being facilitated by the new Labour Code that is already in force), strengthen local communities, and strengthen and empower non-governmental organisations and self-government.

I am therefore very confident that when you take an in-depth look at the visions of the Ministry of Social Security and Labour for 2016 and the first half of 2017, you will not only find facts, statistics, analyses, tables and graphs that are of use to you and your work, but that you will also feel how much expert experience, consensus, overcome challenges, concord and care went into it. May all of this give you new ideas and make it possible for you to help your neighbour even more.

Because the social situation changes when all of us change it.

Looking forward to another meaningful year!

Linas Kukuraitis

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2 | Priority axes of the ministry

The mission of the Social Security and Labour (hereinafter – the SADM) is to ensure quality employment opportunities, social security of the society, social cohesion and family welfare.

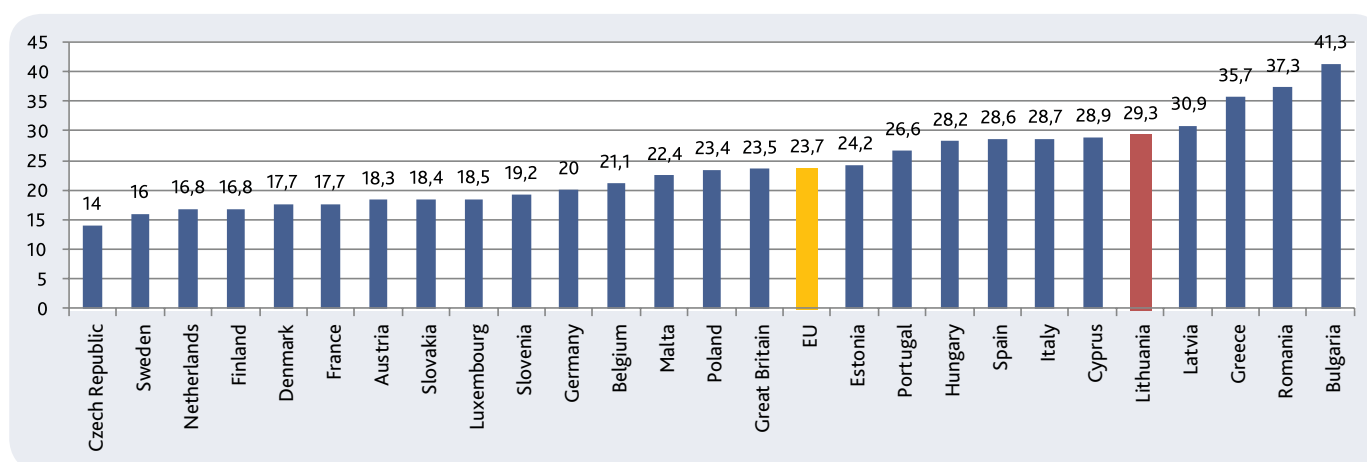
The success of the mission implementation is determined by timely identification of challenges and problems and selection of the right strategic axes and actions.

The major challenges for social policy in 2016–2020 include poverty and social exclusion, increasing income inequality, ageing population caused by emigration, low birth rate, longer life expectancy.

2.1. MAJOR CHALLENGES OF THE SOCIAL POLICY

Poverty and social exclusion. Despite improving economic and employment rates in the country according to the statistics of 2015–2016, the Lithuanian labour market was prevailed by the trends of the growing employment and decreasing unemployment in all age groups of the population in 2016, however poverty in the country was not decreasing. The number of people at-risk-of-poverty or social exclusion accounted for 29.3 per cent in 2015 (27.3 per cent in 2014). It is one of the highest rates among all EU Member States.

The percentage of persons at-risk-of-poverty or social exclusion in 2015



Data of Eurostat

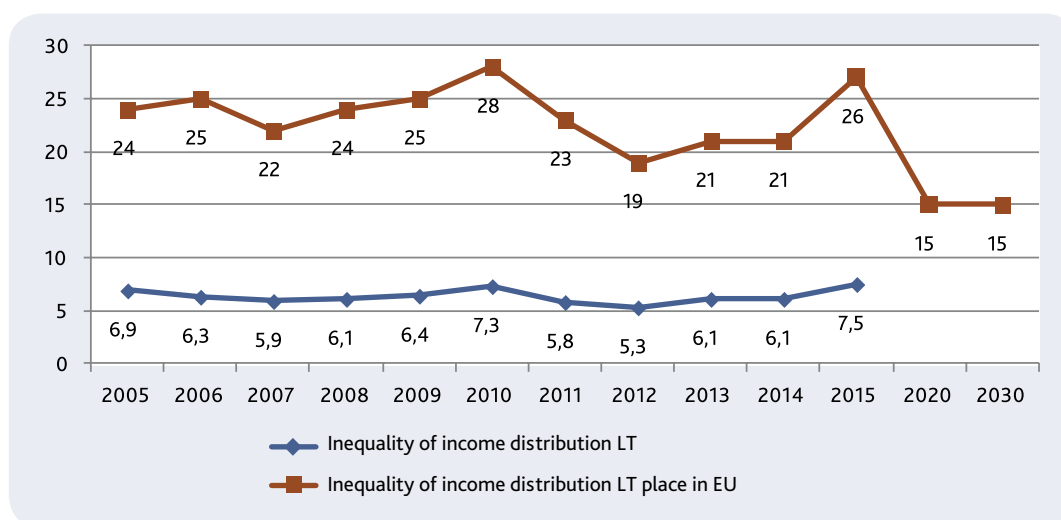
Figure 2.1.-1

The percentage of population suffering from poverty or social exclusion is determined by three components: monetary poverty, material deprivation and low work intensity. People suffering from all three above-mentioned difficulties account for around 7.8 per cent (63 thousand people). The major problem in Lithuania is monetary poverty. People living below risk-of-poverty threshold (EUR 259) accounted for 22.2 per cent in Lithuania. In 2015, mainly single parents with one or more children (47.6 per cent), single persons (39.5 per cent), unemployed (62.3 per cent), children (28.9 per cent) and old pensioners (25 per cent) were living below the above-mentioned threshold in 2015, i.e. society groups who received monetary social support. The rate of poverty in all these groups significantly increased, if compared with the rate in 2014. Such situation was caused by uncoupling of social security benefits (pensions, unemployment benefits, minimum income, monetary support benefits) with growing economic rates. In 2014, both monthly minimum net salary (around EUR 252) and average old-age pension (around EUR 241) were below the risk-of-poverty threshold amounting to EUR 259, while state supported income (hereinafter – the SSI), which is used to calculate the benefits of monetary social support for the deprived and determining their entitlement to the latter support, was EUR 102 and has not undergone any significant changes since 1 August 2008.

Insufficient amounts of social benefits determined decreasing impact of social benefits on the decrease of risk-of-poverty, if compared with the previous years. Social benefits mainly affected the risk-of-poverty rate of households with children: after removing social benefits, the risk-of-poverty rate in such households would increase from 23.3 per cent up to 30.8 per cent, among children under 18 year old – from 28.9 per cent up to 37 per cent in 2015.

Income inequality. Income inequality is closely related with monetary poverty, which is in particular high in Lithuania: In 2015, incomes of 20 per cent of the richest persons in the country were 7.5 times higher than of 20 per cent of the poorest persons. It is one of the highest rates in the EU.

Income distribution coefficient



Data of Eurostat

Figure 2.1.-2

Disparities of income inequality among rural and urban regions are also significant. Average income of rural households accounts for only 67.9 per cent of the income of urban households. Income inequality causes social tension and leads to social crises, increases emigration. Social policy, educational and health care measures are not sufficient to reduce it. To achieve the goal set in the strategic documents, i.e. to hold the 15th position in

the EU by income inequality, greater involvement of business and national economy is needed. Responsible business needs to be promoted, civil power, responsibility of social partners and social dialogue need to be strengthened.

With the economy and labour income growing, income inequality tends to increase, since relatively small share of income, if compared with the GDP (according to 2013 statistics, 15.3 per cent in Lithuania, while the EU average was around 29 per cent), is involved in the process of income distribution.

Ageing population. The scale of emigration in Lithuania remains huge. According to the Statistics Lithuania, about 36 600 people emigrated from Lithuania in 2014, 44 500 in 2015, 50 330 in 2016. In 2015, every third emigrated man was 19–26 year old, while every fifth emigrant was 27–34 year old.

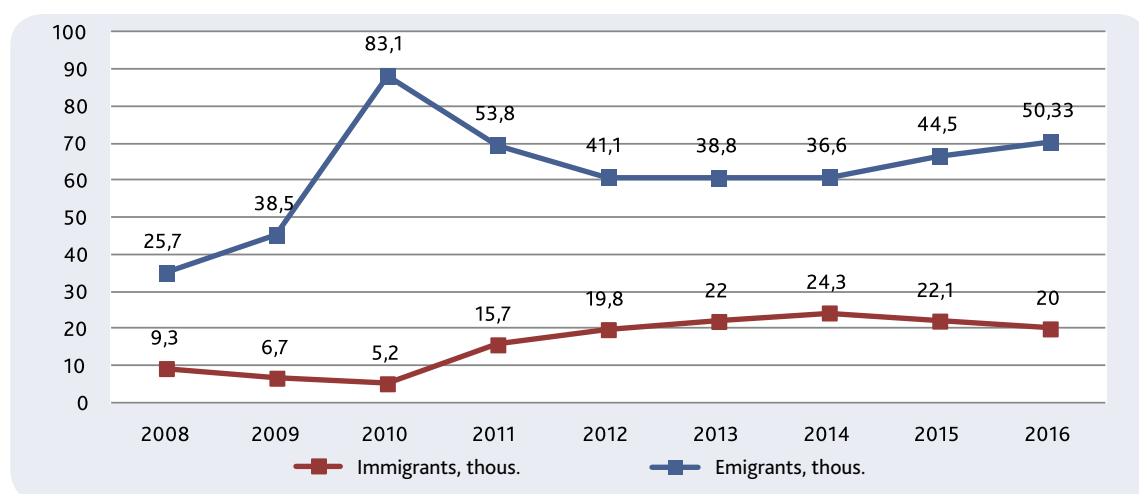
In 2015, 22 000 people immigrated into Lithuania, compared to 20 000 in 2016.

According to the surveys conducted in 2005–2014 by the Civil Society Institute, Public Policy and Management Institute, and Mykolas Romeris University, the following major causes of emigration can be identified:

- Lack of jobs (unemployment, in particular long-term)
- Low labour income
- Studies, professional ambitions, self-expression
- Insufficient situation security
- Economic situation of the country.

Poor labour environment in Lithuania, unsatisfactory living conditions, low labour income, regarding researchers – poor prestige of their occupation, inadequate representation of employees' interests encourage emigration. One of additional incentives of emigration is difficulties in acquiring housing, creating material bases for family life. Highly-qualified workers are forced to emigrate by highly relevant corruption, in transparency in organising job competitions, as well as poor future perspectives. Important attraction factor for emigration is self-realisation, which is limited in Lithuania. It complies with the global system theory – highly-qualified workers are attracted by the 'centres', where innovations are developed, capacities and competences are highly valued.

Trends of emigration



Data of Eurostat

Figure 2.1.-3

However, emigration is only one aspect of depopulation. The other important fact is low birth rate.

Recent years witnessed a slight increase in the birth rate in the country, and the situation in Lithuania in this field is similar to the one in other EU Member States. Despite the situation tending to be improving, the total fertility rate demonstrating the likely number of children per one woman went up from 1.55 (in 2011) to 1.7 (in 2015), while the general fertility rate (the number of newborns per 1 000 inhabitants) went up from 10.2 (in 2012) to 10.9 (in 2016), but the birth rate is not sufficient to ensure natural population replacement. Only 44.1 per cent of all families in Lithuania have children, while 58.2 per cent of them have only one child, only 8.1 per cent families have three and more children (according to population census). The present situation is determined by insufficient measures for reconciliation of work and family life, inadequate direct and indirect support to families with children and the lack of the system that would help to organise child care.

All these challenges are identified in the goals and objectives established in the main strategic documents: Lithuania's Progress Strategy 'Lithuania 2030', national progress programme 2014–2020, National Reform Programme, as well as the Plan on the Implementation of the Government's Programme of the Republic of Lithuania approved by the Resolution No. 167 of the Government of the Republic of Lithuania of 13 March 2017 'On the approval of the plan on the implementation of the Government's programme of the Republic of Lithuania'.

2.2. PRIORITIES AND KEY ACTIVITIES OF THE MINISTRY OF SOCIAL SECURITY AND LABOUR IN THE IMPLEMENTATION OF THE GOVERNMENT'S PROGRAMME OF THE REPUBLIC OF LITHUANIA

The Plan on the Implementation of the Government's Programme of the Republic of Lithuania (hereinafter – the Plan) has five horizontal priorities established:

- I. Cohesive, responsible and healthy society;
- II. Improvement of the quality and effectiveness of educational, cultural and research services;
- III. Increase of effectiveness and transparency of public sector;
- IV. Sustainable and competitive economic growth;
- V. Secure state.

Priority axes, activities, actions, effect and result rates to measure and evaluate the progress are stipulated for the implementation of the above-mentioned priorities, implementation terms and responsible institutions are defined.

The SADM, as the leading institution, is responsible for the first two axes of the first priority and their activities:

1. AXIS. Reduction of poverty, social exclusion and income inequality, employment promotion:

- 1.1. Development of active and employment promoting support forms
- 1.2. Application of regulatory and other measures to reduce income inequality
- 1.3. Development of flexible and safe labour relations and increase of personal incomes
- 1.4. Assurance of equal opportunities to access social, health, education, culture and legal services
- 1.5. Work. Social business development

2. AXIS. Creating family friendly environment, strengthening communities and reducing violence in all fields of life:

- 2.1. Developing financial incentives and services for young families or families with children
- 2.2. Developing services provided in families and community for children, disabled, their families
- 2.3. Strengthening community spirit by including non-governmental organisations and communities into decision-making processes
- 2.4. Restructuring the system of child right protection
- 2.5. Developing effective measures to prevent bullying
- 2.6. Consolidated procedures for responding to the cases of violence in close environment
- 2.7. Developing violence prevention and combined support to the victims of and perpetrators of violence.

Activity 4.3.3 of Axis 4.3 of the Plan strongly contributes to reduction of poverty and social exclusion – Restructuring of the social insurance system and improvement of entitlement of state pensions.

SADM working together with other institutions contributes to the implementation of many activities of the Plan.

During the implementation of the Plan, first of all the available and implemented measures were reviewed, necessary changes and novelties were planned and implemented.

To increase social inclusion and social security, to reduce poverty and income inequality in Lithuania, every individual must be entitled to adequate income and necessary assistance.

Increasing income

Pensioners are among socially vulnerable groups. Therefore, when implementing the priority activities of the Government, i.e. ensuring consistence increase of pensions in line with the economic rates of the country, the budget of the State Social Insurance Fund of 2018 is drafted by considering the rates of salary growth and indexing pensions according to them from 1 January 2018. The growth of 7 per cent of the social insurance pension is forecasted, this will required about EUR 174 million. In the future, once the budget reserve of the social insurance fund is accumulated (legislation on its accumulation was adopted in 2016), decision regarding greater increase of pensions will be considered, since the rate of pensions in Lithuania is not high. The ratio between the average old age pension and country's average wage is around net 40 per cent. However, to improve the situation for elderly and disabled persons, the Government also aims to maintain the sustainability of the pension system, since unsustainable pension system is not trusted.

Proposals on overhaul of the state pension system are planned to be submitted to the Government in the second quarter of 2018. The purpose of the overhaul is to establish the regulation of the state pension system in compliance with the constitutional principles of social sustainability, justice, prudence, proportionality.

Integral tool of poverty reduction is quality employment. Efforts are aimed at ensuring sustainable integration of free labour resources into the labour market, so that more people would be employed and receive fair salary that guarantees dignified life, employment services would be accessible. Special attention is focused on increase of opportunities for elderly people and youth to participate in the labour market and have access to quality services, enhancement of social dialogue and social partnership, negotiating powers of workers.

The Law on Employment was amended and supplemented in 2017, the provisions of which will help people to acquire desired qualifications easier, to improve their employment possibilities, will encourage them to participate in lifelong learning. In order knowledge, skills and capacities of people to become officially recognised, a new measure was proposed: to recognise competences acquired through non-formal education or self-education. Besides, the assistance offered by the labour exchange is strengthened by providing labour market services to persons who were deprived from the unemployed status due to offences, possibilities of mobility support measure are extended.

To ensure stronger social protection in case of unemployment, the Law on Unemployment Social Insurance was amended by stipulating a possibility to get record required for entitlement to unemployment insurance benefit in a longer period of time. The required unemployment insurance record of 12 months in order to be entitled to unemployment insurance can be acquired within 30 rather than within 24 months.

To compensate losses of the unemployed after shortening the duration of employment termination payments and to ensure stronger their protection in case of unemployment, it was established that unemployment insurance benefits for persons with the required unemployment insurance record will be paid for 9 rather than 6 months, without differentiating the duration of this benefit payment by unemployment insurance record acquired before the day of registration in a territorial labour exchange.

Implementing subparagraph 1.1.2 of the Plan, social benefits are planned to be linked with the minimum consumer basket. To implement this provision, the calculation methodology (hereinafter – the methodology) of the amount of Personal (family) minimum consumption needs (hereinafter – MVPD) was approved by the Order No. A1-236 of the Minister of Social Security and Labour of 10 May 2017 'On the approval of the calculation methodology of the amount of Personal (family) minimum consumptions needs'. The methodology is published on the website of the Ministry: <http://www.socmin.lt/lt/teisine-informacija/teises-aktai/ministro-isakymai/skurdas-socialine-atskirtis.html>. The methodology was developed by Dr. Jekaterina Navickaitė.

Starting from 2018, this methodology will be applied to calculate and determine the amount needed to satisfy minimum personal food and non-food (commodities, services) needs. Determined MVPD will be published on the website of the Ministry of Social Security and Labour www.socmin.lt. In 2017, MPD is EUR 238.35.

Calculated MVPD can be used for several purposes, i.e. for evaluating the support system, planning reforms; establishing basic components of the insurance system benefits, establishing tax privileges and benefits; monitoring poverty, determining the absolute poverty rate, etc.

At present, the SADM is drafting amendments to the legislation to link the amounts applied to calculate monetary social support with the established MVPD from 2018.

Linking of monetary social support with MVPD for deprived people would affect changes in adequacy and coverage of monetary social support because, e.g. with the prices of food and commodities rising, the amounts of the latter support would grow accordingly.

Necessary assistance for everyone

Since families with children are more often to suffer from poverty, we are planning to create more favourable financial conditions for families with children. Possibilities to establish the same benefits for a child (child benefit) for all children without testing property or incomes of families, financial support to adopted children is planned.

Great attention is focused on assurance of quality and timely services. From 2017, financing to social work with social risk families was increased, thus reducing the number of social risk families per one social worker from 17 down to 10.

Social work with parents of fostered (cared) child is developed to create conditions for a child to return to his/her family, by increasing the number of social workers working with families in the elderships.

Services of integral assistance (social care and nursing) at home are extended to all municipalities: after the assistance model implemented in 21 pilot municipalities proved to be a success, in 2016 the implementation of these projects was launched in all 59 municipalities (except Kretinga).

System of social rehabilitation services for families with children is planned to be developed.

Provision of combined services to parents with children in crisis situations is expanded by developing social and positive parenting skills of parents and prioritising prevention of early family crises.

Procedure to improve living environment for families with children with severe disabilities is under development. Internal adaptation of housing (e.g. adaptation of sanitary facilities, widening of doors, etc.), adaptation and improvement of outdoor and living environment, acquisition of equipment are planned to be financed.

In pursuit of child and family welfare, draft law amending the Law on Fundamentals of Protection of the Rights of the Child of the Republic of Lithuania No. I-1234 and drafts of other related laws were registered on 9 February 2017 in the Seimas of the Republic of Lithuania, which the Seimas started considering on 14 February 2017. The draft is aimed at establishing measures ensuring protection of the right of the child, the procedure of their application and management, and changing the implementation model of protection of the right of the child, by centralising the activities of the institutions of protection of the right of the child and providing urgent, intense, qualified and long-term assistance and services to the child and family. The draft project proposes legislation of uniform model of individualised assistance to the child and family by financing mobile professional teams, uniting specialists working in the municipalities, in order to achieve more effective results of work with the family through intense and qualified assistance. Furthermore, legislation of case management of social work with the child and parents is proposed, so that a case manager would ensure development and implementation of Assistance plan without separating the child from his/her representatives according to the law, security of the child and restoration of family relations would be properly managed. The purpose of Assistance plan is to provide family with required assistance and necessary combined services, through timely care of the child and family to prevent maturing crisis in the family and avoid separation of the child from his/her representatives according to the law. If the measures stipulated in the Assistance plan and provided services fail to change parents' attitude to their child, behaviour with the child thus endangering child's safety, the latter Law will obligate the Division of Protection of the Rights of the Child to apply to the court for permission to separate the child from his/her representatives according to the law. This provision complies with the international legislation, United Nations Convention on the Rights of the Child.

2.3. APPROPRIATIONS FOR THE IMPLEMENTATION OF THE PROGRAMMES OF THE SOCIAL SECURITY AND LABOUR

In 2016, EUR 1 017 945, 400 was used for the implementation of the programmes and measures of the Ministry of Social Security and Labour.

Distribution of the appropriations for the implementation of the programmes of the SADM in 2016 by programmes, %

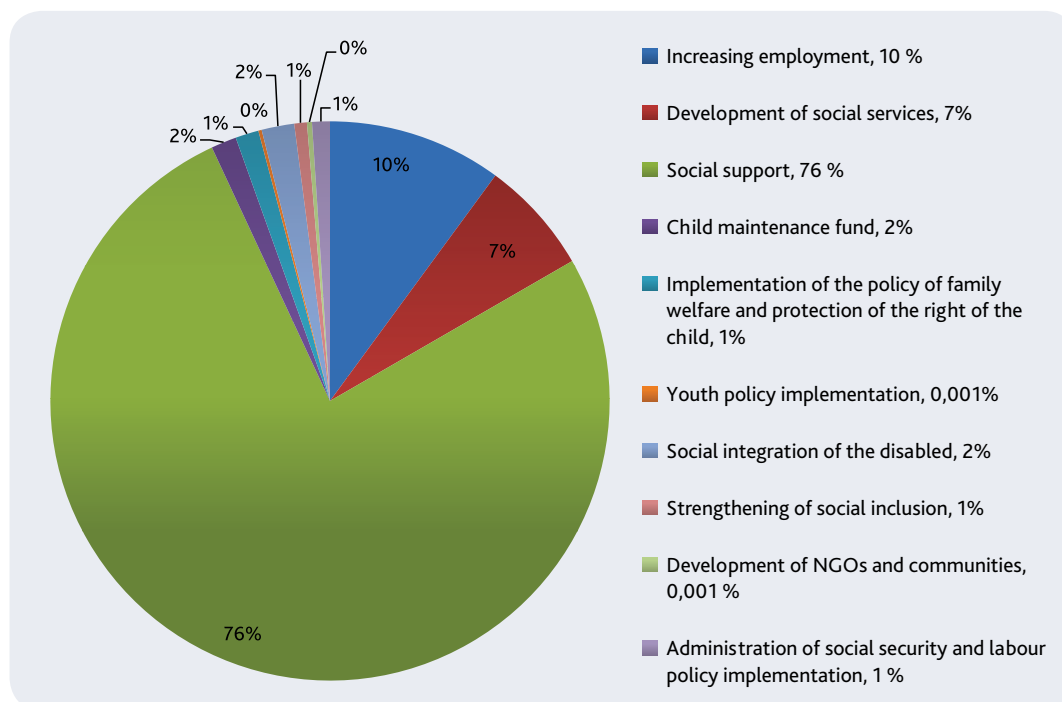


Figure 2.3-1

Appropriations for the implementation of the programmes of the SADM, thousand EUR

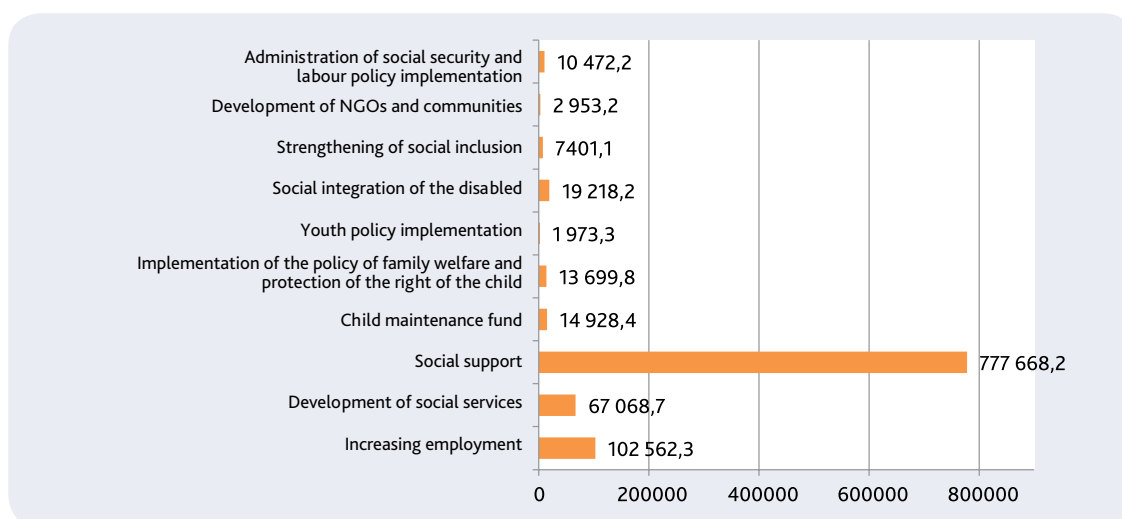


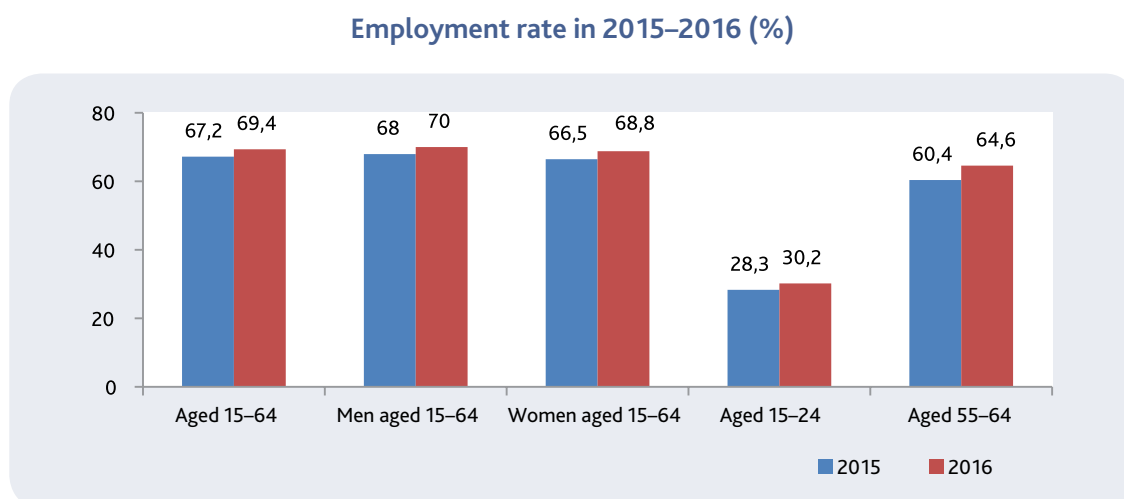
Figure 2.3-2

3 | Labour market, labour relations, safety and health at work

3.1. LABOUR MARKET

3.1.1. EMPLOYMENT AND UNEMPLOYMENT

In 2016, if compared with 2015, employment rate and the number of employed people were rising in the country. In 2016, 1 million 361 thousand people were in employment in the country. In the course of the year, the number of employed people increased by 26 400, or 2 per cent. According to the statistical survey on employment conducted by the Statistics Lithuania, as it is shown in Figure 3.1.1-1, the employment rate in 15–64 age groups was 69.4 per cent in 2016 and increased by 2.2 per cent during the year. The employment rate of 15–64 year old men was 70 per cent, women – 68.8 per cent, respectively 2 and 2.3 per cent higher than a year ago. Youth (15–24 years of age) employment rate was 30.2 per cent in 2016, it increased by 1.9 per cent during the year. Employment level of 55–64 year old population increased by 4.2 per cent during 2016 and accounted for 64.6 per cent.



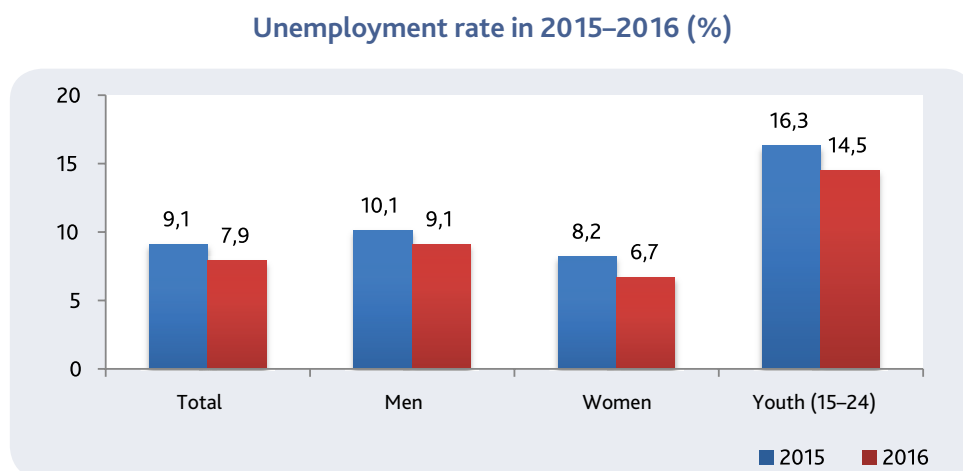
Data of the Statistics Lithuania

Figure 3.1.1-1

The average number of employees in the country was about 1 million 251 thousand. More than two thirds (69.4 per cent) of them were employed in private sector, less than one third (30.6 per cent) in public sector.

According to the statistical survey on employment conducted by the Statistics Lithuania, as illustrated in Figure 3.1.1-2, in 2016 the unemployment rate in the country was 7.9 per cent, or 1.2 per cent lower than in 2015.

In 2016, the unemployment rate of men was 9.1 per cent, of women – 6.7 per cent. In the course of the year, the male unemployment rate dropped down by 1 per cent, female by 1.5 per cent. Youth (aged 15–24) unemployment rate was 14.5 per cent in 2016 and was 1.8 per cent lower than in 2015. The long-term unemployment rate was 3 per cent in 2016 and it was 0.9 per cent lower than in 2015.



Data of the Statistics Lithuania

Figure 3.1.1-2

Despite the high activity rate, labour supply was further declining, which was caused by emigration.

3.1.2. EMIGRATION AND IMMIGRATION

In early 2017, the resident population in Lithuania was 2 million 849 thousand, 39.2 thousand or 1.4 per cent smaller than in early 2016. Same as in previous years, the main reason of decreasing resident population is emigration. Negative net international migration rate (29.6 thousand more people emigrated than immigrated) was 75.5 per cent of the total decrease in the resident population. Negative natural change resulted in the decrease of the resident population by 24.5 per cent.

In 2016, 51 thousand residents emigrated, i.e. 6 400 thousand (14.5 per cent) more than in 2015. 25 800 men and 25 200 women emigrated from the country. If compared with the statistics of 2015, the number of emigrated men increased by 6.2 per cent, women – by 1.2 per cent. Every third emigrated man or woman was 20–29 years of age.

In 2016, 21 400 people immigrated into Lithuania, i.e. 772 (3.5 per cent) less than in 2015. The number of returning nationals of the Republic of Lithuania was 16 500 (77.2 per cent of the immigrants in total) in 2015, i.e. 10.4 per cent less than in 2015. The number of foreign immigrants into the country was 4 900 in 2016, i.e. 1 100 (30.2 per cent) more than in 2015. Every third immigrant man or woman was 20–29 years of age, every fourth – 30–39 years of age.

3.1.3. LABOUR SUPPLY AND DEMAND

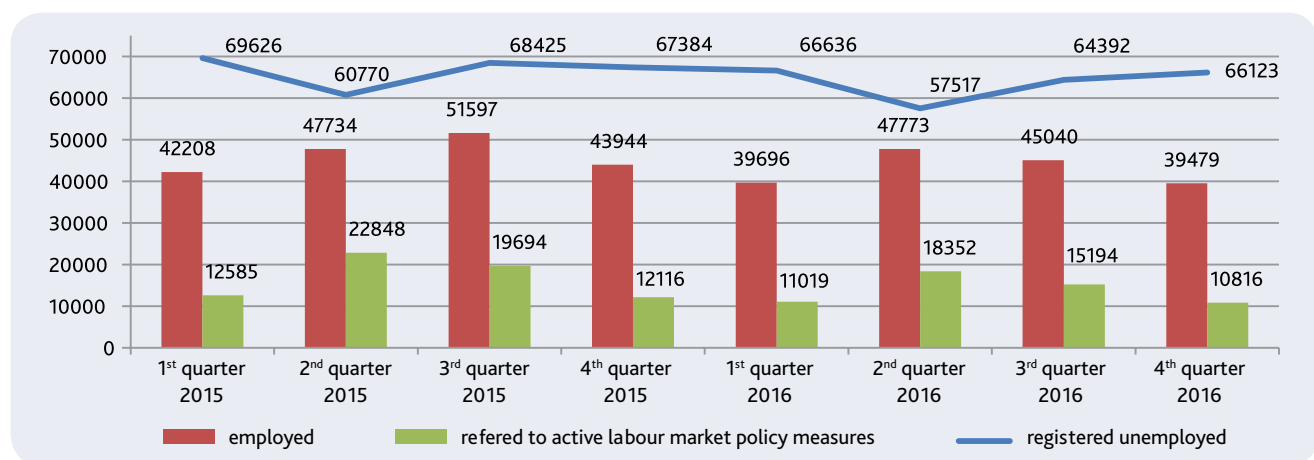
According to the Lithuanian Labour Exchange, the number of registered unemployed people was declining in 2016. In 2016, the territorial labour exchanges of the country received applications from 254 700 unemployed people, i.e. 11 500 less than in 2015. Among people who lost employment, men accounted for 63.0 per cent, 26.8 per cent of over 50 years of age, 28.2 per cent of under 29 years of age. Almost every fifth unemployed applying to

the labour exchange had no working experience, 36.9 per cent – without vocational training, 17.3 per cent – with lost working skills due to the unemployment of over 2 years. In the course of the year, the number of unemployed registered in the labour exchange dropped down from 162 600 on 1 January 2016 to thousand up 152 200 on 1 January 2017, i.e. 10 600. The unemployment rates of women and youth experienced the biggest drop: from 8.5 per cent down to 7.9 per cent of women, and from 5.3 per cent down to 4.7 per cent of youth. The unemployment rate was declining in majority of the municipalities of the country. During 2016, the registered unemployment rates decreased in 48 municipalities, increased in nine municipalities, stayed the same in three municipalities. The biggest decrease was recorded in Skuodas – 4.8 per cent, the biggest growth in Trakai Municipality – 1.0 per cent. The smallest unemployment rate among working population on 1 January 2017 was recorded in Elektrėnai and Kretinga. The highest unemployment rate was in Lazdijai, Ignalina and Akmenė District Municipalities. However the long-term unemployment rate continued rising in north eastern and south eastern municipalities of Lithuania. It shows the situation in border municipalities to remain poor, while narrow labour market impedes further economic and social development in these municipalities.

During 2016, employers registered 237 300 vacancies, i.e. 0.8 per cent more than in 2015. Every year, 19 800 job offers were registered on average per month. According to the Lithuanian Labour Exchange, the job structure was prevailed by job offers for qualified workers. Over one half (58.5 per cent) of job offers in total were for qualified workers, 19.1 per cent for specialists and managers, and 22.4 per cent for unqualified workers. If compared with 2015, the demand for qualified workers was rising and for unqualified – dropping. The highest growth of demand was recorded for health care assistants, construction managers, electricians, insulation workers, younger social workers. The highest number of all vacancies available for jobseekers in the labour exchange was recorded in the service sector (65 per cent), industry (19.9 per cent). The lowest number was recorded in agriculture (3.9 per cent), construction (11 per cent).

With the assistance of the territorial labour exchange, 312 800 jobseekers received employment in 2016: 172 000 jobseekers were employed, 85 400 thousand people started working under business certificates. Active labour market measures received 55 400 participants, every third of them was in training and acquired professions or competences of high demand on the labour market (see Figure 3.1.3-3). Employment possibilities for jobseekers varied by regions. Jobseekers from the cities and surrounding districts found employment in the shortest time, while finding employment in the north eastern and south eastern municipalities took longest.

Integration of jobseekers into the labour market in 2015–2016

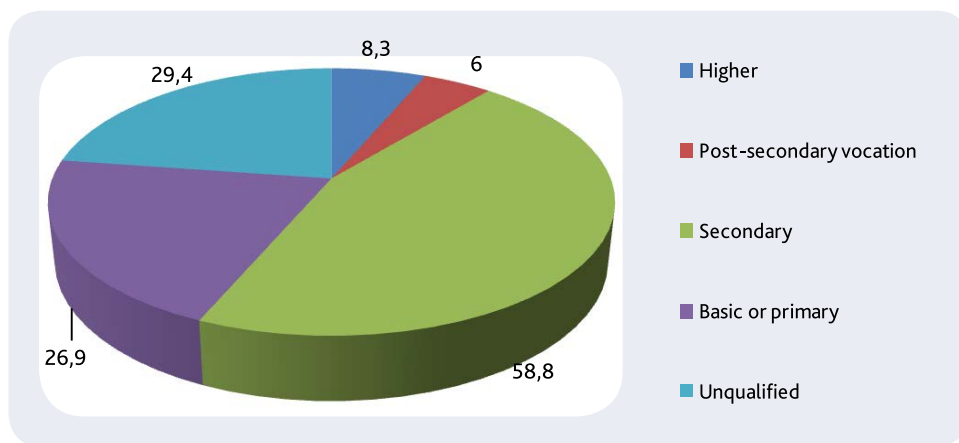


Data of Lithuanian Labour Exchange

Figure 3.1.3-3

In 2016, new vocational qualification was acquired or existing vocational qualification was improved in vocational training programmes by 17 915 persons, 98.6 per cent of whom were unemployed, including 43.8 per cent women, 23.2 per cent youth under 25 years of age, 41.6 per cent working persons under 29 years of age, 23.7 per cent persons over 50 years of age, 18.9 per cent persons over 55 years of age, 21 per cent long-term unemployed, 3 per cent disabled persons. The number of employed (with redundancy notice) persons referred to vocational training was 179. The number of persons training under Bilateral training agreement was 13 945 (81 per cent), under Tripartite training agreement – 3250.

Persons in vocational training programmes by educational background in 2016 (%)



Data of Lithuanian Labour Exchange

Figure 3.1.3-4

As Figure 3.1.3-4 shows, the biggest number of persons with secondary education were referred to vocational training – 58.8 per cent, persons without qualification – 29.4 per cent, persons with basic or primary education – 26.9 per cent, persons with higher education – 8.3 per cent, persons with post-secondary education – 6.0 per cent. In formal training programmes, unemployed persons acquired the following qualifications: drivers of motor vehicles for carrying cargo or passengers, assistant nurses, manicurists, loader drivers, metal welders and cutters, broad-profile hairdressers, accountants, shop assistants, building finishers, wood cutters, makeup artists. In non-formal training programmes, unemployed persons acquired the following qualifications and/or competences: drivers of different categories (C; CE; B), manicurists and/or pedicurists, hairdressers, cooks, florists, tile layers. In the period of six months, 90.5 per cent persons who completed vocational training joined the labour market (92.8 per cent of persons under 29 years of age). Repeated registration rate is 22.4 per cent of persons (20.2 per cent under 29 years of age).

Despite rapid decrease in youth's unemployment in Lithuania (according to Eurostat, unemployment of youth under 25 years of age dropped down from 35.7 per cent in 2010 by more than two times, down to 14.5 percent in 2016), the rate of 2007, which was 8.4 per cent, has not been reached yet. Youth still face challenges on the labour market and are incapable of competing with experienced specialists on the same conditions. Therefore, it is highly important to continue implementing the Youth Guarantee



Participants of 'Discover Yourself' project 2016.

Initiative and to ensure smooth youth's transition from the educational system into labour market. In the European Union, Youth guarantees are also admitted at the top level as the main long-term structural reform contributing to achievement of this goal.

The Youth Guarantee Initiative 2016 continues the implementation of the 'Discover Yourself' and 'New Start' projects financed under the Youth Employment Initiative and European Social Fund in Lithuania. The projects target youth not in employment, education or training under 29 years of age (hereinafter – NEET), in order to include youth that are not registered with the labour market. These projects are the major social youth projects implemented so far in Lithuania, which are also aimed at changes in youth's behaviour and values. The projects contribute also to systematic changes: new services that did not exist before are provided, mobile and street work with youth is developed, organisations working with youth, open youth centres and spaces are strengthened and empowered, municipalities, elders, coordinators of youth affairs, social workers, etc. are included into the activities.

Interinstitutional cooperation is carried out, one of good examples of which is agreement reached with the Ministry of Education and Science, under which participants of the Youth Voluntary Service activities, upon volunteering for at least 3 months, will be given extra 0.25 point when entering higher education schools from 2018.

Attained results: at least 35 thousand NEET young people will be included into the project activities, who upon completion of the projects will be able to integrate into the labour market, to return to the educational system or start self-employment. Over 12 thousand young people are currently participating or finished participating in the projects. The projects will be implemented until the end of 2018.

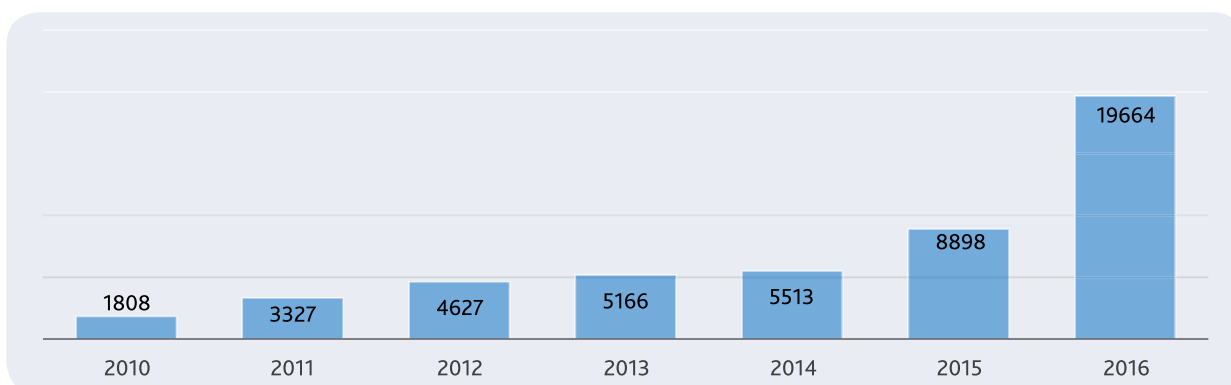


Youth in training programmes of 'Discover Yourself' 2016.

3.1.4. FOREIGNERS' EMPLOYMENT

With the Lithuanian economy growing and facing shortage of labour force, the number of foreigners working in the Republic of Lithuania is rising. As Figure 3.1.4–5 shows, the number of work permits issued in recent years is the evidence for that.

The number of work permits issued for foreigners to work in the Republic of Lithuania in 2010–2016



Data of Lithuanian Labour Exchange

Figure 3.1.4-5

Foreigners' employment in Lithuania depends on the situation in the Lithuanian labour market. To employ foreigners from third countries in the Republic of Lithuania, employers must first of all apply to a territorial labour exchange office and have vacancies registered, i.e. provide information about a vacancy, type of job and requirements for candidates. Vacancy is published for 14 calendar days. During publication of a vacancy, a territorial labour exchange office is searching for a suitable candidate from Lithuania or European Union for the vacancy. If no suitable candidate is found, documents for a working permit or temporary residence permit are submitted to a territorial labour exchange office, which has to decide regarding compliance of foreigner's job with the needs of the Lithuanian labour market.

Foreigners' labour relations are regulated by the Labour Code of the Republic of Lithuania, Law on the Legal Status of Aliens of the Republic of Lithuania (hereinafter – the Law)¹ and EU legislation. Labour agreements signed with foreigners must be registered by employers in territorial labour exchange office. A foreigner *intending to work* in the Republic of Lithuania is required to acquire one of the following permits in accordance with the Law:

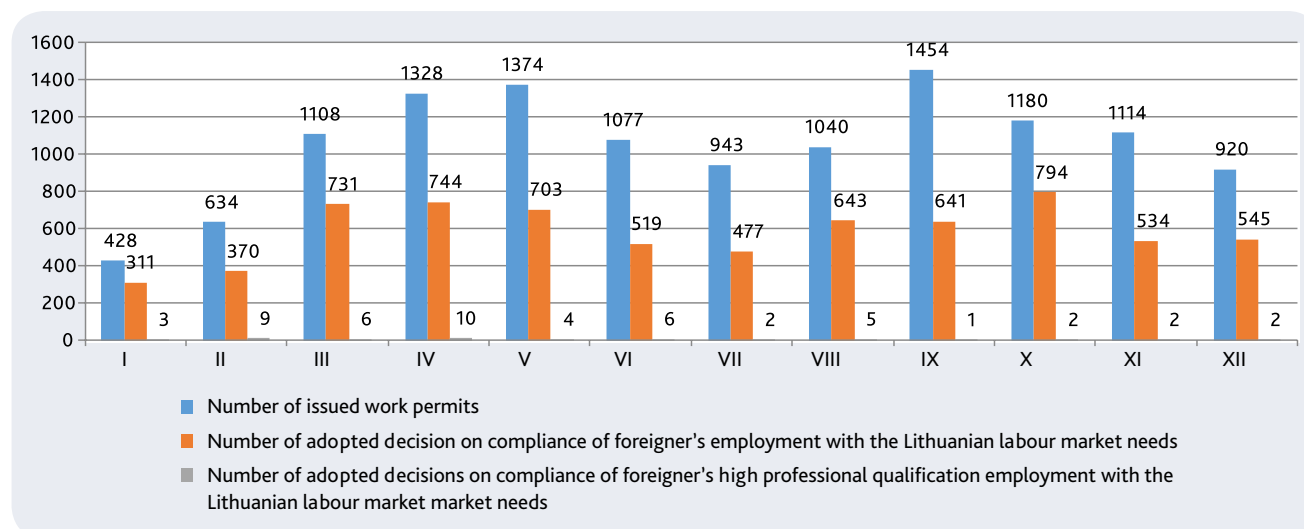
- 1) work permit which entitles to work. A work permit and national visa are issued to foreigners before their arrival, who intend to work under an employment agreement, to seasonal workers, trainees and apprentices. Work permit is issued for maximum one year. Upon expiry of the validity term of the work permit, the foreigner must leave the Republic of Lithuania. If an employment agreement with a foreigner is cancelled, the work permit is cancelled;
- 2) temporary residence permit (according to transposed Directive 2011/98/ES²), which entitles residence and work, is issued by the Migration Department under the Ministry of the Interior (hereinafter – the Migration Department). It applies to foreigners intending to work under an employment agreement – specialists with at least one year working experience under their held professional qualification in the last two years. Temporary residence permit is issued for the period of employment in Lithuania, but for no longer than two years, in accordance with Article 44 of the Law. If an employment agreement with a foreigner is prolonged, a temporary residence permit is replaced. Upon expiry of the permit or termination of employment, a foreigner must leave the country;
- 3) temporary residence permit for foreigners for the purposes of highly qualified employment (hereinafter – the EU blue card) (according to the transposed Directive 2009/50/EB³), is issued by the Migration Department. EU blue card entitles foreigners to reside with their families for the purposes of highly qualified employment. It is applied to foreigners intending to work under employment agreements: specialists with higher education, with the salary of at least 1.5 of the last average gross monthly salary in the country's economy published by the Statistics Lithuania. EU blue card is issued for three years, if an employment agreement is signed for a shorter term – for the validity term of the employment agreement and three extra months. During the first two years of legal work, a foreigner must inform the Migration Department about the change of the employer. Upon receipt of a EU blue card, a foreigner has equal rights as nationals of the Republic of Lithuania in the fields of employment, social security, education and vocational training, recognition of qualifications, freedom of associations, an opportunity to use goods and services, including housing acquisition procedures, consulting services provided by recruitment companies. Besides, foreigners can move to any other Member State for the purposes of highly qualified employment, once a EU blue card is issued to them by the Member State concerned.

¹ Law on the Legal Status of Aliens of the Republic of Lithuania, No. IX-2206 of 29 April 2004.

² 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).

³ Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment

Foreigners by the types of permits in 2016

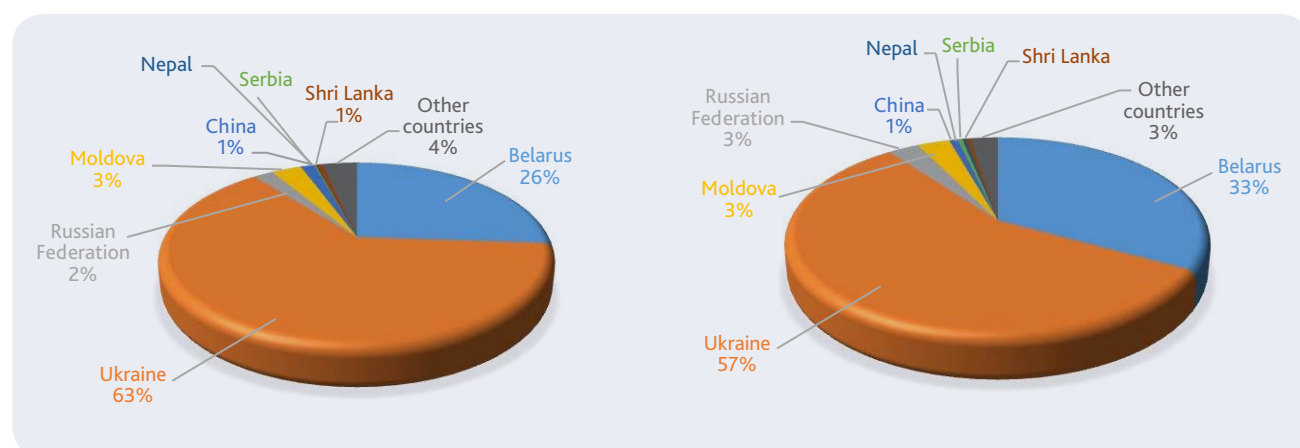


Data of Lithuanian Labour Exchange

Figure 3.1.4-6

As Figure 3.1.4-6 shows, in 2016 the number of decisions adopted on compliance of foreigner's highly qualified employment with the demands of the labour market, issue of EU blue cards was very small. Mostly work permits were issued and decisions were made on compliance of a foreigner with the demands of the labour market, in cases of issue of temporary residence permits, to foreign workers – drivers of international cargo transportation vehicles (over 80 per cent).

Foreigners by countries (10 countries, from which most foreigners arrived) in 2015 and 2016



Data of Lithuanian Labour Exchange

Figure 3.1.4-7

As Figure 3.1.4-7 shows, most foreigners arriving for the purpose of employment in Lithuania were from the Ukraine and Belarus – over 90 per cent.

After encountering the shortage of qualified labour by employers in recent years, the migration policy was evaluated as underemployed for business development. Therefore, the amendments ⁴ adopted in 2016 established more favourable immigration rules for foreigners, who create jobs in Lithuania or are specialists of the professions short in supply on the Lithuanian labour market. Adopted amendments simplified foreigners' employment procedures, facilitated conditions for employers to attract workers of the professions of short supply to the labour market.

Two lists of the professions in short supply are valid in Lithuania since 2017:

1. The list of professions that require high qualification⁵ includes 27 professions of the main groups 1, 2 or 3 of the Lithuanian Qualifier of Professions that are in short supply in Lithuania. They include engineers of production, computer systems, aviation, mechanics, sewing technologists, constructors, programmers, engineers' programmers, graphic designers, administrators of information technology systems, etc. (hereinafter – the list of high qualification professions in short supply).
2. The list of professions in short supply subject to approval by the Director of the Lithuanian Exchange Office every half year is applied to the following blue-collar professions in short supply⁶. The list of the 1st half of 2017 consists of five professions: welders, assemblers of metal ship hulls, operators of metal working machines, sewers, drivers of international cargo transportation vehicles (hereinafter – the list of professions in short supply).

The amendments adopted since 1 January 2017 enable foreigners to come for work to Lithuania *without being subject to assessment of the labour market needs*. This resulted in lower costs of employers: no state fees are charged for an issue of work permits or adoption of a decision by the Lithuanian Labour Exchange on compliance with the needs of the Lithuanian labour market. Assessment of labour market needs does not apply to the following:

- 1) foreigners holding the professions included into the list of professions of short supply. The latter foreigners can come for work holding a national visa only;
- 2) in case of issue of temporary residence permits to foreigners holding the professions included into the list of professions of short supply;
- 3) in case of issue of an EU Blue card for highly qualified foreigners holding the professions included into the list of professions of short supply;
- 4) foreigners who acquired education or profession in Lithuania and intend working according to their acquired qualification.

To attract more highly qualified foreigner specialists to Lithuania, the conditions for entry and employment were simplified for them and their family members starting from 2017. More foreigners can apply for EU Blue card. The amount of salary payable by employers to highly qualified foreigner was changed, i.e. it was reduced from 2 down to 1.5 of the last average monthly gross salary in the national economy as published by the Statistics Lithuania. With assessment of labour market needs abolished, the period of issue of an EU blue card for highly qualified foreigners of the profession included into the *list of high qualification professions of short supply* has been significantly shortened, an application for this card is examined within one month. This same period of examination of an application for a card is applied to family members of highly qualified foreigners.

Besides, from 2017, if a foreigner seeks highly qualified employment of a profession that is not regulated in the Republic of Lithuania, his/her professional experience can be treated as equivalent to higher education

⁴ Law No. XII-2609 of 14 September 2016 on Amendment of the Law No. IX-2206 on the Legal Status of Aliens of the Republic of Lithuania.

⁵ Resolution No. 96 of the Government of the Republic of Lithuania of 8 February 2017 'On the approval of the list of professions of high professional qualification that are in short supply in the Republic of Lithuania'.

⁶ Order No. V-946 of the Director of the Lithuanian Labour Exchange of 15 December 2016 'On the approval of the list of professions of short supply in the Republic of Lithuania according to the economic business types for the 1st half of 2017'.

qualification and a document certifying the latter can be issued⁷. This possibility was provided for foreigners without higher education diplomas but with five year professional experience. Upon submitting documents, a foreigner must prove that his/her minimum five year professional experience complies with the requirements established for the pursued highly qualified job offered by an employer, to work under a certain unregulated profession, which is in compliance with the professions that require high professional qualification of main groups 1, 2 or 3 of the Lithuanian qualifier of professions.

From 2017, arriving foreign workers are subject to fewer administrative procedures: assessment of labour market demand no longer applies, a period of issue of a temporary residence permit to foreign specialists holding professions included into the *list of professions of short supply* was shortened. Foreigners can enter and get employment with a national visa only if they hold a profession included into the list of professions of short supply, as well as foreigners can be sent on temporary assignment from a foreign company to a Lithuanian company to work in the Republic of Lithuania under an agreement signed between the two latter companies on provision of services or completion of works for the period of one year.

From 2017, foreign students are provided with better opportunities to join the Lithuanian labour market:

- employment conditions for foreigners who completed not only studies but also training under vocational training programmes in Lithuania and seek employment according to the acquired qualification were facilitated; They no longer need a work permit;
- foreign students studying in higher education and research institutions or educational institutions and seek employment during their studies no longer need a work permit.

But, if the number of people registered in the labour exchange is sufficiently big and emigration scale is huge, assessment of labour market needs applies when issuing working permits, EU blue cards or temporary residence cards to foreigners of the professions that are not included into the list of professions of short supply. These restrictions apply in order to ensure accessibility of vacancies to all job seekers in Lithuania. In the absence of the requirement to assess labour market needs when employing foreigners, employers usually do not register vacancies and search for employers who likely agree to work for a lower salary. Employers use cheaper labour force, despite the legislation of the Republic of Lithuania stipulating the requirement for foreigner's salary to be no smaller than of the salary of a Lithuanian national holding the same job. This reduces the incentives to employ Lithuanian nationals, to contribute to pay rise for them, vocational training, re-qualification, acquisition of skills by employees.

In early 2017, the law amending the Law on Legal Status of Aliens of the Republic of Lithuania⁸ drafted by the Ministry of Social Security and Labour was adopted, which transposed the Directive 2014/36/EU on seasonal works⁹ into the national law. The purpose of this law is to ensure consistency of the provisions with the requirements of the European Union legislation. The term of a seasonal work was defined stating that it is work related with seasonal conditions or events or activities repeating during a certain period of year, when more workers are needed than during usual activities. A foreigner coming for seasonal employment is issued a permit for maximum six months during the period of 12 months. Validity of such permit of maximum six months can be of a single period or several shorter periods which may not exceed the established maximum validity term of six months in the period of 12 months. A foreign seasonal worker is issued a work permit and a national visa, and if the employment agreement is signed for up to 90 days – Schengen visa (when a foreigner is excluded from visa free regime). Employer (legal person established in the Republic of Lithuania or a natural person who is a resident of the Republic of Lithuania) must sign an employment agreement on seasonal employment directly with the

⁷ Resolution No. 211 of the Government of the Republic of Lithuania of 22 March 2017 'On the approval of the description of the procedure for recognising equivalence of professional experience to higher education qualification and issue of a certifying document'.

⁸ Law No. XIII-2019 of 14 March 2017 Amending the Law No. IX-2206 on the Legal Status of Aliens of the Republic of Lithuania.

⁹ Directive No. 2014/36/EU of the European Parliament and of the Council of 26 February 2014 on the conditions of entry and stay of third-country nationals for the purpose of employment as seasonal workers (OJ 2014, L94. p. 375).

foreigner concerned and not through agents. It must be noted that during the validity of a seasonal work permit, a foreigner must have a suitable accommodation, the living area of which per one adult person, with his/her place of residence declared there, must be at least 7 square meters. When employer provides a foreigner with suitable accommodation or acts as an intermediary in finding accommodation, lease terms and conditions must be specified, while rent for such accommodation may not exceed 30 per cent of the foreigner's salary after taxes and state social insurance contributions. Rent payment may not be automatically deducted from the foreigner's salary during the validity of the work permit.

3.1.5. LEGISLATION TO INCREASE EMPLOYMENT

Republic of Lithuania Law on Employment¹⁰ adopted in 2016 and Republic of Lithuania Law on Unemployment Social Insurance¹¹. They are stipulated to enter into force from 1 July 2017.

The Law on Employment of the Republic of Lithuania broadens the fields of application of the Law on Employment Support of the Republic of Lithuania, all forms of employment are classified in one law, responsibility for illegal, undeclared work and undeclared self-employment, breaches of the procedure of foreigners' employment is determined. Besides, employment support measures were improved.

The system of employment forms is divided into paid employment when a person works under an employment agreement or on the basis of other legal relations treated as equivalent to employment relations (starting from civil service relations, and ending with coach's activities or convicts' work in accordance with the Code of Enforcement of Criminal Sanctions of the Republic of Lithuania), or is self-employed (individual activities, activities with a legal entity or other organisational structure established, or activities otherwise related with activities in a legal entity, activities in agriculture), and unpaid employment. Unpaid employment is divided into traineeship, public benefit activities, work as a work therapy measure, volunteering, work placement under voluntary work placement agreement or professional work placement agreement and vocational adaptation period. Consistent and transparent regulation of various forms of employment in a single legal document enables systematic taxation with personal income tax.

Complex application of active labour market policy measures is also suggested when vocational training is combined with supported employment measures. New active labour market policy measures are stipulated, including: employment under apprenticeship agreement, when person's practical training is organised at the workplace, while vocational training in vocational training establishment and internship for improvement or restoration of person's working skills or professional qualification.

Provisions on illegal work previously contained in the Labour Code and the Law on State Labour Inspection of the Republic of Lithuania were transposed into the Law on Employment, additionally stipulating responsible for undeclared work, undeclared self-employment and breaches in the procedure of foreigners' employment. It is stipulated that illegal work is considered to be working functions performed for consideration by a natural person (employee) to the other person (employer) and his/her benefits, when: 1) an employer fails to conclude a written employment agreement or to inform a territorial office of the State Social Insurance Fund Board about signing the employment agreement and employment before the commencement of employment, or 2) a non-EU national is employed.

The purpose of the Law on Unemployment Social Insurance of the Republic of Lithuania is to increase the number of insured entitled to unemployment social insurance benefits, to ensure adequate unemployment insurance benefits. It broadens the entitlement to unemployment social insurance benefits. The requirement of a

¹⁰ Republic of Lithuania Law on Employment No. XII-2470 of 21 June 2016.

¹¹ Republic of Lithuania Law on Unemployment Social Insurance No. XII-2471 of 21 June 2016.

record of unemployment social insurance of 12 months in the last 24 months before the day of registration in a territorial labour exchange office is established instead of a previous requirement of a record of 18 months in the last 36 months. Besides, the period of unemployment insurance benefit is no longer linked with unemployment insurance record and is extended up to 9 months (the latter duration of payment of unemployment insurance benefits was applied only to those with the unemployment insurance record of 35 years). Considering changes in the unemployed status, the grounds for suspension, cancellation of benefit payment are specified.

3.2. CURRENT ISSUES IN LABOUR RELATIONS AND THE REMUNERATION SYSTEM

This section will discuss the general provisions of the Labour Code of the Republic of Lithuania that came into force on 1 July 2017 and new legal regulations related to illegal work; it will also discuss a unified system of remuneration of public sector managers that aims to systematically make remuneration uniform for managers at state-controlled companies and public institutions owned by the state or where the state has a majority of votes in the general meeting of shareholders. In addition, changes to the remuneration of budgetary institution employees will also be addressed.

3.2.1. THE NEW LABOUR CODE THAT ENTERED INTO FORCE ON 1 JULY 2017

The Labour Code of the Republic of Lithuania¹² (hereinafter – the 2016 LC) was approved by Article 1 of the 14 September 2016 Law No XII-2603 on the Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania. The provisions of the 2016 LC simplify the procedure for hiring and dismissing employees, and establish more flexible working time regulations and more different types of employment contracts (fixed-term, temporary work, job sharing, working for several employer, apprenticeship employment contracts) that should help create more new jobs. The new regulation offers working parents a more flexible system of labour relations and work schedules that makes it easier to coordinate family, studies and work. Entry into force of the 2016 LC was moved to 1 July 2017.¹³

In order to properly exhibit the new features of the 2016 LC, the table below provides a comparison of the 2003 Labour Code and 2016 LC which is currently in force:

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
PRE-CONTRACTUAL RELATIONS	
Before the conclusion of an employment contract as well as when an employment contract is not concluded, the parties to the contract must adhere to the principles of gender equality, non-discrimination on other grounds, fairness, and provision of the information necessary to conclude and execute the contract and protection of confidential information.	Did not include such provisions.

¹² Law No XII-2603 on the Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania.

¹³ Law No XIII-130 on Amendment of Articles 2 and 6 of Law No XII-2603 on the Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania.

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
<p>It is prohibited to demand information from an employee that is not related to his or her health, qualifications or other circumstances that are unrelated to the direct performance of the job.</p> <p>If these obligations are not executed or are executed improperly, the other party to the employment contract becomes entitled to apply to the body hearing labour disputes and to claim compensation for the damage caused or to use other remedies provided by this Code.</p>	
NEW TYPES OF EMPLOYMENT CONTRACTS	
<p>Open-ended, fixed-term, temporary work, apprenticeship, project work, job sharing, working for several employers, seasonal work.</p>	<p>Open-ended, fixed-term, short-term, secondary duties, remote work, temporary work, other.</p>
<p>New regulations for fixed-term employment contracts: fixed-term employment contracts can also be concluded for jobs of a permanent nature; the maximum duration for a fixed-term contract to carry out the same job function is two years, and five years to carry out different job functions, except in cases when the employee is hired to fill a temporarily vacant position.</p> <p>Fixed-term employment contracts for jobs of a permanent nature cannot make up more than 20 per cent of all of the employer's employment contracts.</p>	<p>Concluding fixed-term employment contracts for jobs of a permanent nature not possible.</p> <p>Maximum duration for a fixed-term employment contract – five years.</p>
WORKING TIME	
<p>Five working regimes are being introduced: fixed duration of workdays/shifts and number of working days per week; summary working time recording, when the standard working hours for the entire reference period are fulfilled during the reference period; a flexible working schedule where an employee is required to be present at the workplace for certain hours of the workday/shift, but can work the other hours of the workday/shift before or after the required hours; split shifts, when work is done on the same day/shift with a break to rest and eat that is longer than the established maximum length for breaks to rest and eat; individualised working time regimes.</p>	<p>Eight-hour workday or summary working time recording.</p>
<p>Average working time including overtime is 48 hours per week; maximum working time including overtime and additional work is 12 hours per day and 60 hours per week.</p>	<p>Maximum working time including overtime – 48 hours per seven days.</p> <p>The length of a workday for employees who work at more than one workplace or at one workplace but under two or more employment contracts cannot exceed 12 hours.</p>
<p>Maximum overtime – eight hours per week or 12 hours per week if the employee agrees; maximum annual overtime – 180 hours.</p>	<p>The duration of overtime work cannot be more than four hours in two days or 120 hours per year.</p>

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
Summary working time recording shall be introduced where necessary, following information and consultation with the work council and taking the opinion of the trade union into account.	Summary working time recording can be used at companies, institutions and organisations, individual departments and sections if need be, taking into consideration the opinion of employee representatives (Article 19 of the Code), or in other cases specified in collective agreements.
The reference period for summary working time may not exceed three months.	The reference period cannot be more than four months.
When using summary working time, the maximum working time per week is 52 hours, without additional work and not applying this maximum working time to on-call duty.	If summary working time recording are being used, the employee cannot work more than 48 hours per week and 12 hours per workday/shift.
The reference period for night work is three months.	No separate reference period for night work. The duration of the reference period in the case of summary working time recording cannot be longer than four months.
LEAVE	
Calculated in terms of working days off.	Calculated in terms of calendar days off.
Holiday entitlements – 20 working days (for those who work five days per week), or 24 working days (for those who work six days per week).	Statutory minimum of 28 calendar days of annual leave.
Employees under the age of 18, employees who are single parents raising a child under the age of 14 or a disabled child under the age of 18, and disabled employees entitled to 25 working days (for those who work five days per week), or 30 working days (for those who work six days per week) of annual leave.	Employees under the age of 18, employees who are single parents raising a child under the age of 14 or a disabled child under the age of 18, and disabled employees are entitled to 35 calendar days of annual leave.
Additional and extended leave is established by resolution of the Government of the Republic of Lithuania.	The Government approves a list of categories of employees entitled to extended leave and defines therein the specific duration of extended leave for each category of employees. The procedure, conditions for granting, and duration of additional annual leave are established by the Government. Additional annual leave of a longer duration or of different types than mentioned in this article may be established in the employment contract, collective agreement or work regulations.
Additional leave for continuous employment: three working days for continuous employment of 10 years, and another working day for every five years of continuous employment thereafter.	Three calendar days for continuous employment of 10 years, and another calendar day for every five years of continuous employment thereafter.
Employees whose work involves greater nervous, emotional or mental tension and occupational risk, as well those who have specific working conditions, are given up to 41 working days (for those who work five days per week), or up to 50 working days (for those who work six days per week), or up to eight weeks (if the number of working days per week is less or different) of extended leave. Educational employees, researchers, creative workers at professional performing arts institutions, health care professionals, pharmacy specialists, employees in the field of social services, pilots, seafarers, fishermen, Ignalina Nuclear Power Plant employees, and so on.	Up to 58 calendar days of extended annual leave given to certain categories of employees whose work involves greater nervous, emotional or mental tension and occupational risk, as well those who have specific working conditions. Educational employees, researchers, creative workers at professional performing arts institutions, health care professionals, pharmacy specialists, employees in the field of social services, pilots, seafarers, fishermen, Ignalina Nuclear Power Plant employees, and so on.

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
The employer must provide 14 days of pregnancy and childbirth leave immediately after childbirth, even if the employee does not request it.	Did not include such provisions.
Paternity leave: 30 calendar days at any time until the child reaches three months of age, or until the child reaches six months of age in cases of complicated childbirth or when more than one child is born.	Paternity leave: for the period from the day of birth until the child reaches the age of one month.
For employees attending non-formal adult education programmes, up to five working days of educational leave are provided per year to attend non-formal adult education programmes.	By mutual agreement, up to five days of educational leave could be given per year to employees enrolled in non-formal adult education programmes to attend non-formal adult education programmes.
For employees who have had an employment relationship with the employer for more than five years, at least half of the employee's salary is left for educational leave (for formal or non-formal education) of up to 10 working days per working year if participation in the non-formal adult education programme is related to the employee's professional development.	Paid educational leave by mutual agreement.
Creative leave of up to 12 months is permitted for employees to pursue creative or scientific endeavours.	The duration of creative leave was not provided for.
Unpaid free time may be granted during the workday for the employee to take care of personal needs. The employee may agree with the employer to move working time to another workday/shift, as long as the maximum working time and minimum rest time requirements are not infringed upon.	Did not include such provisions.
Employees raising a disabled child under the age of 18 or two children under the age of 12 are given one extra day off per month, and those raising three or more children under the age of 12 are given two extra days off per month, paying them their average wage.	Employees raising a disabled child under the age of 18 or two children under the age of 12 are given one extra day off per month, and those raising three or more children under the age of 12 are given two extra days off per month, paying them their average wage.
REMUNERATION	
Minimum wage can only be paid for unskilled labour.	Did not include such provisions.
For the first time, a definition is provided for unskilled labour. This is work that does not require any special qualification skills or professional expertise.	Did not include such provisions.
Employers are required to approve a remuneration system unless this is already established in the collective agreement. In workplaces with an average number of employees of twenty or more, the remuneration systems must be approved by the employer. Said must be available for all employees to become acquainted with. Before approving or revising the remuneration system, information and consultation procedures must be carried out. The remuneration system specifies the employee categories based on position and qualification as well as the salary range (minimum and maximum) and forms of payment for each of them, the grounds and procedures for allocating additional payment (bonuses and allowances), and the procedure for wage indexation.	The remuneration system was supposed to be established in the collective agreement.

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
Employers are obliged to prepare the remuneration system in such a way so as to avoid any kind of gender-based discrimination: equal pay for the same or equal work. A definition is provided for what is considered the same or equal work.	Employers are obliged to prepare the remuneration system in such a way so as to avoid any kind of gender-based discrimination. No definition was provided for what is considered the same or equal work.
DISMISSAL	
A new basis for dismissal is being introduced – dismissal at the will of the employer. At-will dismissal is possible for reasons other than termination of employment contract on the initiative of the employer without the fault of the employee, but it is not possible for discriminatory reasons (i.e. due to age, gender, political views, participation in a case against the employer, etc.). The employee is given notice of three working days and is paid a severance pay of at least six average monthly wages.	This basis for dismissal did not exist.
The notice periods have been reduced for termination of employment contract on the initiative of the employer without the fault of the employee: two weeks for an employment relationship of less than one year, and one month if the employee has been working for more than one year; these periods are doubled for employees who have less than five years left until pension age, and tripled for employees who are raising a child/adopted child under the age of 14 or a disabled child under the age of 18, as well as for disabled employees and employees who have less than two years left until pension age.	Notice period of two months or four months.
Severance pay has been reduced for termination of employment contract on the initiative of the employer without the fault of the employee: half an average monthly wage for an employment relationship of less than one year, and two average monthly wages for an employment relationship of more than one year; an additional long-term work benefit may be paid from the Long-Term Service Allowance Fund of one, two or three average monthly wages for 5, 10 or 20 years of continuous employment, respectively.	Severance pay of one to six months, depending on the length of continuous employment.
COLLECTIVE RELATIONS	
Division of competences between trade unions and work councils: trade unions – representation and conclusion of collective agreements; work councils – information and consultation.	Trade unions can represent and protect the rights and interests of employees if labour relations exist. The work council possesses all rights of the entities of collective representation if there is no in-house trade union at the company, institution or organisation and if the staff meeting has not transferred the function of the protection and representation of employees to a relevant industrial trade union.
The collective agreement only applies to union members. If the parties agree, it applies to all employees if it is confirmed by the general staff meeting.	The collective agreement concluded at the company applies to all of the company's employees.

Provisions as of 1 July 2017	Corresponding provisions of the Labour Code valid through 30 June 2017
A work council is mandatory if 20 or more people are employed. One seat on the council is allocated to a trade union member who will be elected from at least three company employees nominated as company trade union candidates. If more than one-third of the employees at a workplace belong to in-house trade unions, the functions of the work council are performed by a joint trade union representation or a trade union elected by the company's trade union members.	A work council was not mandatory. The work council possesses all rights of the entities of collective representation if there is no in-house trade union at the company, institution or organisation and if the staff meeting has not transferred the function of the protection and representation of employees to a relevant industrial trade union. The work council cannot perform functions that are legally recognised as the prerogative of trade unions.
The announcement of strikes has been made easier: the consent of at least one-quarter of trade union members is enough to announce an employer-level strike.	A strike could be announced at a company if this decision was secretly supported by: more than half of the company's employees in the case of a company strike; more than half of a department's employees in the case of a departmental strike.
Lockouts have been legalised – when an employer or organisation of employers announces the temporary suspension of the employment contracts of employees of a single employer or several employers who are on strike.	Did not include such provisions.
OTHER PROVISIONS	
The competence of the Labour Dispute Commissions has been expanded to enable them to also investigate cases regarding the legality of suspension from work and dismissal from work as well as collective labour disputes over law.	The Labour Dispute Commissions did not investigate cases regarding the legality of dismissal from work as well as suspension from work; these required applying to court.
A new principle has been established: respect for an employee's pursuit of professional development. Employers must train employees in so far as is necessary for them to perform their work function; they must also take measures to increase the qualifications and professionalism of employees, as well as their ability to adapt to changing business, professional or working conditions.	Did not include such provisions.
The use of partial work for important economic reasons is established by Government resolution.	Partial work was not provided for.

3.2.2. CURRENT ISSUES IN THE REGULATION OF ILLEGAL WORK

Following the repeal of the Labour Code of the Republic of Lithuania¹⁴ (hereinafter – the 2002 LC) on 30 June 2017, the concept of illegal work is defined in the Republic of Lithuania Law on Employment¹⁵ that entered into force on 1 July 2017. The provisions of this law expand the concept of illegal work and provide for liability for illegal and undeclared work, undeclared independent activities and violations of the procedure for the employment of foreigners, i.e.:

¹⁴ Law No IX-926 on the Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania.

¹⁵ Republic of Lithuania Law on Employment No XII-2470.

<p>Illegal work</p> <p><i>Administrative liability born by the employer</i></p>	<p>1) When the employer does not sign a written employment contract with the person in the manner prescribed or does not notify the territorial office of the State Social Insurance Fund Board about the employee being hired at least one working day before the commencement of work;</p> <p>2) When a person is working who is not a citizen of the European Union or who is exercising freedom of movement in accordance with European Union law who was not hired in accordance with the procedure for hiring established by regulatory acts.</p>
<p>Undeclared work</p> <p><i>Administrative liability born by the employer</i></p>	<p>When an employer has not, according to the procedure established by the Labour Code, kept working time records of an employee's:</p> <p>a) overtime;</p> <p>b) working time on a holiday or day off if said was not scheduled;</p> <p>c) night work.</p>
<p>Undeclared independent activities</p> <p><i>Administrative liability born by the natural person carrying out undeclared independent activities</i></p>	<p>When activities of a natural person that correspond to individual activity are carried out by the person:</p> <p>a) without registering in accordance with the procedure established by tax laws;</p> <p>b) after registering in accordance with the procedure established by tax laws, but without declaring income or declaring less income than was actually received from said individual activities.</p>
<p>Violations of the procedure for hiring foreign nationals</p> <p><i>Administrative liability born by the employer</i></p>	<p>When an employer who has hired a third-country national:</p> <p>a) does not require that the person present a valid permit to reside in the Republic of Lithuania or other document granting the right to be present or reside in the Republic of Lithuania (hereinafter – the employee's Republic of Lithuania residence documents) and a permit to work in the Republic of Lithuania;</p> <p>b) does not, during the period of employment in the Republic of Lithuania, retain copies of the employee's Republic of Lithuania residence documents and permit to work in the Republic of Lithuania and/or submit them at the request of the State Labour Inspectorate, the Migration Department under the Ministry of the Interior, or other competent authority.</p>

The Law on Employment gives the institution carrying out control of illegal work the right not only to impose an administrative penalty in the form of a fine, but also to impose an obligation, i.e. to oblige the employer:

- to conclude an employment contract with the employee in writing and notify the territorial office of the State Social Insurance Fund Board about the conclusion of the employment contract and the hiring of the employee, and to pay the person who worked illegally the agreed salary for the work if it was established that the employer did not perform this duty in the prescribed manner;
- to terminate the employment relationship with the illegal employee within three working days of the decision being adopted and pay the employee the agreed salary if it was established that work is being performed by a third-country national who was not hired in accordance with the procedure established by regulatory acts. Information about the person who worked or is working illegally to the Migration Department.

To pass the provisions of Article 12¹ of the Law on the State Labour Inspectorate of the Republic of Lithuania and Article 98¹ of the 2002 LC related to 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 nationals (OJ 2009 L 168, p 24) were moved to the Law on Employment.

The Law on Employment provides that if an employer who has illegally hired a third-country national for a particular job is a subcontractor, the employer's direct contractor bears subsidiary responsibility for fulfilling monetary obligations, with the exception of cases where the contractor requested in writing that the subcontractor present employment documents for the third-country national and took measures to verify them. If the contractor or other subcontractors were aware of the fact that the employer hired a third-country national illegally, then they also bear subsidiary responsibility for fulfilling the above-mentioned monetary obligations. Subsidiary responsibility

born by the contractor or other subcontractors means that both the institution carrying out control of illegal work, undeclared work and undeclared individual activities and the illegally employed third-country national have the right to redirect their monetary claim to them within three months of the day that the fulfilment period for their monetary claim against the employer expires if the employer did not fulfil their monetary claim or only fulfilled it in part.

A contractor may be fined EUR 868–2,896 for each illegally employed third-country national, with the exception of cases where the contractor requested in writing that the subcontractor present employment documents for the third-country nationals and took measures to verify them. Repeat violations committed by a contractor who was already penalised for the same deed within the past two years result in the contractor being fined EUR 2,896–5,792 for each illegally employed third-country national.

In implementing the provisions of European Union legislation¹⁶, Article 62¹¹⁷ was added to the Law of the Republic of Lithuania on the Legal Status of Aliens on 14 March 2017; this article provides for a new function for the State Labour Inspectorate of the Republic of Lithuania: to make sure that while their seasonal employment permit is valid, foreign nationals are given appropriate living conditions (a foreign national who intends to take a seasonal job in the Republic of Lithuania can be issued a permit if the foreign national has a place to live that is registered with the Real Property Register of the Republic of Lithuania (with at least seven square metres of floor area for each adult who has declared residence therein) which they either own in the Republic of Lithuania or are using on the basis of lease or loan (with the relevant contract concluded for a period at least as long as the employment permit is valid), or if they present confirmation that a natural or legal person has pledged to provide them a suitable place to live for the duration of the validity of the employment permit). When the employer provides accommodation for a foreign national or acts as a go-between in finding it the rent fee for the premises cannot be more than 30 per cent of the foreign national's salary after deducting taxes and state social insurance contributions, and cannot be automatically deducted from the foreign national's salary.

When the 2016 LC entered into force 1 July 2017, the Republic of Lithuania Law on Guarantees for Posted Workers No X-199 became void, with all of its amendments and supplements. As of 1 July 2017, the provisions of the Republic of Lithuania Law on Guarantees for Posted Workers are regulated by the provisions of the 2016 LC (Articles 107–109) and the Law on the State Labour Inspectorate of the Republic Of Lithuania (Articles 12¹–12⁵).

3.2.3. REMUNERATION AND CHANGES IN THE CALCULATION THEREOF

In implementing the provision of item 85 of the Government Programme for 2012–2016 that as the economy recovers, systematic increases will be made to salaries for employees in the public sector and at budgetary institutions and to minimum wage to bring it closer to 50 per cent of the average wage, the Government, on the recommendation of the Tripartite Council, increased wages:

Date of minimum monthly wage change	Minimum monthly wage rate (gross)	Minimum monthly wage increase (%)
As of 1 July 2015	EUR 325 ¹⁸	–
As of 1 January 2016	EUR 350 ¹⁹	7.7
As of 1 July 2016	EUR 380 ³	8.6

¹⁶ Directive 2014/36/EU of the European Parliament and of the Council of 26 February 2014 on the conditions of entry and stay of third-country nationals for the purpose of employment as seasonal workers

¹⁷ Law No XIII-219 on Addition of Article 62¹ to, and Amendment of the Annex to and Articles 2, 12¹, 19, 44, 57, 61, 62 and 63 of Republic of Lithuania Law No IX-2206 on the Legal Status of Aliens.

¹⁸ Resolution No 615 of 17 June 2015 of the Government of the Republic of Lithuania on Minimum Wage.

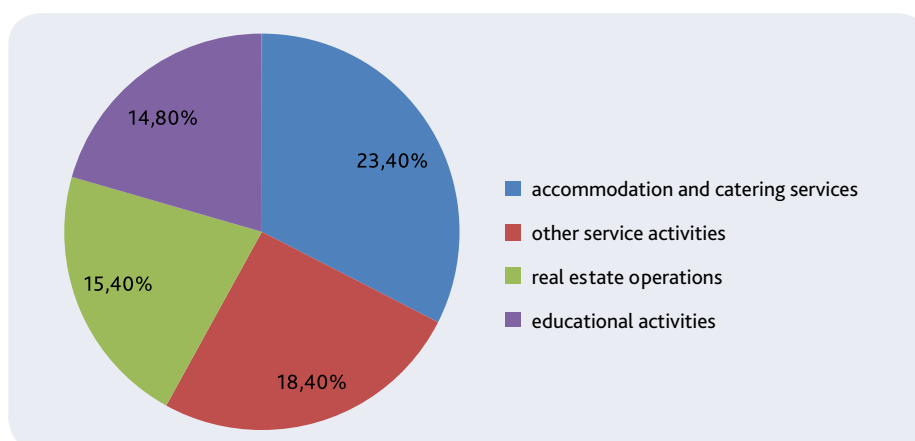
¹⁹ Resolution No 1240 of 2 December 2015 of the Government of the Republic of Lithuania on Minimum Wage.

²⁰ Resolution No 644 of 22 June 2016 of the Government of the Republic of Lithuania on Minimum Wage.

According to October 2016 data of Statistics Lithuania, there were 223,200 employees (20.2 per cent) in the national economy (including individual enterprises) who were paid the minimum monthly wage (hereinafter – MMW) or less; more than half (128,800) of these employees worked part-time. The number of employees who were paid MMW or less was one percentage point higher than in October 2015. The main reason was that with the MMW rapidly increasing in 2016, wages paid to certain skilled workers did not increase or did not increase sufficiently.

Full-time employees who were paid minimum monthly wage accounted for 9.8 per cent of the employees in the national economy.

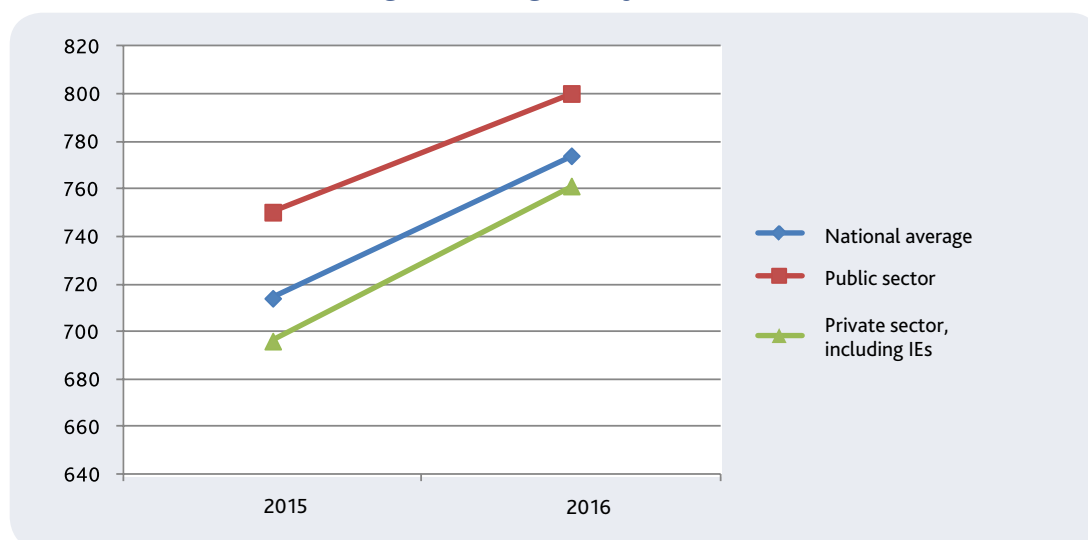
The most employees working full-time and receiving minimum monthly wage were in:



The increase in the minimum wage also had an impact on the increase in the average monthly gross wage.

According to data of Statistics Lithuania, the average monthly gross wage in Lithuania in 2016, including individual enterprises, amounted to EUR 774 and was 8.4 per cent higher than in 2015; in the public sector, it increased 6.7 per cent to EUR 800.20, and in the private sector, including individual enterprises, it increased 9.4 per cent to EUR 761.30.

Changes in average salary, 2015–2016



The average monthly wage increased at all companies regardless of the type of economic activities, but particularly in the fields of accommodation and catering services (approximately 14.5 per cent) and other service activities (approximately 10.2 per cent), i.e. in activities where, according to October 2016 data, there were the most employees working full-time and receiving minimum monthly wage (23.4 per cent and 18.4 per cent respectively). The average monthly gross wage in the public sector in 2016 came to EUR 795.70, which is 6.1 per cent more than in 2015; in the private sector, including individual enterprises, it increased 9.2 per cent to EUR 758.90.

In implementing measure 29 of the Priority Measures for Implementation of the Programme of the Government of the Republic of Lithuania for 2012–2016 to create a unified system of remuneration of public sector managers and in an effort to systematically make remuneration uniform for managers at state-controlled companies and public institutions owned by the state or where the state has a majority of votes in the general meeting of shareholders, a recast Procedure for the Establishment of Remuneration of Managers, their Deputies and Chief Accountants of State Enterprises and State-Controlled Joint Stock Companies and Closed Joint Stock Companies²¹ came into force on 22 January 2016. Said procedure applies directly to heads of state enterprises, the fixed part of whose monthly salary is increased by approximately 34 per cent while simultaneously decreasing the variable part to a maximum of 50 per cent; establishment of the salary for the head of the Ignalina Nuclear Power Plant is regulated, as is establishment of the salary for the heads of newly-established state enterprises for the first year of operation and establishment of the salary for the heads of state enterprises of strategic importance to national security; and the principles of allocating bonuses to manager is established. It also stipulates that the enterprise's founding documents must establish that the monthly salaries for the manager's deputies be fixed as 10–20 per cent less than that of the manager of the enterprise. The Government has recommended that this resolution also be applied to state-controlled companies.

A recast procedure for remuneration of managers, their deputies and chief accountants at public institutions owned by the state or where the state has a majority vote in the general meeting of shareholders²² came into force on 1 October 2016. This procedure lays down that a public institution's founding documents must establish that the monthly salaries for the manager's deputies be fixed as 10–20 per cent less than that of the manager of the public institution, that the public institution category will be determined annually, that the procedure for establishing the salary of the manager of a newly-founded public institution for the first year of operation shall be regulated, that the sizes of coefficients applied to establish the salary of managers of public institutions will be increased by equalising the upper and lower limits of the coefficients of adjacent categories, that the variable part of the monthly salary of a public institution manager may also depend on targets set specifically for him or her taking the outcome thereof into account, and that the owners and shareholders of public institutions are obligated to provide the Ministry of Social Security and Labour with information on how the resolution is being implemented on an annual basis.

The Republic of Lithuania Law on Remuneration of Employees of State and Municipal Institutions²³ (hereinafter – the Law on Remuneration) entered into force on 1 February 2017. Adoption of the Law on Remuneration was prompted by the shortcomings of the system for remunerating employees of budgetary institutions that was in force until 1 February 2017: significant disproportion between official remuneration coefficients for employees in individual budgetary institution fields; the conditions for payment in individual fields were regulated by orders of the ministers in individual fields; non-transparent conditions for allocating bonuses to budgetary institution

²¹ Resolution No 42 of 18 January 2016 of the Government of the Republic of Lithuania on Amendment of Resolution No 1341 of 23 August 2002 of the Government of the Republic of Lithuania on Remuneration of Managers, their Deputies and Chief Accountants of State Enterprises and State-Controlled Joint Stock Companies and Closed Joint Stock Companies.

²² Resolution No 795 of the Government of the Republic of Lithuania on Amendment of Resolution No 598 of 26 May 2010 of the Government of the Republic of Lithuania on Remuneration of Managers, their Deputies and Chief Accountants at Public Institutions Owned by the State or where the State has a Majority Vote in the General Meeting of Shareholders.

²³ Republic of Lithuania Law No XIII-198 on Remuneration of Employees of State and Municipal Institutions.

managers and employees; official salaries had levelled out for both skilled and unskilled employees; insufficient legal opportunities to establish motivating remuneration for specialists in professions that are in short supply in the labour market. The main objectives of the Law on Remuneration are: to provide equal opportunities for equally educated employees of budgetary institutions to receive fair pay for their work; to strive for employees to receive a respectable regular salary so that the variable part does not have to be paid when their performance outcome is not very good or when additional tasks have not been assigned, with bonuses and allowances (the variable part) only used as an additional form of remuneration paid in special cases; to encourage social dialogue between employers and employees.

Once the Law on Remuneration entered into force, salaries for the lowest-paid specialists (social workers and specialists at health care, culture, art and specialists at other budgetary institutions: legal professionals, translators, accountants, information technology specialists) were the first to increase. For example, prior to the Law on Remuneration coming into force, the official salary for a skilled office employee was equal to the minimum monthly wage (EUR 380). As of 1 February 2017, in accordance with the Law on Remuneration, the minimum salary range for a person who has less than two years of professional experience is EUR 392, while the minimum salary range for a person who has more than 10 years of professional experience is EUR 401. After the Law on Remuneration came into effect, the minimum salary range for specialists with a university-level education whose official salary was the MMW increased by EUR 19–50, taking their professional experience into account.

The disproportion between salaries for budgetary institution employees in individual fields of activity is decreasing. In addition, now that the law has come into force, job complexity and employee qualification is more valued and preconditions are created to reduce the number of specialists who emigrate. Competitive remuneration has been established for employees in professions that there is a shortage of in the labour market.

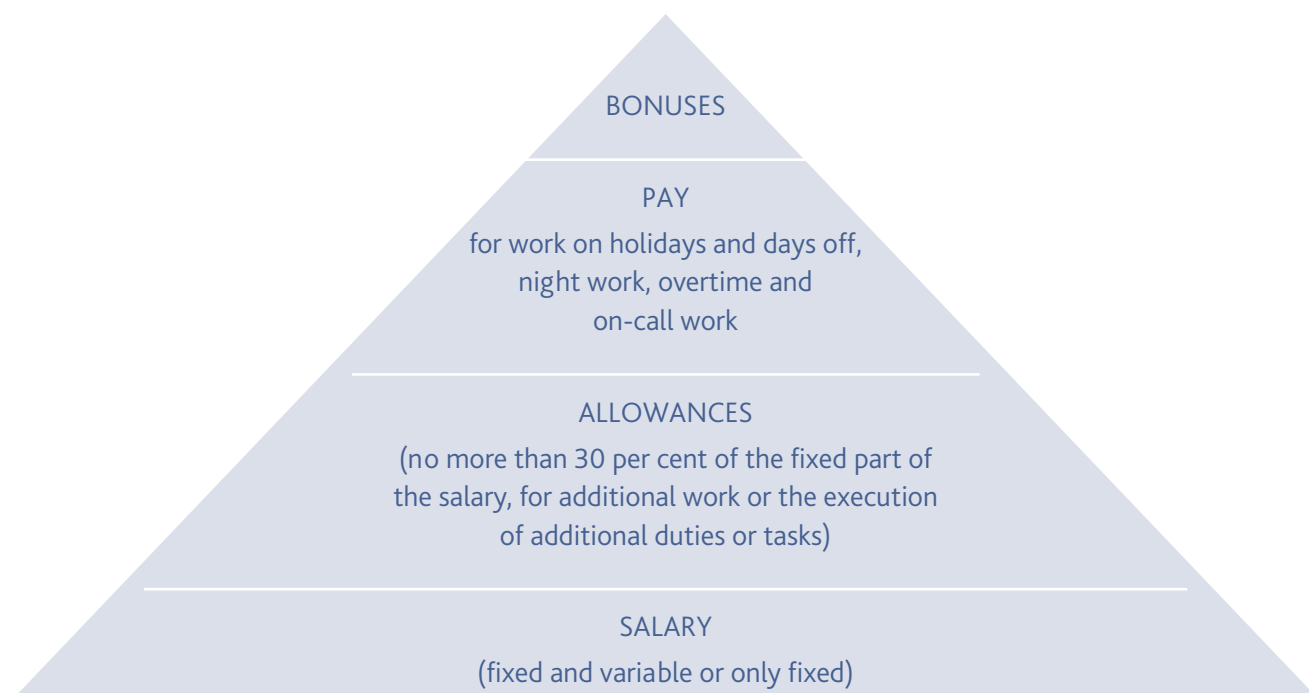
In the Law on Remuneration, budgetary institution positions are divided, based on the education level required for the specific positions, into four grades according to the employee's education:

Grade A	Grade B	Grade C	Grade D
Positions which require at least a higher education	Positions which require at least a post-secondary education or a vocational education obtained before 1995	Positions which require at least a secondary education and/or a professional qualification	Positions which are not subject to educational or professional qualification requirements

Grade A budgetary institution employment positions are further divided into:

- a) Grade A1: positions which require at least a university education with a Master's degree or equivalent;
- b) Grade A2: positions which require at least a university education with a bachelor's degree or equivalent or a college education with a professional bachelor's degree or equivalent, and also ballet artist and dancer as well as conservator-restorer positions.

According to the provisions of the Law on Remuneration, the structure of salaries for budgetary institution employees consists of:



Bonuses for the previous calendar year's results and for the performance of extremely important tasks, within the limits of the funds allocated for remuneration.

The size of the fixed part of the salary (in coefficients) is calculated in terms of the base amounts used for calculating salary ranges for state politicians, public officials and civil servants.²⁴ Prior to the entry into force of the Law on Remuneration, the official salary for employees of state and municipal institutions working under employment contracts was calculated using a separate basic monthly wage (BMW – €35.50) approved by the Government.²⁵ It is important to mention that the base amount for the salary must be approved annually, taking factors that influence remuneration into account; no such rules existed for approving the size of the basic monthly wage.

In determining the coefficient for the fixed part of the salary, the national and international *recognition obtained* by the heads of national and state cultural and art institutions as well as cultural and art workers of the highest professional artistic level may be evaluated in addition, as may be the qualification category of other employees, including coaches, and the shortage of individual professions in the labour market. On this basis, the coefficient established for the fixed part can be increased by up to 100 per cent. The fixed part of the salary for coaches will be increased according to the qualification category they possess.

The Law on Remuneration establishes the maximum amounts for the variable part of the salary and allowances:

- the variable part of the salary cannot be more than 50 per cent of the fixed part, and its size will depend on the results achieved during the previous year, measured according to the annual targets established for the manager or employee;

²⁴ Republic of Lithuania Law No XIII-61 on the Basic Wage (Salary) Applicable in 2017 for State Politicians, Judges, Public Officials and Civil Servants.

²⁵ Resolution No 1021 of 29 September 2014 of the Government of the Republic of Lithuania on Approval of the Basic Monthly Wage and the Basic Hourly Rate.

- the sum total of the variable part of the salary and allowances cannot be more than 60 per cent of the fixed part of the salary.

Compensation for potential wage decreases is provided for: if, upon entry into force of the Law on Remuneration, an employee's salary decreases, the remuneration (official salary with allowances) established prior to entry into force of this law will be paid for no more than one year. If, upon entry into force of the Law on Remuneration, the fixed part of the salary decreases, the employee shall be paid the salary established prior to entry into force of this law as long as he or she holds the position.

It should be noted that the Law on Remuneration does not apply to: public institutions; higher education institutions; the employees of state research institutes operating as budgetary institutions; employees working under employment contracts for Republic of Lithuania diplomatic missions, consular offices, representations at international organisations or special missions, or employees participating in cooperation and development projects.

Once the Law on Remuneration entered into force, a Government resolution was adopted which regulates the performance appraisal of budgetary institution employees for the previous year.²⁶ The goal of annual performance appraisals for budgetary institution employees is to evaluate the previous calendar year's performance of budgetary institution employees – with the exception of labourers – against annual targets, the intended results and their evaluation indicators. An order of the Minister of Social Security and Labour of the Republic of Lithuania²⁷ was also adopted by which the methodology for the description of employee positions at state and municipal institutions was approved.

Once the Law on Remuneration entered into force, the Government resolution²⁸ regulating the size of budgetary institution employee remuneration for teachers, healthcare professionals, cultural and art workers, social workers and other budgetary institution employees working under employment contracts was repealed.

In order to reduce state budget appropriations for remuneration and use public funds wisely and taking the difficult situation of European and global economies and financial markets into account, the basic wage (salary) of EUR 130.50²⁹ that was established as of 1 January 2015 is valid for 2016–2017 for calculating the salary range for state politicians, judges at general and specialised courts, public officials, civil servants and state and municipal budgetary institution employees, salaries for justices of the Constitutional Court of the Republic of Lithuania, salaries for soldiers and other statutory benefits. It should be noted that as of 1 February 2017, when the Republic of Lithuania Law on Remuneration of Employees of State and Municipal Institutions came into force, the aforementioned basic amount is also applicable for calculating the salary range for budgetary institution employees working under employment contracts.

At present, the Ministry of Social Security and Labour has already prepared and submitted for review to the Government of the Republic of Lithuania the Republic of Lithuania Draft Law (TAIS No 17-5689) on the Basic Wage (Salary) Applicable in 2018 for State Politicians, Judges, Public Officials, Civil Servants and State and Municipal Budgetary Institution Employees. The draft law was drawn up with regard to the state's already existing long-term commitments to increase funding for national defence, implement structural social reform (the Social Model) and reduce social exclusion by increasing non-taxable income, and taking into account that increasing the

²⁶ Resolution No 254 of 5 April 2017 of the Government of the Republic of Lithuania on Approval of the Description of the Procedure for Performance Appraisal of Employees of State and Municipal Institutions.

²⁷ Order No A1-177 of the Minister of Social Security and Labour of the Republic of Lithuania of 12 April 2017 on Approval of the Methodology for the Description of Employee Positions at State and Municipal Institutions.

²⁸ Resolution No 318 of 26 March 2017 of the Government of the Republic of Lithuania on Repeal of Certain Resolutions of the Government of the Republic of Lithuania Related to Remuneration.

²⁹ Republic of Lithuania Law No XIII-61 on the Basic Wage (Salary) Applicable in 2017 for State Politicians, Judges, Public Officials and Civil Servants.

basic amount by one euro would require more than EUR 21 million from the state budget, it is proposed in the draft law that a basic amount of EUR 132 be approved for 2018, i.e. an increase of EUR 1.50.

Upon establishing the aforementioned amount, remuneration (salaries) for state politicians, judges at general and specialised courts, public officials, civil servants, state and municipal budgetary institution employees, justices of the Constitutional Court of the Republic of Lithuania and soldiers and other statutory benefits would increase slightly (1.12 per cent) and approximately EUR 30 million would be required from the state budget per year.

The draft law was prepared in compliance with the provisions of Article 24(3) of the Republic of Lithuania Law on State Service, Article 4(1) of the Republic of Lithuania Law on Remuneration of State Politicians and Public Officials, Article 3 of the Republic of Lithuania Law on Judicial Salaries, and Article 6 of the Republic of Lithuania Law on Remuneration of Employees of State and Municipal Institutions that the basic wage (salary) must be approved for the coming year. According to the provisions of the aforementioned laws, if the national collective agreement is not concluded or amended by 1 June of the current year, the basic amount for the coming financial year shall be approved by the Seimas on the proposal of the Government before the end of the spring session of the Seimas.

Quite a few legal acts were adopted in 2016-2017 that regulate the legal interests of employees: the 2016 LC, the Law on Employment, the Law on Remuneration, and so on. These legal acts regulate better employment conditions for workers related to remuneration and working conditions, and provide for greater protection in the event of redundancy; employees will have more opportunities to improve their qualifications without losing their income and to protect their rights; skilled workers will have to be paid more than the minimum monthly wage, and there will be more opportunities to negotiate more favourable working conditions and promote social dialogue between employers and employees. As of 1 July 2017, control of illegal work has become more stringent, adding administrative liability for violations regarding undeclared work, undeclared independent activities and the procedure for hiring foreign nationals. These changes should significantly reduce manifestations of illegal work. The new remuneration system for budgetary institutions and remuneration procedures for managers, their deputies of public institutions owned by the state or where the state has a majority of votes in the general meeting of shareholders as well as for managers, their deputies of state enterprises and state-controlled joint stock companies and closed joint stock companies provides for a more transparent principle of establishing remuneration.

3.2.4. COLLECTIVE LABOUR RELATIONS

The key institution coordinating interests between social partners – trade unions and employers' organisations – and state authorities in Lithuania is Tripartite Council of the Republic of Lithuania (hereinafter – the Tripartite Council). At present, the Tripartite Council consists of the representatives of trade unions, employers and Government (21 members in total – 7 representatives of each party):

- 1) public administrations: Ministry of Social Security and Labour, Ministry of Economy and Office of the Government;
- 2) four central (national) organisations of trade unions: Lithuanian Trade Union Confederation, Lithuanian Trade Union 'Solidarity', Lithuanian Trade Union 'Sandrauga' and Joint Republic Trade Union (the latter two organisations are exercising their member's rights in the Tripartite Council by rotation (two quarters every year, each);
- 3) six employers' organisations: Lithuanian Confederation of Industrialists, Lithuanian Business Employers Confederation, Chamber of Agriculture of the Republic of Lithuania, Association of Lithuanian Chambers of Commerce, Industry and Crafts, Investors' Forum Association and Lithuanian Business Confederation.

Delegation of the representatives of employers and employees to the Tripartite Council is regulated by the agreement between the Lithuanian trade unions and central (republican) employers' organisations 'On mutual recognition of social partnership' approved by the Resolution of the Tripartite Council of 26 February 2008, and by the Decision (minutes No. TTP-5 of the meeting) of the Tripartite Council of 28 February 2017, which approves acceptance of the Lithuanian Trade Union 'Sandrauga', Joint Republican Trade Union, INVESTORS' FORUM Association and Lithuanian Business Confederation into the Tripartite Council. Government's representatives are delegated to the Tripartite Council by the Government's resolution.

During 22 years of its existence, the Tripartite Council has established itself in social life of Lithuania as an important institution coordinating partners' interests, dealing and solving social and economic problems. In 2016-2017 (until May), 22 meetings of the Tripartite Council were held. The meetings discussed social and economic matters regarding amendments and supplements to the Labour Code, increase of minimum monthly wage, amendment and supplement to the Law on Employment Support, as well as extension of unemployment social insurance benefit payment in 10 municipalities, the strike of educational workers, assurance of optimum financing of Lithuanian education and of safe environment in educational bodies, other relevant issues.

At present, there are seven committees and commissions under the Tripartite Council, in which representatives of non-governmental organisations also participate (Labour Relations Commission; Bilateral Commission of Civil Servants; Education Committee; Consumers Right Monitoring Committee; Energy Committee; Youth Entrepreneurship Development Committee; Committee of Culture).

The Government empowered the Ministry of Social Security and Labour to register collective agreements signed at national, industry-wide (production, services, professional) or territorial (municipal, county) levels, to which trade unions and employers organisations are parties. In 2016, on industry-wide collective agreement was signed (between the State Border Guard Service under the Ministry of the Interior of the Republic of Lithuania and Lithuanian, Lithuanian Trade Union of Border Officers and Lithuanian Federation of Law Enforcement Officers No. PV3-50 and renewal No. PV3-54), one territorial-level collective agreement (between the Administration of Joniškis District Municipality and Association of Trade Union of Culture of Joniškis District and Joniškis District Association of Trade Unions of the Lithuanian Trade Union of Educational Workers). Besides, in 2016, two industry-wide collective agreements (between the Lithuanian Criminal Police Bureau and joint representative office of the Trade Unions of Lithuanian Criminal Police Bureau Officers (Trade Union of the Lithuanian Criminal Police Bureau / Vilnius County Trade Union of Pre-trial Investigation Bodies); Prison 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 and the Trade Union of Probation Service Workers).

Signing a collective agreement represents the end of successful collective negotiations and the achieved compromise between the parties. It solves majority of industrial and social issues, removes any disputes and work obstacles, employees feel themselves safer, wages, holidays are guaranteed, etc.

In June 2016, 15 industry-wide and 12 territorial collective agreements (27 agreements, in total) were effective in Lithuania. In June 2017, only 11 industry-wide and 9 territorial collective agreements (20 agreements, in total) were effective in Lithuania. It shows a lack of popularity of higher -level collective agreements in Lithuania. Implementing the measure Social Dialogue Promotion of the 1st priority Quality Employment and Social Inclusion of the Lithuanian Operational Programme for Human Resources Development 2007-2013 VP1-1.1-SADM-02-K, projects financed by the European Social Fund and state budget of the Republic of Lithuania, more industry-wide collective agreements were signed.

According to the effective provisions of the Labour Code of the Republic of Lithuania, collective agreements of enterprises are not registered and no data on the exact number of collective agreements signed at this level is available. In 2016, the inspectors of the State Labour Inspectorate inspected 8 305 enterprises and their structural divisions (9 926 enterprises in 2012, 10 069 enterprises in 2013, 10 852 enterprises in 2014, 8 308 in 2015,

respectively). It was established that 310 collective agreements of enterprises were signed in 2016 (204 in 2012, 239 collective agreements in 2013, and 295 in 2014, 348 in 2015, respectively).

As the data shows, fewer collective agreements were signed in 2016, but with the new Labour Code of the Republic of Lithuania coming into effect from 1 July 2017, Paragraph 5, Article 195 of which establishes mandatory registration and publication of effective collective agreements in accordance with the Description of the procedure of registration and publication of collective agreements approved by the Order No. A1-334 of the Minister of Social Security and Labour of the Republic of Lithuania of 29 June 2017, the trends of signing collective agreements are expected to be more evident.

According to the data provided by economic entities via the System of electronic services for employers, in 2016 Lithuanian employees were represented in 39 per cent (36 per cent in 2015) economic entities (3.8 per cent were represented by trade unions (3.5 per cent in 2015)), functions of employees' representation and defence were delegated to industry-wide trade unions – 0.3 per cent (0.3 per cent in 2015), labour council was established in 4.9 per cent (4.3 per cent in 2015), functions of the labour council were performed by the elected representative of employees – 30.1 per cent (27.9 per cent in 2015), collective agreements were signed in 10.8 per cent of economic entities (8.7 per cent in 2015).

To promote social dialogue, implementation of the project No. 08.5.1-ESFA-V-423-01-001 'Pattern of Cooperation between Trade Unions and Employers through Social Dialogue', financed from the European Union structural funds, was launched. The purpose of this project is to promote cooperation between trade unions and employers by developing social dialogue and to create conditions ensuring quality coordination of social partners' interests. The project also aims assurance of monitoring of the social dialogue situation in Lithuania and assessment of results at the national scale. Project activities will strengthen representation of trade unions, promote employers and employees to develop social dialogue in companies, increase their participation in collective negotiations, which will inspire conclusion of collective agreements. Activities under implementation will promote trade unions and employers' organisations to make more active contribution to improvement of labour relations, social insurance and employment increase, will help employees to take more active participation in corporate management and joint social collective responsibility.

The project will be implemented by social partners: Lithuanian Trade Union Confederation, Lithuanian Trade Union 'Solidarumas', Lithuanian Employers' Confederation and Chamber of Agriculture of the Republic of Lithuania together with the State Labour Inspectorate under the Ministry of Social Security and Labour of the Republic of Lithuania.

During the project implementation, round table discussions will be organised, publicity means for social dialogue will be developed, research work will be carried out, methodology for development of a system of assessment of achievements in the field of social dialogue development will be created and a methodological publication will be issued. Besides, training-discussions will be held for representatives of institutions and organisations and social partners. Open training, regional conferences will be organised for public. Within the framework of the project, international conferences will be held, other international cooperation activities will be carried out, social polls in the field of social dialogue development will be conducted.

Methodological tools for collective negotiations, templates of collective agreements, etc. are planned to be developed during the project implementation. All these measures will promote smoother collective cooperation and social responsibility in the future, in Lithuania, i.e. will help to improve working conditions and environment, to include more employees into corporate management, to increase employers' responsibility in drafting and implementing collective agreements.

Methodological tools to be developed during the project will be freely accessible to all interested persons and organisations.

The commencement date of the implementation of the project activities is 10 April 2017, the end – 9 October 2020.

3.3. SOCIAL RESPONSIBILITY OF COMPANIES

Successful corporate activities are obviously among the most important driving forces of economy and social welfare all over the world. Competition, public employment and improvement cannot be imagined without successfully operating companies. Companies are inseparable part of the modern world affecting everyday life of all of us and contributing to its improvement.

Modern, socially responsible company is a company with the activities exceeding the clauses of the legislation, voluntarily integrating social, environmental, communal and transparent business principles, closely cooperating with all persons concerned, ensuring benefits not only to its owners and(or) shareholders but also to its employees, the entire society, pursuing improvement of business image in society.

State institutions, social partners, non-governmental organisations collaborate and encourage businesses to implement various social responsibility initiatives, as well as offer recognition, assessment.

To implement the Measure 'Organising Annual Competition of National Responsible Business' of the plan of measures for implementing of the Programme for National Social Responsibility Development of Companies 2009–2013, to achieve the set goals, the Procedure for organising, assessment and selection of the national responsible business award competition in 2013, and for organising the jury's work was approved by the Order of the Minister of Social Security and Labour.

Socially responsible companies are awarded in three nominations: 'Employer of the Year', 'Most Communal Company of the Year', 'Environmental Company of the Year' and in three categories: very small, small and medium enterprise, large enterprises and international corporations or their affiliates/representative offices operating in Lithuania. Every year, the most important award of the year 'Socially Responsible Company' is granted to one of the companies participating in the competition, additional nominations are established for achievements in the fields of sport activity, health improvement, promotion of youth entrepreneurship initiatives, companies are honoured for their attention shown to youth and young families.

In order to simplify application procedure for companies willing to take part in the National Responsible Business Award Competition, the Regulations of National Responsible Business Awards were specified.

Socially responsible companies were awarded for the tenth time for achievements in 2016. In addition, companies were awarded for progress in the fields of gender equality and integration of disabled people.

In 2013–2015, non-governmental organisations, social partners submitted suggestions to the Ministry of Social Security and Labour for promotion of social responsibility initiatives in 2014–2020. On 12 February 2016, following consideration of the received suggestions, the Action Plan for Promotion of Social Responsibility of Companies for 2016–2020 was approved by the Order of the Minister of Social Security and Labour. The measures of this action plan will be financed in 2017–2020 from the funds of EU Funds Investments Action Programme; implementing a specific objective – promoting creation of initiatives increasing social entrepreneurship and social responsibility. Promoting social responsibility of companies, training, consulting, staff exchange, surveys and assessments, public information, campaigns promoting social responsibility of companies, etc. will be organised and financed. Promotion of social responsibility of companies is aimed at increasing corporate responsibility for impact on environment and society. Implementation of social responsibility of companies will be promoted, as well as implementation of horizontal responsible business principles, for example, responsible use of resources, socially responsible management of human resources, occupational health and safety, equality between women and men, non-discrimination by age, disability, etc.

3.4. CURRENT ISSUES IN SAFETY AND HEALTH AT WORK

3.4.1. CHANGE OF LEGAL PROVISIONS IN 2016–2017

In implementing the provisions of the Republic of Lithuania Labour Code³⁰ and the law amending the Republic of Lithuania Law on Safety and Health at Work,³¹ which were prepared as part of the 'Establishment of a Lithuanian social model covering employment growth, improved regulation of labour relations and sustainable social security' project, the Description of the Procedure for Organising the Recruitment, Work and Professional Training of Persons Under 18 Years of Age and the Conditions for Child Employment,³² the Description of Working Conditions for Employees who are Pregnant, who Recently Gave Birth, or who are Breast Feeding,³³ and the Description of the Conditions for the Duration of Special Breaks During the Workday/Shift and the Establishment Thereof³⁴ were drawn up and approved in 2016–2017, and came into force as of 1 July 2017. These regulatory acts are a continuation of the regulation that was in force until 30 June 2017 which defined the safety and health requirements for persons under the age of 18, employees who are pregnant, who recently gave birth, or who are breast feeding, and individuals who work under special conditions.

In implementing the provisions of the Law on Amendment of the Republic of Lithuania Law on Safety and Health at Work and the Law on Amendment of the Law on the State Labour Inspectorate of the Republic Of Lithuania,³⁵ the General Regulations of Training and Checking Knowledge in Safety and Health at Work³⁶ were approved, the Qualification Requirements for Safety and Health at Work Specialists, Safety and Health at Work Specialists at Safety and Health at Work Services, Safety and Health at Work Specialists at Legal Entities, and Natural Persons Performing the Functions of Safety and Health at Work Services or Part Thereof³⁷ were defined, and the Qualification or Special Knowledge and Skill Requirements for Employees who Maintain or Reorganise Potentially Dangerous Equipment and for Managers of Work with Potentially Dangerous Equipment³⁸ were approved. In implementing the new provisions of the above-mentioned laws, safety and health at work specialist training programmes for employers, employer representatives and persons authorised by employers to perform the functions of safety and health at work services are, as of 1 July 2017, prepared and approved by the State Labour Inspectorate of the Republic of Lithuania under the Ministry of Social Security and Labour (hereinafter – the State Labour Inspectorate), which also tests the knowledge of these individuals. Employees who are charged

³⁰ 14 September 2016 Law No XII-2603 on the Approval, Entry into Force and Implementation of the Labour Code of the Republic of Lithuania.

³¹ 14 September 2016 Law No XII-2607 on Addition of Chapter V¹ to, and Amendment of the Annex to and Chapter V and Articles 1, 2, 3, 9, 10, 12, 13, 16, 21, 22, 25, 26, 27, 29, 31, 33, 34, 35 and 44 of, the Republic of Lithuania Law on Safety and Health at Work No IX-1672.

³² Resolution No 518 of 28 June 2017 of the Government of the Republic of Lithuania on Approval of the Description of the Procedure for Organising the Recruitment, Work and Professional Training of Persons Under 18 Years of Age and the Conditions for Child Employment.

³³ Resolution No 469 of 21 June 2017 of the Government of the Republic of Lithuania on Approval of the Description of Working Conditions for Employees who are Pregnant, who Recently Gave Birth, or who are Breast Feeding.

³⁴ Resolution No 496 of 21 June 2017 of the Government of the Republic of Lithuania On Implementation of the Labour Code of the Republic of Lithuania.

³⁵ 14 September 2016 Law No XII-2606 on Repeal of Article 13¹, and Amendment of the Annex to and Section Four¹ and Articles 1, 6, 8 and 9 of, the Law on the State Labour Inspectorate of the Republic Of Lithuania No IX-1768.

³⁶ 5 June 2017 Order No A1-276 of the Minister of Social Security and Labour of the Republic of Lithuania on Approval of the General Regulations of Training and Checking Knowledge in Safety and Health at Work.

³⁷ 5 June 2017 Order No A1-277 of the Minister of Social Security and Labour of the Republic of Lithuania on Amendment of the 1 February 2016 Order No A1-60 of the Minister of Social Security and Labour of the Republic of Lithuania on the Establishment of Qualification Requirements for Safety and Health at Work Specialists, Safety and Health at Work Specialists at Safety and Health at Work Services, Safety and Health at Work Specialists at Legal Entities, and Natural Persons Performing the Functions of Safety and Health at Work Services or Part Thereof.

³⁸ 29 June 2017 Order No A1-333 of the Minister of Social Security and Labour of the Republic of Lithuania on Approval of the Qualification or Special Knowledge and Skill Requirements for Employees who Maintain or Reorganise Potentially Dangerous Equipment and for Managers of Work with Potentially Dangerous Equipment.

with the maintenance or reorganisation of the following potentially dangerous equipment: hazardous material containers, lifts, vehicle lifts, aerial lifts or funiculars, escalators or moving walkways, lift equipment or amusement equipment, and managers in charge of work with potentially dangerous equipment will have to have proper qualification as established by the Minister of Social Security and Labour.

In order to improve safety and health at work in the country and taking into account the Council conclusions of 10 March 2015 'EU Strategic Framework on Health and Safety at Work 2014–2020: Adapting to new challenges' and the 12 June 2014 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on an EU Strategic Framework on Health and Safety at Work 2014–2020, the National Safety and Health at Work Action Plan for 2017–2021³⁹ was approved which provides for measures to perfect the safety and health at work legal framework, improve the prevention of work-related diseases, ensure the competence of labour inspectors and occupational healthcare specialists, and improve the process of testing the knowledge of employers and employees.

3.4.2. SAFETY AND HEALTH AT WORK COMMISSION

In order to coordinate the interests of the state, employees and employers in the sphere of safety and health, the Safety and Health at Work Commission of the Republic of Lithuania (hereinafter – the Commission) has been operating since 1994 on the principle of tripartite cooperation of social partners. The procedure for the formation of the Commission and its functions are established by the Regulations of the Safety and Health Commission at Work of the Republic of Lithuania.⁴⁰ The Commission examines draft laws and other legislation on safety and health at work, discusses the report on the state of safety and health at work and enforcement of labour law and analyses the state of safety and health at work, discusses draft programmes and measures for the improvement of safety and health at work and the outcome of their implementation, and submits comments and suggestions on the issues under discussion to the Ministry of Social Security and Labour, the Ministry of Health, and other state institutions and establishments.

There were five meetings of the commission in 2016 during which 19 issues were considered (draft legislation; the report on the state of safety and health at work and enforcement of labour law at companies, institutions and organisations of the Republic of Lithuania in 2009–2015; information about 'A Safe Workplace for All Age Groups', the 2016–2017 safe workplace campaign) and opinions and suggestions were given on the issues under discussion.

3.4.3. SAFETY AND HEALTH AT WORK AT COMPANIES IN 2016

According to the data of the State Labour Inspectorate, labour inspectors carried out 3,400 inspections on safety and health at work issues at companies in 2016 (compared with 3,700 in 2015). During the 2016 inspections, 15,900 instances of non-compliance with the requirements of safety and health at work legislation were identified (compared with 13,300 in 2015). Companies were issued 1,500 citations to eliminate safety and health at work legislation violations (compared with 1,400 in 2015) and 26 citations to suspend work in 156 workplaces; 16 pieces of work equipment were prohibited from being used.

³⁹ 22 May 2017 Order No A1-256/V-584 of the Minister of Social Security and Labour of the Republic of Lithuania on Approval of the National Safety and Health at Work Action Plan for 2017–2021.

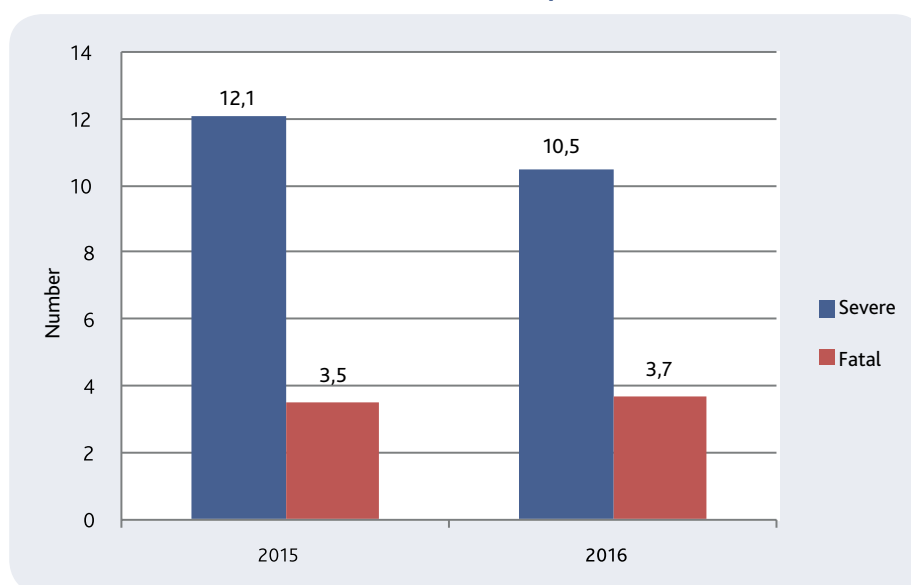
⁴⁰ Resolution No 13 of 9 January 2002 of the Government of the Republic of Lithuania on Approval of the Regulations of the Safety and Health at Work Commission of the Republic of Lithuania.

3.4.3.1. ACCIDENTS AT WORK

In 2016, a total of 3,927 accidents at work took place at Lithuanian establishments, of which 45 were fatal, 127 were severe and 3,755 were light.

There were 324.4 accidents at work for every 100,000 people in the workforce, of which 3.7 were fatal and 10.5 were severe accidents at work. Compared to 2015, the number of fatal accidents at work per 100,000 people was similar, while the number of severe accidents at work per 100,000 people decreases by 1.6 percentage points (Figure 3.4.3-1).

Number of fatal and severe accidents at work per 100,000 workers, 2015–2016



Data of the State Labour Inspectorate

Figure 3.4.3.1-1

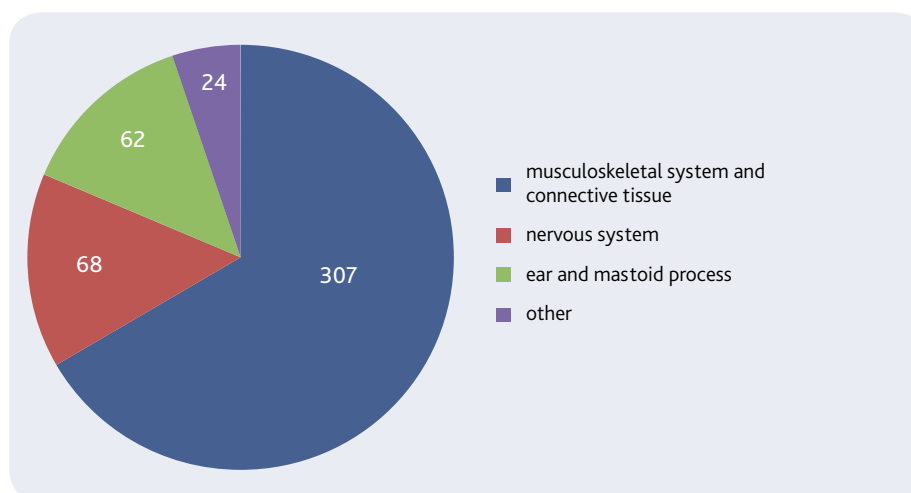
3.4.3.2. INCIDENCE OF OCCUPATIONAL DISEASES

In 2016, 461 cases of occupational diseases were registered in the State Register of Occupational Diseases (compared with 437 in 2015). 296 men (58 per cent) and 165 women (42 per cent) were diagnosed with occupational diseases.

Just like in 2015, the most common occupational diseases registered in 2016 were that of (Figure 3.4.3.2-2):

- the musculoskeletal system and connective tissue (307 cases, or 67 per cent);
- the nervous system (68 cases, or 15 per cent);
- the ear and mastoid process (62 cases, or 13 per cent).

Breakdown of occupational diseases, 2016



State Register of Occupational Diseases data

Figure 3.4.3.2-2

3.4.4. TECHNICAL SAFETY

In implementing the provisions of the Law on Amendment of the Republic of Lithuania Law on Product Safety⁴¹ and the Law on Amendment of the Republic of Lithuania Code of Administrative Offences⁴² and in order to ensure safe placement of products on the market and market surveillance requirements, the 'Machine Safety' technical regulation⁴³ was amended. Machinery can only be placed on the market and/or put into service when it complies with the provisions of this regulation. Market surveillance for machinery is carried out by the State Consumer Rights Protection Authority and the State Labour Inspectorate.

The provisions of Article 27(4) of the Republic of Lithuania Law on Safety and Health at Work, which were prepared with respect to the composition of the labour market, the need for recognition of professional qualifications, the variety of potentially dangerous equipment as well as the special features of their supervision and use, and the relevance of training programmes used for staff training, and in an effort to create motivating rather than restrictive conditions for employers to carry out their obligation to ensure the safety and health of workers, came into force on 1 July 2017. The employer is given the opportunity to choose an appropriately qualified worker, taking all of the circumstances into account and establishing the real competency required to perform the work. As of 1 July, the procedure for training and checking the knowledge of employees who use potentially dangerous equipment is determined by the employer. This gives the employer the necessary freedom to choose the most suitable training in line with the specific needs of the job and the employee's existing qualifications. This possibility is especially important given the trend of rapid modernisation of work equipment (in the past five years, the number of potentially dangerous equipment being used in Lithuania increased by one third – from 28,600 to 38,700 pieces).

⁴¹ 25 June 2015 Law No XII-1867 on Repeal of Article 22 and Amendment of Articles 5, 6, 8, 9, 10, 11, 13, 15, 16, 17, 23, 24, 25, 27, 28 and 29 of the Republic of Lithuania Law on Product Safety No VIII-1206.

⁴² 25 June 2015 Law No XII-1893 on Repeal of Article 189⁶ and Amendment of Articles 189¹⁴, 224, 241¹, 259¹ and 320 of the Republic of Lithuania Code of Administrative Offences.

⁴³ 3 November 2016 Order No A1-587 of the Minister of Social Security and Labour of the Republic of Lithuania on Amendment of Order No 28 of the Minister of Social Security and Labour of the Republic of Lithuania of 6 March 2000 on Approval of the 'Machine Safety' Technical Regulation.

4 | Social insurance and pensions

4.1. 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. Financial sustainability may be described as long-term abilities to perform the obligations, i.e. ability to in the long run maintain an adequate consumption level of beneficiaries and the insured through benefits in stated insured events. 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, analyze its possibilities to fulfill the commitments in the best possible way. Moreover, the European Union strategy "Europe 2020" highlights that economic recovery and further growth is not possible without assurance of a sustainable system of finance.

The history of independent Lithuania has witnessed several crises in the system of social insurance, when the system of social insurance was not capable of performing its obligations for a certain period of time. The disability to perform its obligations is determined by a negative impact of macroeconomic factors or too many obligations (political risk aspect). Therefore, when dealing with issues of public finances, ambitious and long-term goals should be established, i.e. care of the welfare of the state and each individual. The tax policy should be amended not by making any separate decisions, but by applying an integrated solution to issues of tax environment. Therefore, a new more sustainable Lithuanian social model, which suggests increasing the employment level, improving the regulation of labor relations, and ensuring sustainability of the social insurance system was developed in 2013–2015. This model has been created in line with Priority 4 "Strengthening of Administrative Capacities and Improvement of Public Administration" of 2007–2013 Operational Program 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. 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, labor relations and employment systems and contribute to positive developments of the system of state social insurance and pensions. 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. Following active discussions on drafting legal acts of a new Lithuanian social model, which took place in the Seimas of the Republic of Lithuania in 2016, rational decisions of social security policy have been adopted and the guidelines for the reform of state social insurance as well as pension system have been implemented.

In a context of the development of a new Lithuanian social model the coverage of the insured persons in Lithuania has been expanded since 1 January 2017, i.e. individuals receiving bonuses or remuneration for the activities in the supervisory board or the board of directors or the loan committee payable instead of bonuses

or together with bonuses and managers of small partnerships, who are not members of such small partnerships within the framework of the Law on Small Partnerships of the Republic of Lithuania, are now covered with the state social pension insurance. Professional military service personnel of the national defense system, also the volunteer soldiers, other active reserve duty military personnel, ready reserve duty military personnel, called up for drill, training, or service assignments, are now additionally covered with sickness, maternity, accidents at work and occupational diseases social insurance, while military personnel of mandatory initial military service of the Lithuanian Armed Forces and such other individuals performing the alternative national defense service are now additionally covered with maternity, accidents at work, and occupational disease social insurance.

Social insurance of self-employed persons has also been expanded since 1 January 2017. The owners of sole proprietorships, the members of small partnerships and full members of business partnerships are now covered with sickness, maternity, as well as unemployment social insurance of the amounts withdrawn for personal needs. Self-employed persons are now covered with sickness social insurance and individuals, who work according to business licenses, are now covered with full pension insurance calculating social insurance contributions of minimum monthly wage.

By passing a new Law on State Social Insurance of the Republic of Lithuania on 28 June 2016, the Seimas of the Republic of Lithuania abolished the privileges that were in effect before and established that since 1 January 2017 all individuals, who receive income under the royalties (copyright contracts), athlete, or performer agreements, are compulsorily insured with all types of social insurance (except the accidents at work and unemployment social insurance) of total income received. For individuals who hold the status of an artist social insurance contributions are calculated of total income on royalties (copyright contracts) (not of half, as it used to be until the beginning of 2017). Such decision was made in order to ensure bigger social insurance guarantees, since, in accordance with the provisions of the Law on State Social Insurance of the Republic of Lithuania applicable until the beginning of 2017, for individuals, who receive income under the royalties (copyright contracts), from athlete or performer activities, social insurance contributions were calculated of smaller social insurance contribution base, i.e. only of 50 per cent of remuneration under concluded agreements. To tell the truth, this smaller social insurance contribution base is implemented from 1 August 2017 again.

Since 1 January 2017, payment of state social insurance contributions has changed for farmers and their partners. Besides the available pension and maternity social insurance guarantees, such individuals are now additionally covered with sickness social insurance. Those farmers or their partners, who do not have an obligation to pay personal income tax, but declare income received from their activities, pay social insurance contributions of the amount of income chosen and declared by them. Thus, such individuals are no longer required to pay social insurance contributions of the amount, not lower than 12 minimum monthly wages. A new exemption for young farmers and their partners, who are under 29 and whose income during a tax period is not imposed personal income tax, has been legitimized since the beginning of 2017 – they are no longer obliged to pay social insurance contributions. Moreover, since the beginning of this year, farmers and their partners, regardless of the size of their farm, are no longer obliged to pay social insurance contributions, if they are already covered with social insurance under such other activities of the amount not lower than minimum monthly wage.

The provisions with respect to social insurance of individuals covered with social insurance from the state funds because of the characteristics of their social status have also been revised since 1 January 2017. Clergymen and monks of traditional and such other state-accredited religious communities as well as communions are now entitled to an individual portion of pension, spouses of delegated individuals are now additionally covered with maternity insurance, and, as chosen by the family, one of the parents (adoptive parents) or an individual appointed as a child's guardian, who raise up to a 3-year-old child, as well as one of parents (adoptive parents) of a disabled person with a special need for permanent nursing, who are younger than old-age retirement age, or an individual appointed as a guardian or foster parent of such disabled person, who nurses such disabled person at home from the national budget, are now covered with pension and unemployment insurance also in those

cases, when their income is lower than the sum of minimum monthly wage applicable during a relevant period. Students of the vocational educational establishment of the internal affairs or the induction training courses of the vocational educational establishment of the internal affairs, who have signed the agreement on serving in the interior service, and military school students are covered by the state only with the social insurance of accidents at work and occupational diseases during the training and drill period, while individuals, who study at the vocational educational establishment for correctional officers under the vocational training programs (military school students) are covered only with the social insurance of accidents at work and occupational diseases since 1 January 2016.

It should be noted that the reform of the accidents at work and occupational diseases social insurance system, which has entered into force since the beginning of 2017, did not restrict to the incorporation of new categories of the insured into the system; a new amount relevant to the average monthly gross wage published by Statistics Lithuania is calculated in allocating the accidents at work social-security benefits instead of the current amount of insured income, which has been annually approved by the Government of the Republic of Lithuania. Paying double benefits for the same insured event has also been renounced since 1 January 2017. Duplication of periodic social-security benefits with respect to the accidents at work and occupational diseases in the event of death of the insured with widow's/widower's social insurance pension and orphan's social insurance pension is renounced. If an individual is assessed 45 per cent (and more) of lost capacity for work and such individual is entitled to the lost capacity for work pension as well as periodic compensation for the lost capacity for work, such individual shall only be paid pension, if it is equivalent to or higher than the calculated periodic compensation for the lost capacity for work. Pension and a portion of compensation are paid, if the lost capacity for work pension is lower than the compensation (compensation minus pension). Periodic insurance benefit in the event of death of the insured together with widow's/widower's and orphan's pensions is paid by the same principle.

In the implementation of the ruling of the Constitutional Court, since 1 January 2017, maximum compensatory wage is not applied to the calculation of maternity benefit, i.e. the so-called ceiling is no longer applied, thus compensating 100 per cent of the beneficiary's earnings. Such benefit per month cannot be lower than 20 per cent of country's average monthly wage applicable during the quarter before last until the date of entitlement to the maternity benefit arose. Since the beginning of 2017, more of the employed receive social-security benefit in the event of being sick or nursing a family member, as sickness social insurance is now granted to farmers and their partners, foster family members, self-employed persons, except individuals, who work according to business licenses, owners of sole proprietorships, members of small partnerships, full members of business partnerships, professional military service personnel of the national defense system, also volunteer soldiers and such other active reserve duty military personnel. This means that the representatives of the above listed groups have a right to apply for sickness benefit in the event of their sickness or nursing a family member. It should be noted that those individuals, who find employment and get sick earlier than 3 months after the mandatory initial military service, but do not have due record of sickness social insurance, are entitled to sickness benefit payable without applying the insurance record requirement.

Where an individual, who is granted child care leave, cannot take care of a child not only due to his/her sickness or injury, but also sickness or injury of the other child under 3, for whose care he/she is also granted parental leave, sickness benefit for healthy child care is paid to the other parent, adoptive parent, or guardian as of the first child care day for maximum 14 calendar days. Before sickness benefit for healthy child care has been paid to the other parent, adoptive parent, or guardian only, if an individual, who has been granted parental leave, could not take care of a child only due to his/her sickness or injury. The period of payment of such sickness benefit cannot exceed 90 calendar days per calendar year. Since 1 January 2017, sickness benefit while taking care of a child under 7, who has any kind of sickness, may be granted not only to the ones, who take care of a child at the in-patient department, but also at medical rehabilitation and therapeutic facility. Benefit is paid from the first day of care during the entire required care period, but not exceeding 120 days per calendar year. Sickness benefit per

month cannot be less than 15 per cent of country's average monthly wage applicable during the quarter before last until the month of temporary incapacity for work. If compensatory salary for the calculation of sickness benefit is smaller, such benefit is calculated applying the latter amount. Maximum compensatory salary for the calculation of sickness benefits cannot exceed 2 country's average monthly wages applicable during the quarter before last until the month of incapacity for work.

Maternity social insurance is now additionally granted to the owners of sole proprietorships, the members of small partnerships and full members of business partnerships, professional military service personnel of the national defense system, also the volunteer soldiers and other active reserve duty military personnel, who have not attained the old-age retirement age yet and are not receiving insured income, spouses of civil servants, professional military service personnel, and delegated individuals, spouse of the President, military personnel of mandatory initial military service, as well as individuals performing the alternative national defense service. This means that the representatives of the above listed groups have a right to apply for a maternity, child care (previously – maternity (paternity)), and paternity allowances.

Since the beginning of 2017, exceptions relating to the right to apply for maternity, paternity, or child care allowance are not applied to the insured under 26, who have not acquired necessary social insurance record before the beginning of maternity, parental, or child care leave, due to the studies during the periods referred to above according to the general education program or vocational training program and at higher education institutions according to full-time study programs, if maternity, parental, or child care leave is granted within 12 months as of completion of general education program, vocational training program, or higher education program (according to a document legitimizing learning and (or) professional achievements). The entitlement to maternity, paternity, or child care allowance from the social insurance system has also been deprived from the resident physicians insured during the first year of medical residency studies, who have not acquired necessary social insurance record due to the studies during the periods referred to above at higher education institutions according to full-time study programs and (or) medical residency studies, if maternity, parental, or child care leave is granted within 12 months as of the commencement of medical residency studies.

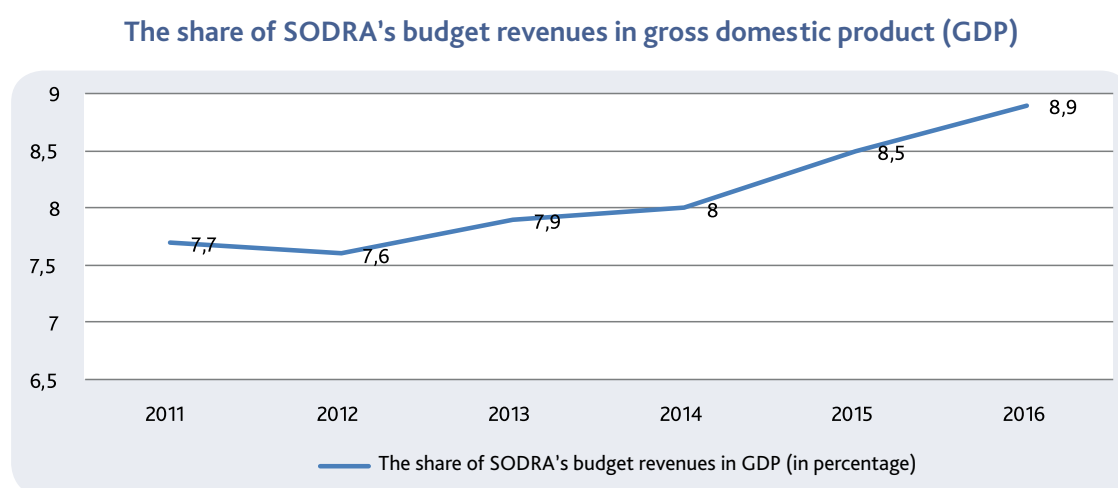
On 15 May 2017, over 140 thousand so-called cherry envelopes – informational letters from the State Social Insurance Fund Board under the Ministry of Social Security and Labor (SODRA), have spread all over Lithuania. These letters are just a warning that a resident, who received such letter, did not acquire the annual record of social insurance during 2016. They also contain the information on the record of social insurance so far acquired by an individual and forecasted old-age pension, if nothing changes in his/her life. They also include calculations of how an individual's old-age pension would change, if from now on he/she started earning at least 12 minimum monthly wages per year. The purpose of cherry envelopes is to inform the residents of the current situation and assess their possibilities as well as prospects of receiving higher old-age pension. In this way the recipients are encouraged to think about the consequences and, if possible, take actions. The average old-age pension of the individuals, who have acquired the obligatory record of pension social insurance, is close to double than of the ones, who have not acquired such record, and total approximately EUR 287.3; they are also entitled to the top-up for any extra year worked. Those individuals, who have not acquired the obligatory record, receive a reduced old-age pension and they are not entitled to any top-up for extra years worked.

Attention is drawn to the fact that since 1 July 2017 a common tariff rate of state pension, sickness, maternity, unemployment social insurance, and health insurance of the insurers decreases from 30.8 per cent to 30.3 per cent. Though a tariff for pension social insurance decreases by one percentage point, since 1 July 2017, a tariff for the unemployment social insurance increases by 0.5 percentage point due to higher unemployment social insurance benefits payable for a longer period of time.

4.2. FINANCIAL SITUATION OF STATE SOCIAL INSURANCE FUND

Over the last few years, the budget deficit of the State Social Insurance Fund (hereinafter referred to as SODRA) has slowly declined, as effective measures were taken to build the policy of the state social insurance system.

Since 2003, SODRA's budget revenues have demonstrated stable growth and, with reference to preliminary data, EUR 228.3 million of contributions were paid during the first month of 2017, which is EUR 29.8 million or 15 per cent more than in January of 2016. We are glad to see that the best result of collecting SODRA's revenues as of foundation thereof was achieved in January of 2017. Till the beginning of 2017, the best first months of the year according to the collected state social insurance contributions were the Year 2008 (approximately EUR 187 million collected) and the Year 2009, when approximately EUR 186 million was collected. Though SODRA's budget expenditure in January of 2017 was higher than in January of 2016, this target was counterbalanced by the improving SODRA's budget balance.



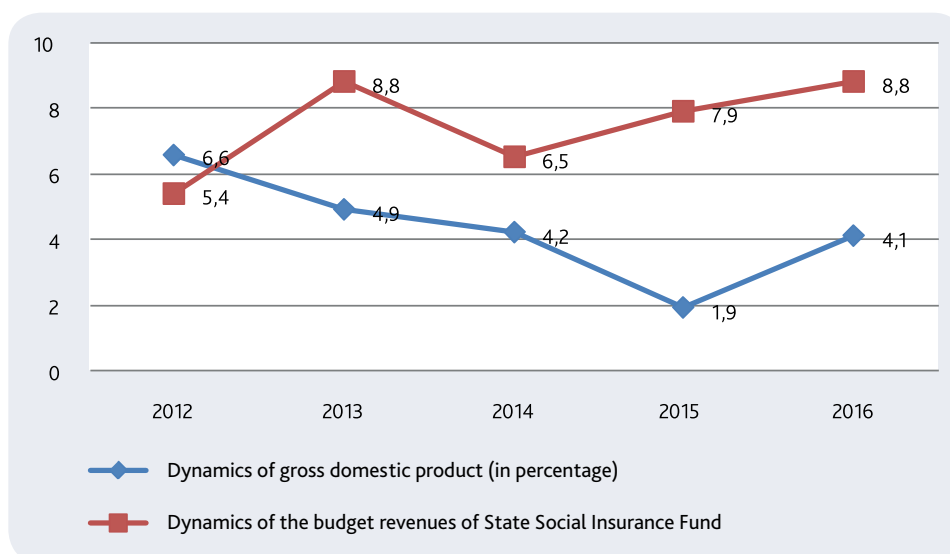
Data of the State Social Insurance Fund Board

Figure 4.2-1

In 2016, SODRA's budget revenues amounted to EUR 3,438.8 million, i.e. EUR 95.7 million or 2.9 per cent higher than planned. As compared to 2015, SODRA's budget revenues went up by EUR 153.1 million or 4.7 per cent. SODRA's budget revenues less health insurance contributions and appropriations total 8.9 per cent of gross domestic product and SODRA's budget revenues grow faster than gross domestic product (Figure 4.2-1).

Dynamics of gross domestic product and SODRA's budget revenues (without compulsory health insurance contributions and dedicated appropriations from the state budget of the Republic of Lithuania and other state monetary resources) (in percentage) (Figure 4.2-2).

Dynamics of SODRA's budget revenues and gross domestic product (GDP)

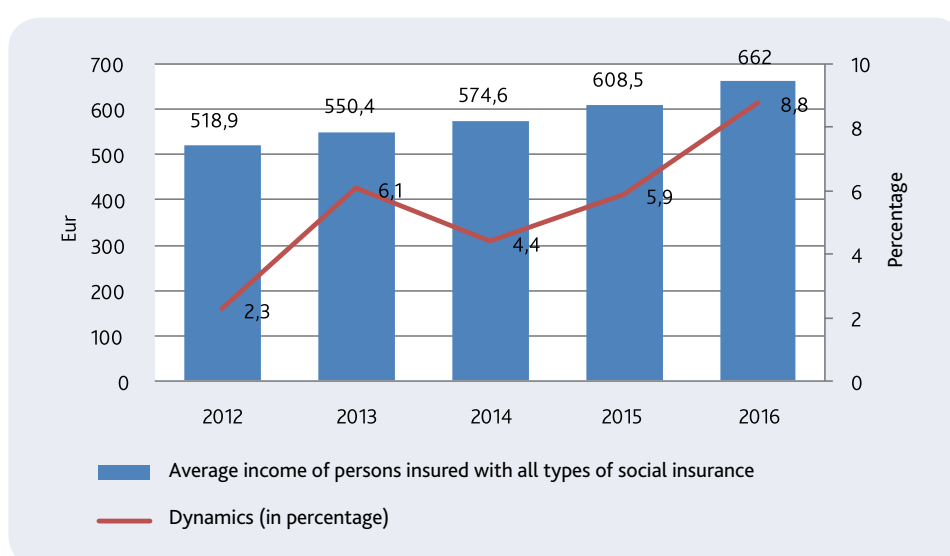


Data of the State Social Insurance Fund Board

Figure 4.2-2

The lion's share of revenues, EUR 3,342.7 million or 97.2 per cent, consisted of state social insurance contributions paid by the insured and insurers. As compared to 2015, these contributions went up by 8.7 per cent. Insurers' contributions amounted to EUR 3,023.3 million, and contributions paid by the insured persons were EUR 319.4 million, including EUR 6.0 million of contributions paid out of royalties and copyright work. The average monthly revenue of persons insured with all types of social insurance, of which social insurance contributions are calculated, totaled EUR 662.0, i.e. EUR 53.5 or 8.8 per cent higher than in 2015, therefore, there were EUR 114.8 million more of contributions calculated than planned (Figure 4.2-3).

Average revenue of the insured with social insurance and its dynamics



Data of the State Social Insurance Fund Board

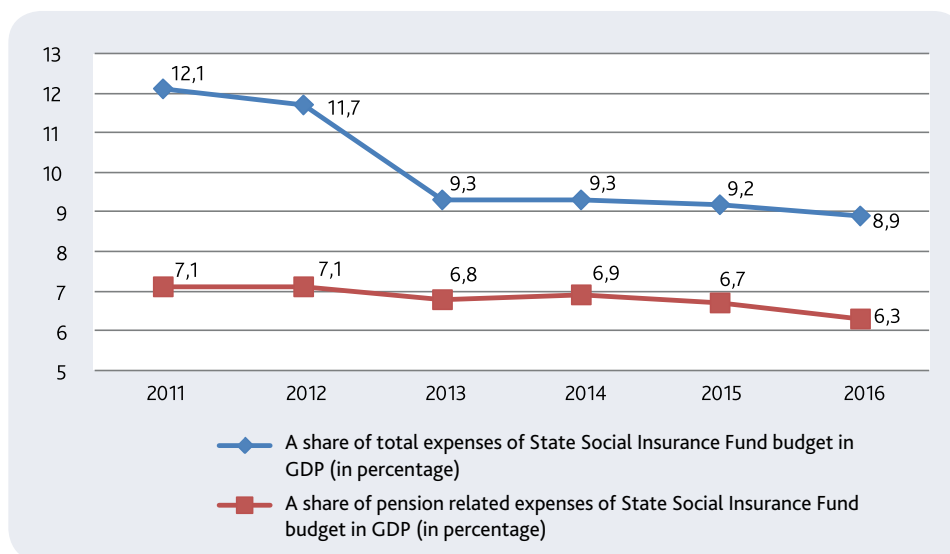
Figure 4.2-3

State social insurance contributions paid by self-employed persons amounted to EUR 85.5 million, which is 13.3 per cent more than in 2015. The amount of voluntary state social insurance contributions was only EUR 0.3 million. As compared to 2015, such contributions dropped by 14.9 per cent, since new rules of voluntary pension insurance were approved as of 1 September 2014, which established stricter terms and conditions for the ones, who opt for voluntary insurance, in order to avoid the cases of abuse in qualifying for the guarantees provided by pension social insurance.

The amount of dedicated appropriations from the state budget of the Republic of Lithuania and other state monetary resources was EUR –3.0 million, i.e. the incurred expenditure to be allocated in 2016–2018 to compensate for state social insurance pensions reduced in 2010–2011 was EUR 1.6 million less, also the incurred expenditure to compensate for state social insurance pensions reduced in 2010–2011 was EUR 2.7 million less than provisions. Loans taken by SODRA's budget from commercial banks in 2014–2015 to cover the interest due in 2016 totaled EUR –0.8 million. Provisions for the payment of old-age and lost capacity for work (disability) compensatory benefits to restore current amortization total EUR –0.5 million.

The estimated expenditure of SODRA's budget in 2016 was EUR 3,436.8 million (Figure 4.2-4). As compared to 2015, it increased by EUR 14.3 million or 0.4 per cent. In 2016, the expenses of SODRA's budget totaled 8.9 per cent of gross domestic product, while pension related expenses totaled 6.3 per cent of gross domestic product. The shares of the expenses of SODRA's budget and pension related expenses in GDP have decreased during the period of 2011–2016.

A share of expenses of SODRA's budget and pension related expenses in gross domestic product



Data of the State Social Insurance Fund Board

Figure 4.2-4

The estimated amount of pension social insurance expenditure is EUR 2,448.0 million or 67.3 per cent of all SODRA's budget expenditure. The estimated amount of pension social insurance expenditure was 1.6 per cent or EUR 40.2 million smaller than in 2015, since, in implementing the provisions of the Law No. XII-1923 on Compensation of State Social Insurance Old-Age Pensions and State Pensions Reduced due to the Insured Income of the Republic of Lithuania passed on 30 June 2015, the amount of compensation of reduced pensions for the employed old-age pension beneficiaries payable in 2016–2018 – EUR 120.6 million – was calculated in 2015 applying the accrual principle. Without calculating the compensation amounts estimated in 2015, the amount of expenditure paid for pensions during 2016 was 3.4 per cent or EUR 80.4 million higher than in 2015.

During 2016, the average annual state social insurance old-age pension of persons having the mandatory social insurance record was EUR 266.18. As compared to 2015, the average annual old-age pension of persons with the mandatory social insurance record increased by 4.6 per cent or EUR 11.85, since, as of 1 January 2016, basic pension has been increased from EUR 112 to EUR 120 and current insured income – from EUR 445 to EUR 476. 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 40.2 per cent. In December 2016, the average old-age pension of persons having the mandatory social insurance record was EUR 266.69. As compared to December 2015, it was 3.7 per cent or EUR 9.46 higher. Taking into consideration deflation, the actual old-age pension, having the necessary social insurance record, increased by 2.9 per cent.

The funds transferred to pensions funds amounted to EUR 156.4 million, i.e. EUR 16.1 million or 11.5 per cent more than in 2015, since in 2016 the number of pension accumulation scheme participants increased by 4.4 per cent and the average monthly income of the employed participating in the pension accumulation scheme, of which state social insurance contributions are calculated, increased by 6.8 per cent. Financial resources transferred to the pension funds total 4.6 per cent of total expenses of SODRA's budget. In 2016, accumulative pension contributions were transferred to the private pension funds for 1229.0 thousand persons or 93.2 per cent of insured persons, however, 376.0 thousand or 30.6 per cent of these persons did not have any insured income.

In 2016, the sickness and maternity social insurance expenditure amounted to EUR 490.9 million or 14.3 per cent of all expenditure. It was 12.4 per cent or EUR 54.3 million more than in 2015. The total number of estimated sickness allowances was EUR 234.2 million, which is 7.5 per cent or EUR 15.5 million more than in 2015. The increased expenses for sickness social insured were influenced by the increased number of paid sickness days: in 2016, the number of paid sickness days was 9,950.9 thousand, i.e. 629.9 thousand days or 6.8 per cent bigger than in 2015.

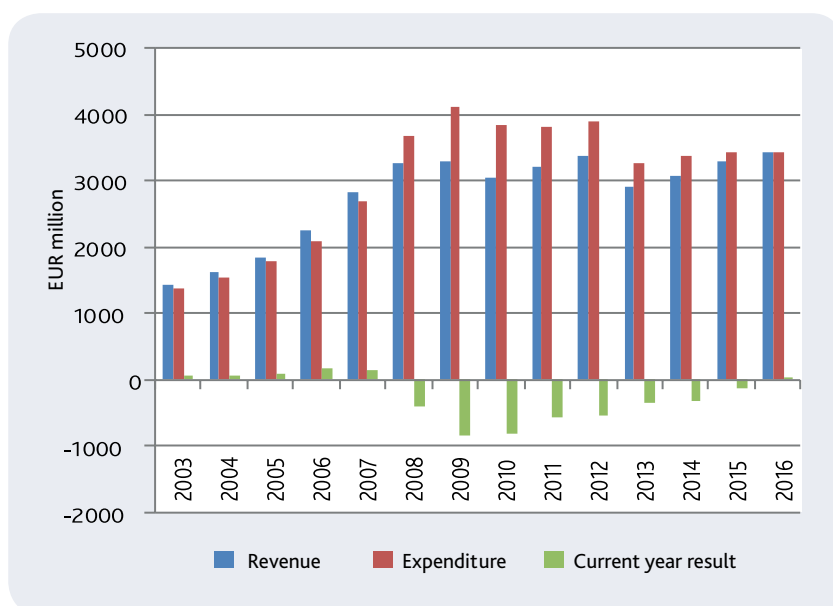
The total estimated amount of maternity allowances is EUR 59.5 million. Maternity allowances were paid to 22.9 thousand mothers or 6.2 per cent more people than in 2015. The amount of maternity (paternity) allowances totals EUR 184.9 million. Maternity (paternity) allowances until the child reached the age of one were paid on average to 20.3 thousand insured persons per month and until the child reached the age of two such allowances were paid to 21.2 thousand people. In total approximately 41.5 thousand of the insured or 9.3 per cent more than in 2015. The total estimated amount of paternity allowances is EUR 12.3 million, i.e. EUR 1.4 million or 12.9 per cent more than in 2015. Paternity allowances were paid to 16.3 thousand parents, i.e. 9 per cent more than in 2015.

During 2016, unemployment social insurance expenditure amounted to EUR 106.2 million or 3.1 per cent of all SODRA's expenditure. The estimated amount of unemployment benefits was EUR 77.5 million, i.e. EUR 0.2 million or 0.3 per cent more than planned because the average monthly number of beneficiaries of unemployment benefits was 2.9 per cent bigger than planned. During 2016, the average unemployment benefit amounted to EUR 145.9, whereas the average monthly number of beneficiaries of unemployment benefits was 44.3 thousand people. The estimated amount for supporting employment initiatives was EUR 28.6 million, which is EUR 0.3 million or 1.1 per cent less than planned.

Social insurance expenses of accidents at work and occupational diseases amounted to EUR 17.7 million or 0.5 per cent of all expenses. This type of insurance used EUR 0.9 million or 5.4 per cent more expenditure than in 2015. The expenditure of this type of insurance increased due to a bigger number of recipients of sickness benefits provided in cases of accidents at work.

The result of SODRA's Budget in 2016 – revenues exceeded expenses by EUR 2 million (Figure 4.2-5).

Trends of SODRA's budget revenue and expenditure



Data of the State Social Insurance Fund Board

Figure 4.2-5

4.3. STATE SOCIAL INSURANCE PENSIONS AND PENSION ACCUMULATION

The works of the XVI Government are continued in 2016-2017 as pensions are gradually increased, the compensations for pensions reduced due to the economic recession are paid out, a new edition of the Law on Social Insurance Pensions⁴⁴ has been adopted, which will come into force on 1st January 2018, and new priorities for the XVII Government – a sustainable and balanced pension scheme, consistent increase of pensions, opportunities for the effectiveness and improvement of the current second and third pillar pension scheme – are set⁴⁵.

4.3.1. STATE SOCIAL INSURANCE PENSIONS: CHANGES IN THE NUMBER OF RECIPIENTS AND THE AMOUNT OF THE PENSION

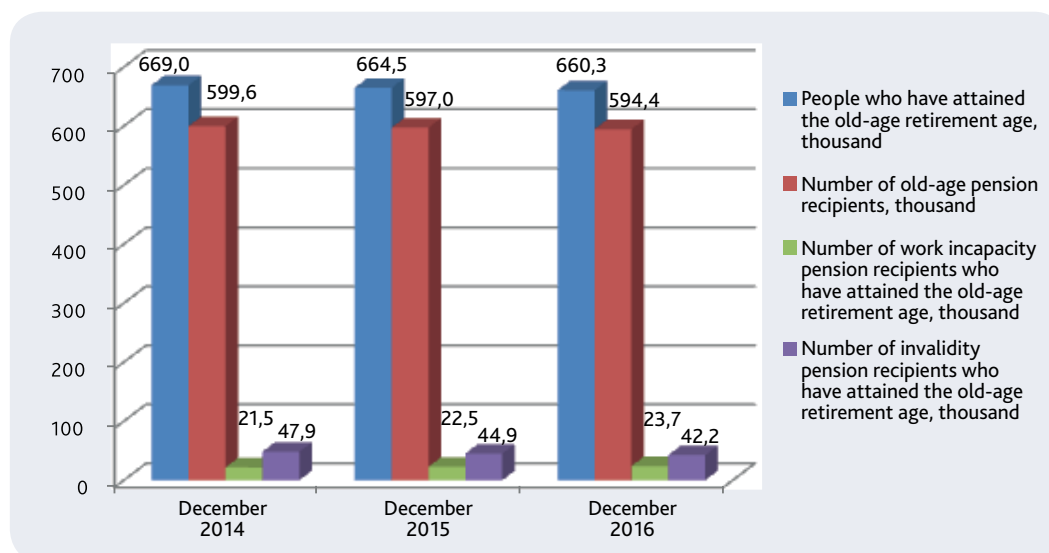
According to Lithuanian statistics, people who have attained the old-age retirement age amounted to 23.1% as of the end of 2016. Each year, the number of people who have attained the old-age retirement age decreases slightly due to the raising of the old-age retirement age, which will reach the 65-year mark for both men and women in 2026. As of 2017, the old-age retirement age is 62 years for women and 63 years and 6 months for

⁴⁴ Law No. XII-2512 of 29th June 2016 Amending Law No I-549 of the Republic of Lithuania on State Social Insurance Pensions.

⁴⁵ Resolution No. XIII-82 of 13th December 2016 of the Seimas of the Republic of Lithuania "On the Programme of the Government of the Republic of Lithuania".

men. According to the data of the State Social Insurance Fund Board (hereinafter – the SSIFB) as of December 2016, about 90% of people who have attained the old-age retirement age receive a state social insurance old-age pension, while the rest have chosen to receive a work incapacity pension or a disability pension.

Distribution of people who have attained the old-age retirement age by pension type in 2014–2016



Data of the State Social Insurance Fund Board

Figure 4.3.1-1

The number of recipients of all types of state social insurance pensions is decreasing: old-age – by 0.4%, early old-age – by 12.3%, work incapacity – by 0.2%, survivor's – by 0.9%, orphan's – by 3.6% (see Table 4.3.1-1). This decrease in the number of recipients is due to the raising of the old-age retirement age and the decreasing population. The number of recipients of disability, loss of breadwinner's and retirement pensions is decreasing because new pensions have been discontinued and only the awarded pensions are still paid.

The number of recipients of state social insurance pensions and the average pension amount as of January 2017

	Early old-age pension	Work incapacity pension	Disability pension	Survivor's pension	Orphan's pension	Loss of breadwinner's pension	Retirement pension
Number of recipients as of January 2017	7,363	145,247	56,099	218,675	34,529	1,823	417
Change compared to January 2016	-12.3%	-0.2%	-6.6%	-0.9%	-3.6%	-17.8%	-5.4%
Average pension amount as of January 2017	EUR 197.87	EUR 188.46	EUR 237.37	EUR 22.37	EUR 103.59	EUR 180.09	EUR 207.13
Change compared to January 2016	+7.2%	+6.7%	+6.9%	-0.3%	+7.6%	+8.9%	+6.8%

Data of the State Social Insurance Fund Board

Table 4.3.1-1

On 28th December 2016, the Government approved⁴⁶ the new amount of the basic state social insurance pension and the insured income of the current year of 2017. As a result, the amount of the basic state social insurance pension increased by EUR 8 from EUR 112 to EUR 120, while the insured income of the current year – by EUR 31 from EUR 445 to EUR 476 as of 1st January 2017. This increase has affected about 802 thousand recipients of state social insurance pensions. Due to the higher amounts of the basic pension and the insured income, the average old-age pension awarded to people having the obligatory insurance record increased on average by about EUR 20 and amounted to about EUR 287.07 as of January 2017. Other state social insurance pensions also increased, with the exception of the basic amount of the survivor's pension, which remained the same. However, as of 2018, the basic amount of the survivor's pension will be indexed the same way as the other state social insurance pensions. The new edition of the Law on Social Insurance Pensions sets out clear pension indexation rules (see Section 4.3.2). Additional EUR 167.4 million have been allocated for increasing pensions as of 1st January.

4.3.2. THE NEW EDITION OF THE LAW ON SOCIAL INSURANCE PENSIONS

To ensure the sustainability of the pension scheme, a new version of the Law on Social Insurance Pensions was adopted on 29th June 2016, which will reform the pension scheme as of 1st January 2018.

Key provisions of the new legal regulation – new pension structure, introduction of pension points and indexing. The new edition of the law provides that the pension will consist of the general and the individual pension parts. The general part of the pension will replace the basic part of the pension and a bonus for the length of the record, while the individual pension will replace the additional part of the pension and reflect person's contributions paid to the social insurance scheme.

The law introduces a pension point system for the calculation of the individual part of the pension. Each insured person will receive a certain number of pension points for the pension social insurance contributions paid in a given year. If the amount of contributions to be paid by an employee at a fixed rate of the average salary of that year is paid, one pension point will be awarded. Accordingly, if more or less contributions are paid, a proportionally higher or lower number of pension points will be awarded. The accumulated number of pension points will be known throughout one's career. The current, publicly available value of a pension point will allow to find out the monetary value of all accumulated pension points.

Under the new regulation, the old-age pension will be equal to the sum of the general and the individual parts. The general part of the pension will be calculated $\beta \times B$, where β is the length of the person's insurance record, divided by the obligatory insurance record valid on the year of retirement, while B is the basic pension (in euros); meanwhile, the individual pension will be equal to $V \times p$, where V is the person's accumulated pension points and p is the point value in euros.

Another major change is the establishment of clear pension indexation rules. At present, state social insurance pensions are increased when the Government approves new amounts of state social insurance basic pension and insured income of the current year. The new edition of the law provides for the indexation of pensions according to changes in the wage fund, taking into account the changes of the indicator over the last three years, the year of calculating the indexation coefficient and three forecast years. Linking indexation to the wage fund allows to take into account not only economic indicators (wage growth rates) but also changes in the number of contributors,

⁴⁶ Resolution No. 1275 of 28th December 2016 of the Government of the Republic of Lithuania "On the amendment of Resolution No. 1206 of 5th November 2014 of the Government of the Republic of Lithuania 'On the approval of the amount of the state social insurance basic pension, the basic amount of the state social insurance survivor's pension, the maximum amount of the unrecalculated pension and the basic amount of state pensions'".

i.e. the insured. The clear rules for indexing pensions will prevent increasing pensions beyond the capabilities of the SSIFB or cutting them during a recession.

The new edition of the law also provides for gradual increasing of the obligatory insurance record for which the old-age pension is paid from the current 30 years to 35 years. At present, the average insurance record for which the old-age pension is paid is already 37 years.

In considering this edition of the law, the proposals to tighten the awarding and payment of early old-age pensions were not adopted despite being recommended by the Council of the European Union. The proposal to raise the old-age retirement age each time the average life expectancy of persons aged 65 increases by half a year or more was also rejected.

4.3.3. COMPENSATION FOR REDUCED PENSIONS

In order to compensate for the losses caused by the reduction of state social insurance pensions applied during the recession (2010-2011), the Law on Compensation for State Social Insurance Old-age Pensions and State social Insurance Work Incapacity (Invalidity) Pensions was adopted in 2014⁴⁷. Compensation payments were distributed over three years in the following instalments: 2014 – 20%, 2015 and 2016 – 40% each. 40% of the estimated amount was paid in 2016 (10% paid quarterly in March, June, September and December). Compensations for reduced state social insurance pensions were paid out to 462.3 thousand recipients. The total amount spent on compensation payments amounted to EUR 160 thousand.

In 2015, the Law on Compensation for State Social Insurance Old-age Pensions and State Pensions Reduced Due to the Possession of Insured Income of the Republic of Lithuania⁴⁸ (hereinafter – the Law on Compensation) was adopted, which established the compensation procedure for recipients of old-age pensions who had been in employment and whose pensions in 2010-2011 were further reduced due to the insured income received. Compensation amounts for old-age pensions were planned to be paid out in instalments throughout 2016–2018, i.e. 33% of the old-age pension compensation amount to be paid in June 2016 and March 2017 and 34% – in March 2018. However, amendments to the Law on Compensation were adopted on 20th December 2016⁴⁹, which accelerated the procedure. 33% were paid in June 2016, while the remaining share – 67% of the old-age pension compensation amount was paid in March 2017. The compensation was paid out to 73.8 thousand recipients. About EUR 120 million were used for the compensations.

Compensation amounts for old-age pensions that have been further reduced by the fact that their recipients have been employed will also be paid out to the heirs. The heirs will have to apply to the SSIFB by submitting a request and providing inheritance documents. The total estimated compensation will be returned to the heirs. Heirs who submitted their applications for pension compensations by 31st January 2017 received the money together with the other recipients in March. Heirs who submitted their applications later (from 31st January 2017 to 31st December 2018) will receive the compensation amounts within 3 months.

⁴⁷ Law No. XII-886 of 15th May 2014 on Compensation for State Social Insurance Old-age Pensions and State social Insurance Work Incapacity (Invalidity) Pensions.

⁴⁸ Law No. XII-1923 of 30th June 2015 on Compensation for State Social Insurance Old-age Pensions and State Pensions Reduced Due to the Possession of Insured Income of the Republic of Lithuania.

⁴⁹ Law on No. XIII-129 of 20th December 2016 On the Amendment of Articles 2 and 4 of Law No. XII-1923 of on Compensation for State Social Insurance Old-age Pensions and State Pensions Reduced Due to the Possession of Insured Income of the Republic of Lithuania.

4.3.4. STATE SOCIAL INSURANCE RESERVE FUND

The new edition of the Law on Social Insurance obliged the Government to approve the regulations for the formation, management and use of SSIFB's reserve⁵⁰. The purpose of the reserve fund is to accumulate the monetary resources necessary for financing social insurance payments when the revenue from the corresponding type of social insurance to the State Social Insurance Fund's budget is insufficient. A reserve fund, whose funds would be used to cover the pension deficit in the event of an unstable economic situation in the country and negative effects of demographic changes, would help maintain the pension level. At the end of the calendar year, pension insurance revenues exceeding the pension costs of that year would be transferred to the state social insurance reserve fund. The formation of a reserve fund is necessary in order to avoid a reduction in pensions in the wake of a crisis or demographic decline, which would then have to be compensated, thus creating additional financial obligations for the state. The part of the reserve fund allocated for pensions would be the amount of last year's state social insurance costs for pension benefits (since pensions require most funds and are paid over a long period). The reserve proposed for pensions in 2017 would amount to about 7.8 billion euros, i.e. about 22% of the gross domestic product of the country. Pension funds may be invested by a decision of the State Social Insurance Fund Board and only in debt securities issued by the Government of the Republic of Lithuania, the Bank of Lithuania, the Member States of the European Union, the European Central Bank, the central banks of the Member States of the European Union, and international financial organizations that have at least one Member State of the European Union as a member, and denominated in euros. Reserve funds would be used by a decision of the Government of the Republic of Lithuania after the assessment of the economic situation and only if exceptional circumstances are identified and announced that lead to insufficient revenue from one or several types of social insurance during a calendar year.

4.3.5. PENSION ACCUMULATION IN SECOND PILLAR PRIVATE PENSION FUNDS

According to the Bank of Lithuania⁵¹, there are five pension accumulation companies operating in Lithuania: four management companies and one life insurance company, which together manage 21 second pillar pension funds. According to the data as of early 2017, about 1.25 million Lithuanian residents accumulate their funds at pension accumulation companies. The return of all active pension funds in 2016 was positive, while the average change in the value of a second pillar investment unit during the last year was 4.37%. The total value of the assets of second pillar pension funds was EUR 2.49 billion as of 31st December 2016.

As of 1st January 2014, new conditions have come into force under which a cumulative pension contribution consists of a part of the state social pension insurance contribution, an additional pension contribution paid by the participant and an additional pension contribution paid for the participant from the state budget. The new financing scheme for the pension accumulation system is applicable to all participants who signed their pension accumulation agreements after 1st January 2013. The part of the state social pension insurance contribution and the additional pension contribution paid by the participant are calculated as a percentage of the participant's income, as specified in the Law on the Reform of the Pension System. The additional pension contribution paid for the participant from the state budget (also referred to as the incentive contribution) consists of a fixed percentage of the gross average monthly earnings of workers in the country's economy for four quarters of a calendar year before the preceding year published by the Lithuanian Department of Statistics.

⁵⁰ Draft Resolution No. 16-11595 of the Government of the Republic of Lithuania "On the Approval of the Provisions for the Formation and Management of the State Social Insurance Reserve Fund".

⁵¹ The Review of Lithuania's Second and Third Pillar Pension Funds and of the Market of Collective Investment Undertakings (2016) of the Bank of Lithuania ISSN 2335-8378.

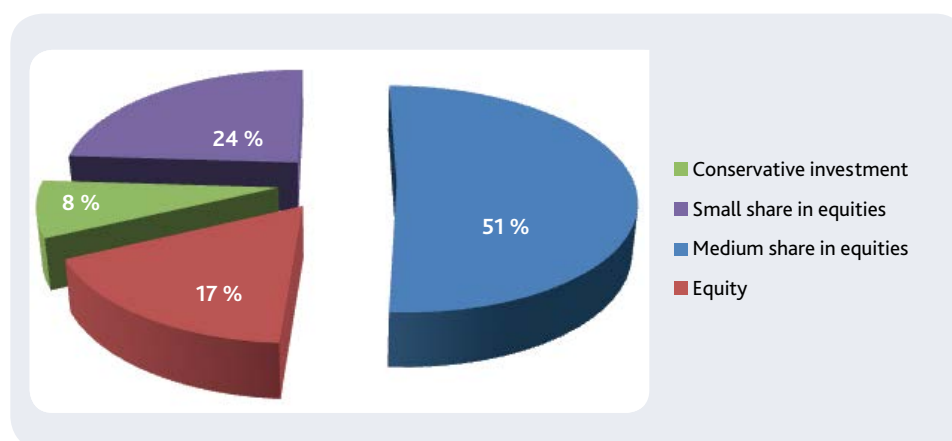
Contributions to pension funds have increased as of 2016. Currently, the contribution consists of a 2% contribution of state social pension insurance, a 2% additional contribution by the participant and a 2% pension benefit from the state budget (the average of the gross average monthly earnings of workers in the country's economy for four quarters of a calendar year before the preceding year published by the Lithuanian Department of Statistics). In 2014–2015, the contribution consisted of a 1% contribution of state social pension insurance, a 2% additional contribution by the participant and a 1% pension benefit from the state budget.

There were several changes in the pension fund market in 2016–2017. On 14th July 2016, the Supervisory Authority of the Bank of Lithuania allowed to transfer the rights and obligations arising from the pension accumulation agreements of UAB Danske Capital Investicijų Valdymas to UAB Swedbank Investicijų Valdymas. Following the transferring of the management of the pension funds, UAB Swedbank Investicijų Valdymas now manages eight second pillar pension funds. Moreover, the amount of settlements paid from the contributions made on behalf of the participant was reduced to 0.5% as of 1st January 2016 and as of 1st January 2017 such settlements were no longer applied.

According to the SSIFB, which registers new accumulation agreements, the number of new participants who signed pension accumulation agreements with pension accumulation companies in 2016 was 52,791. The Bank of Lithuania provides in the Review of Lithuania's Second and Third Pillar Pension Funds and of the Market of Collective Investment Undertakings (2016) that the assets managed by second pillar pension funds increased by EUR 237.8 million or 10.57% in the second half of 2016 and amounted to EUR 2,487.16 million as of the end of December, while the annual growth rate was 17.27% (EUR 366.32 million). The State Social Insurance Fund Board transferred EUR 153.48 million to pension funds, while participants who had chosen to pay additionally transferred EUR 66.63 million and the state transferred an additional EUR 70.29 million to the latter.

In 2016, 48.5 percent (25,857 individuals) of the new participants opted for equity pension funds, while 38.4% (20,459 individuals) – for pension funds with a medium share in equities. Pension funds with a small share in equities and conservative investment pension funds were preferred by 11.4% and 1.7% of new participants respectively. Such preferences of new participants suggest that, given a favourable situation in the stock markets, participants tend to accept a higher risk.

**Distribution of pension fund participants
by investment strategies**



Data of the Bank of Lithuania for 2016

Figure 4.3.5-1

Pension funds by investment strategies	Number of pension funds	Number of participants	Value of managed assets, EUR million
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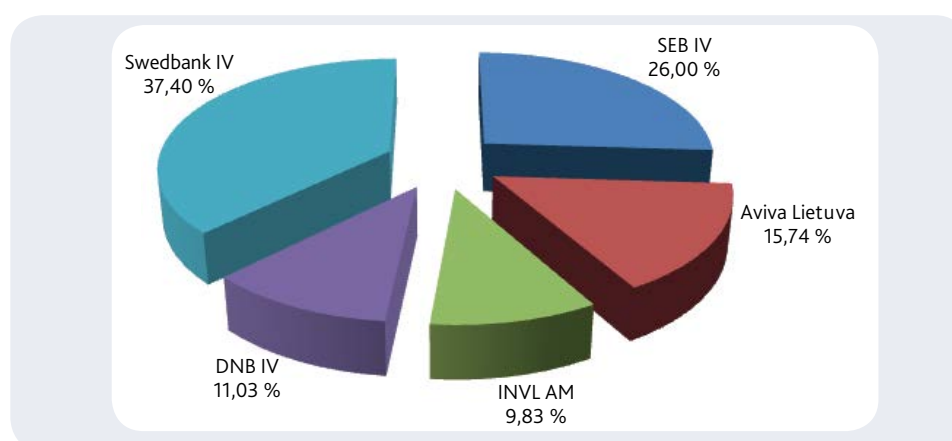
Conservative investment	6	102,106	231.30
Small share in equities	4	293,780	623.85
Medium share in equities	7	644,366	1,294.03
Equity	4	215,786	337.99
Total	21	1,256,038	2,487.16

Data of the Bank of Lithuania for 2016

Table 4.3.5-2

The market concentration has increased. At the end of 2016, 79% of assets were concentrated in the funds managed by three pension accumulation companies: UAB Swedbank Investicijų Valdymas – 37.40%, UAB SEB Investicijų Valdymas – 26.00%, and UAGDPB Aviva Lietuva – 15.74%.

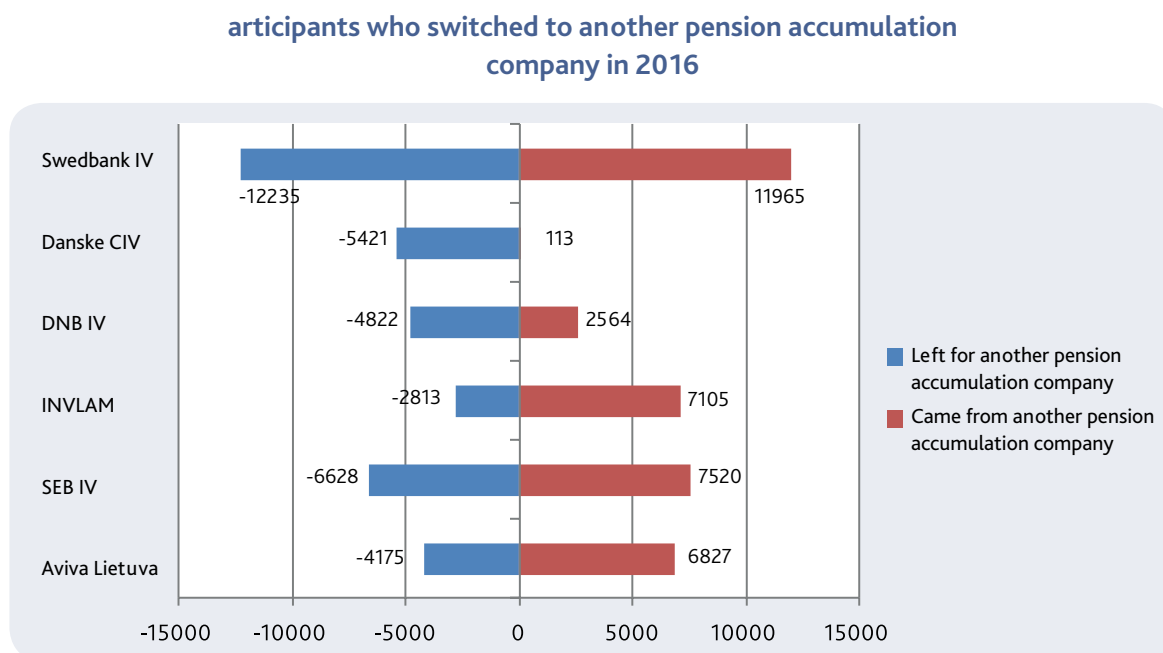
Distribution of assets managed by second pillar pension funds by pension accumulation companies



Data of the Bank of Lithuania for 2016

Figure 4.3.5-3

Following the changes to the financing scheme in 2014, the pension accumulation system has become more favourable to the participants. The participant was given more freedom to switch the pension accumulation company to another after at least one accumulative pension contribution had been transferred to the pension fund on his behalf (previously, such change was only allowed three years after the conclusion of the pension accumulation agreement), or to switch to another pension fund within the same company. In 2012-2015, on average about 3% of pension accumulation participants changed the pension accumulation company and only about 1% of them changed the pension fund within the same pension accumulation company. In 2016, 36,094 participants decided to change pension accumulation companies. Compared to the previous years, the frequency of switching pension accumulation companies increased by 13.6%. 10,459 participants switched pension funds within the same company, most often switching to funds with a larger share in equities. The main reason was the good results of riskier funds. It is recommended to choose pension funds according to the time left until the pension. Risk should be reduced as one ages and 7 years before the pension, one should move to conservative investment pension funds so that the accumulated funds are preserved and do not depreciate due to market fluctuations.



Data of the Bank of Lithuania for 2016

Figure 4.3.5-4

The Measure 214,4 of the Seventeenth Government of the Republic of Lithuania approved by Resolution No. XIII-82 of 13th December 2016, plans to assess the efficiency of the existing second and third pillar pension accumulation scheme and the possibilities for its improvement. In addition, the Plan for the Implementation of the Government Programme (Resolution No. 167 of 13th March 2017 of the Government of the Republic of Lithuania) plans to assess the purpose of the switching of the source of financing of second pillar pension funds from the State Social Insurance Fund's budget to the state budget and to implement the switch (if the assessment is positive) as well as to improve the second and third tier system and encourage the accumulation of occupational pensions (the measure is planned to be implemented in the fourth quarter of 2018).

4.4. STATE PENSIONS, STATE SOCIAL ASSISTANCE BENEFITS AND SUPPORT FOR PARTICIPANTS IN THE RESISTANCE TO THE 1940–1990 OCCUPATIONS AND VICTIMS THEREOF

4.4.1. STATE PENSIONS AND SOCIAL ASSISTANCE BENEFITS

The Law on Targeted Compensation⁵² and Law on Social Assistance Pensions⁵³ that are part of the new social model package went into effect on 1 January 2017. Prior to 1 January 2017, the award and payment of social assistance benefits and targeted compensation to cover nursing and care/assistance costs (hereinafter –

⁵² Republic of Lithuania Law on Targeted Compensation No XII-2507.

⁵³ Law No XII-2506 on Amendment of the Republic of Lithuania Law on State Social Assistance Benefits No I-675.

targeted compensation) were regulated by a single law.⁵⁴ Given that in terms of purpose and essence, targeted compensation (targeted benefits intended to meet the special needs of the disabled) are different from pension-related benefits, this compensation was transferred to a separate Law on Targeted Compensation.

The size of targeted compensation payments is linked to the basic targeted compensation (as of 1 January 2017 – EUR 112), while the size of social assistance benefits is linked to the basic social assistance pension (as of 1 January 2017 – EUR 112), both of which are approved by the Government of the Republic of Lithuania taking the state's financial capacities into account. Prior to 1 January 2017, targeted compensation payments and social assistance benefits were linked to the basic state social insurance pension (EUR 112 for 2016).

In order to establish that the size of social assistance pensions paid to disabled persons be directly dependent upon their certified incapacity for work and that there not be a high threshold for the size of social assistance pensions, the size of social pensions for individuals who have lost 45 per cent or more of their capacity for work is distributed evenly for every five per cent of lost capacity (as with work capacity level percentages) in the new Law on Social Assistance Pensions. As a result, social assistance pensions have increased since 1 January 2017 for individuals who, before reaching the age of 24, have been recognised as disabled and have lost 90–100 per cent, 65–70 per cent, or 50–55 per cent of their capacity for work. The same goes for people who have been recognised as disabled after the age of 24 and have lost 65–70 per cent of their capacity for work.

The size of social assistance disability pensions for individuals who have lost 45 per cent or more of their capacity for work

Percentage of capacity for work lost	Recognised as disabled before the age of 24		Recognised as disabled after the age of 24		Mothers with five or more children or individuals who have cared for disabled persons for 15 years or more	
	Coeff.	Size, EUR (coeff. x EUR 112)	Coeff.	Size, EUR (coeff. x EUR 112)	Coeff.	Size, EUR (coeff. x EUR 112)
100 per cent	2.25	252.00	1	112.00	1.5	168.00
95 per cent	2.16	241.92	0.99	110.88	1.48	165.76
90 per cent	2.08	232.96	0.98	109.76	1.47	164.64
85 per cent	2	224.00	0.96	107.52	1.46	163.52
80 per cent	1.91	213.92	0.95	106.40	1.45	162.40
75 per cent	1.82	203.84	0.94	105.28	1.31	146.72
70 per cent	1.74	194.88	0.93	104.16	1.18	132.16
65 per cent	1.65	184.80	0.91	101.92	1.05	117.60
60 per cent	1.43	160.16	0.9	100.80	1	112.00
55 per cent	1.2	134.40	-	-	-	-
50 per cent	0.98	109.76	-	-	-	-
45 per cent	0.75	84.00	-	-	-	-

Law on Social Assistance Pensions

Figure 4.4.1.-1

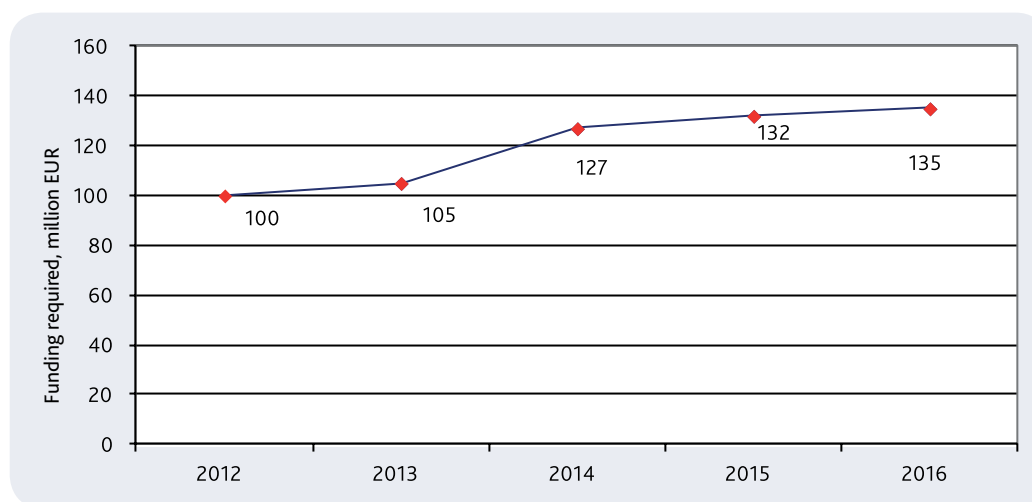
⁵⁴ Republic of Lithuania Law on State Social Assistance Benefits No I-675.

The provisions of the Law on Social Assistance Pensions and the Law on Targeted Compensation are coordinated with European Union law, establishing that these laws are applicable to citizens of EU/EEA countries and their family members, foreign nationals permanently residing in the Republic of Lithuania, and persons who have declared a place of residence in the Republic of Lithuania in the manner prescribed by the Law on Declaration of Place of Residence and whom these laws should be applied to in accordance with EU regulations on the coordination of social security systems.

The amendment to the Law on Targeted Compensation⁵⁵ that entered into force on 1 April 2017 establishes that targeted compensation or targeted bonus payments allocated to individuals of legal age who do not have a guardian or caregiver and who, for health reasons, are unable to collect the payment themselves or authorise another person to do so may be paid to the persons caring for them. If a prosecutor or a guardian/welfare institution applies to court, the targeted compensation or targeted bonus payment could be paid to the person who applied to the prosecutor or guardian/welfare institution and who meets at least one of the conditions specified in the law, for example, if he or she has declared a place of residence with the person being cared for, is a close relative of the person being cared for, manages a common household with the person being cared for, or was the guardian or caregiver for the person being cared for until the person being cared for came of age. The purpose of this amendment to the law is to ensure that disabled persons who, for health reasons, are unable to collect the payments allocated to them are guaranteed that their special needs are met in the form of financial assistance measures provided for in the Law on Targeted Compensation.

Compared to 2015, the state budget funds needed to pay state pensions and pension-related benefits increased slightly in 2016, coming to approximately EUR 135 million (see *Figure 4.4.1.-2*).

State pension and annuity expenditures, 2012–2016



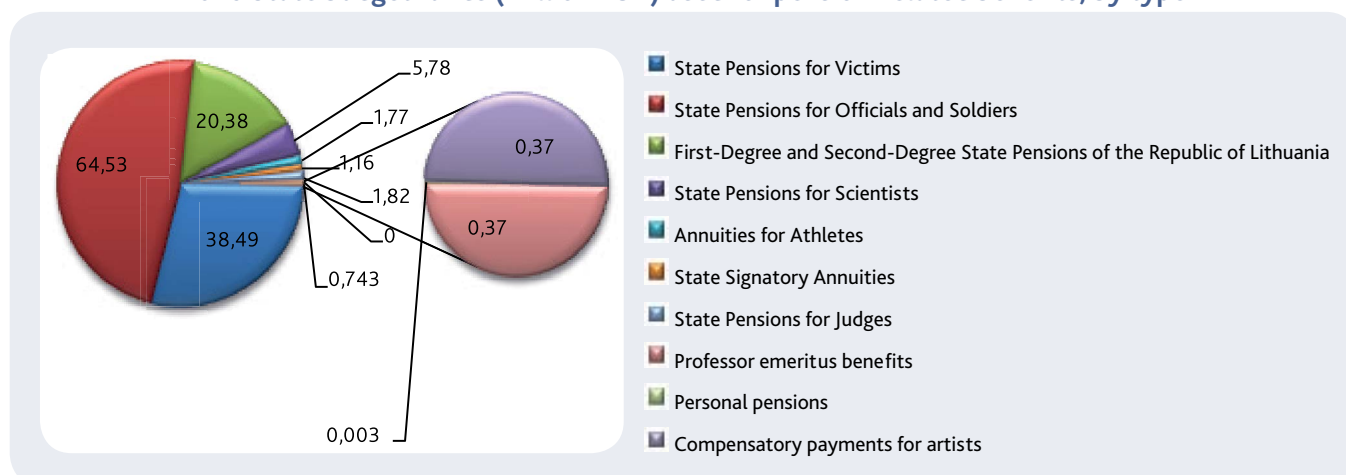
Data of institutions administering payment of pension-related benefits

Figure 4.4.1.-2

In Figure 4.4.1.-3 below, we see that the greatest part of these funds, i.e. EUR 64.53 million, was used to pay out State Pensions for Officials and Soldiers (compared to 2015, the amount of funds needed for this decreased by 2.8 per cent); approximately one quarter of the total funds, i.e. EUR 38.49 million, was used to pay State Pensions for Victims, and approximately one-eighth was used for First-Degree and Second-Degree State Pensions of the Republic of Lithuania.

⁵⁵ Law No XIII-150 on Amendment of Articles 7 and 10 of the Republic of Lithuania Law on Targeted Compensation No XII-2507.

2016 State budget funds (million EUR) used for pension-related benefits, by type



Data of institutions administering payment of pension-related benefits

Figure 4.4.1.-3

The amended legal regulations have brought positive changes to certain social groups. As of 1 January 2016, when the amendments to the Law on State Pensions⁵⁶ entered into force, individuals who receive a State Pension for Orphans of Victims in the amount of the basic state pension as orphaned children/adopted children of participants in the resistance to the 1940–1990 occupations who perished in battle, armed conflict, detention, arrest or during counter-insurgency or covert operations conducted by the occupation authorities or the suppression of strikes or uprisings among political prisoners being held at Gulag camps, were killed or died during interrogation or imprisonment, or were sentenced to death and executed, if they were minors at the time of their parents' death, or as children/adopted children of political prisoners if they were minors at the time of both of their imprisoned parents' death (or if one of their parents/adopted parents was dead, exiled or missing while the other was imprisoned), and who are entitled to another State Pension for Victims, have the right to choose which pension they wish to receive. Prior to that, these orphans, upon becoming entitled to another State Pension for Victims (including the State Pensions for Survivors of Victims) which might be smaller, lost their entitlement to the State Pension for Orphans of Victims in the amount of the basic state pension.

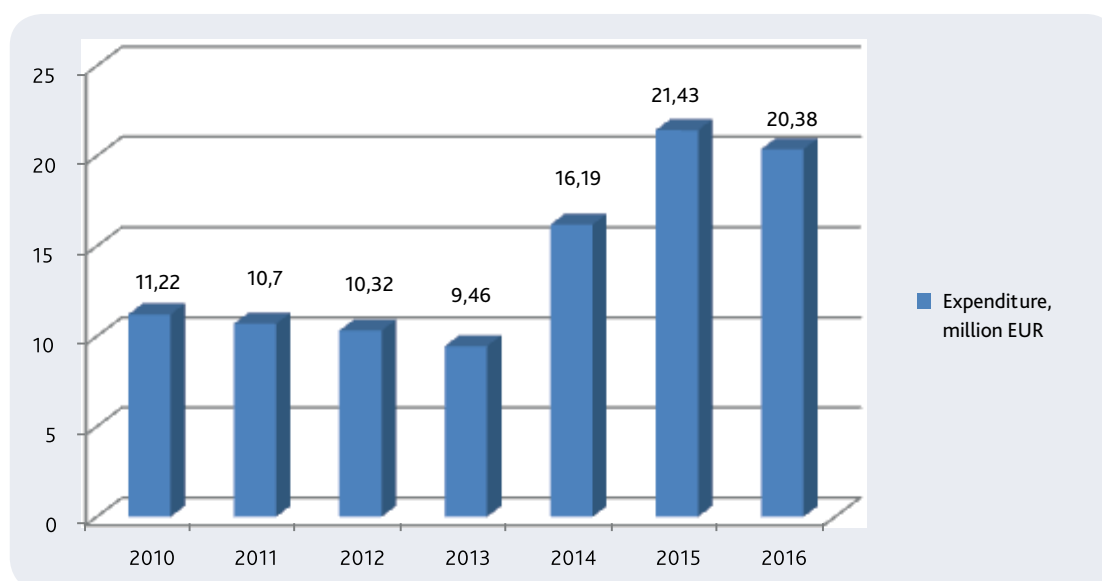
On 30 June 2016, the Seimas of the Republic of Lithuania adopted another amendment to the Law on State Pensions⁵⁷ which stipulates that a spouse of the President of the Republic who, during the term of office of the President of the Republic, performed the functions established by state and/or diplomatic protocol for at least three years and who has reached the age of old-age pension or has lost 60 per cent or more of work capacity and is a citizen of the Republic of Lithuania, is entitled to receive a state pension in the amount of 15 per cent of the salary of the President of the Republic.

In 2016, the Commission for the Award of First-Degree and Second-Degree State Pensions of the Republic of Lithuania under the Ministry of Social Security and Labour awarded, in accordance with the Law on State Pensions, a total of 286 Second-Degree State Pensions to mothers who have given birth to/adopted five or more children, raised them to the age of eight and brought them up well, 14 Second-Degree State Pensions to freedom fighters and two Second-Degree State Pensions to Honorary Donors. The aforementioned commission also agreed that eight nominations be made to the Government of the Republic of Lithuania to award First-Degree State Pensions to recipients of the Lithuanian National Prize for Culture and Arts. The amount of funds required for First-Degree and Second-Degree State Pensions in 2016 was only slightly less than in 2015 and came to approximately EUR 20.38 million (see Figure 4.4.1.- 4).

⁵⁶ Republic of Lithuania Law on State Pensions No I-730.

⁵⁷ Law No XII-2587 on Addition of Chapter III¹ to, and Amendment of Articles 1 and 2 of, the Republic of Lithuania Law on State Pensions No I-730.

First-Degree and Second-Degree State Pensions Expenditures, 2010–2016



State Social Insurance Fund Board data

Figure 4.4.1.- 4

On 13 September 2016, the Seimas adopted the Law on Compensation for Defenders of Freedom,⁵⁸ which states that defenders of freedom who lost their capacity to work as a result of the events of 11–13 January 1991 and the subsequent acts of aggression committed by the USSR shall be buried with state budget funds by allocating compensation to the person in charge of the burial in the amount of 40 BSB (EUR 1,520). The provisions of this law came into effect on 1 January 2017.

Compensation of state pensions that were reduced due to insured income ended in 2017. On 20 December 2016, the Seimas of the Republic of Lithuania adopted a law⁵⁹ that precipitated the end of pension compensation, moving it from the first quarter of 2018 to the first quarter of 2017. Inheritors of compensation amounts may apply for payment of these amounts until 31 December 2018, while individuals for whom the payment of state pensions has been terminated have until 31 October 2018. A total of EUR 6,224,500 was used to compensate these pensions.

On 1 January 2017, amendments to resolutions of the Government of the Republic of Lithuania⁶⁰ came into effect which reduce administrative burdens for individuals applying for lump-sum allowances for participants in the resistance to the 1940–1990 occupations who were killed or for state support for armed opposition (resistance) participants/military volunteers, having established the possibility for the municipality administration itself to receive documents or certain data (pertaining to status, injury).

The Law on Registration of Civil Status Acts,⁶¹ which stipulates that civil status acts (birth, marriage, death, etc.) will be registered in the Population Register and paper certificates of the registration of records will no longer be issued to individuals, entered into force on 1 January 2017. In light of this, legislation which regulates state

⁵⁸ Law No XII-2601 on Amendment of Republic of Lithuania Law No XII-954 on Compensation for the Defenders of Freedom who were Victims of the Acts of Aggression Committed by the USSR on and after 11–13 January 1991 as well as the Family Members Thereof.

⁵⁹ Law No XIII-129 on Amendment of Articles 2 and 4 of the Republic of Lithuania Law on Compensation of State Social Insurance Old-Age Pensions and State Pensions Reduced Due to the Receipt of Insured Income No XII-1923.

⁶⁰ Resolution No 269 of 20 March 2006 of the Government of the Republic of Lithuania on Approval of the Description of the Procedure for the Award and Payment of Lump-Sum Allowances for the Families of Participants in the Resistance to the 1940–1990 Occupations who were Killed and Resolution No 177 of 12 February 1998 of the Government of the Republic of Lithuania on State Support for Armed Opposition (Resistance) Participants/Military Volunteers.

⁶¹ Republic of Lithuania Law on Registration of Civil Status Acts No XII-2111.

pensions, social assistance benefits and targeted and lump-sum compensation⁶² has been adjusted accordingly, establishing that documents confirming fatherhood/motherhood, marriage or death must only be presented by persons applying for the corresponding benefit to the establishment or institution paying this benefit in the event that the data specified in these documents are not included in the Population Register of the Republic of Lithuania, other state or departmental registers, or state information systems.

4.4.2. SUPPORT FOR PARTICIPANTS IN THE OPPOSITION TO THE 1940–1990 OCCUPATIONS AND VICTIMS THEREOF

A total of EUR 125,000 was used in 2016 to pay compensation to defenders of freedom and victims of the acts of aggression committed by the USSR on and after 11–13 January 1991 as well as their families to cover heating, hot water, drinking water and sewage, gas, solid and liquid fuels, electricity, landline subscription fees and other services, which is 14 per cent less than in 2013. The recipients of the compensation are families of those who were killed, defenders of freedom who have been recognised as having lost 45 per cent or more of their capacity for work (prior to 1 July 2005 – invalids) due to the acts of aggression committed by the USSR on and after 11–13 January 1991 and their families, as well as defenders of freedom who were severely or seriously injured. According to data provided by municipal administrations, an average of 440 people (families) took advantage of this state support per month in 2016, i.e. 11 per cent more than in 2015.

A total of 20 compensation payments were made in 2016 to persons who participated in liquidation of the consequences of the Chernobyl Nuclear Power Plant accident (reserve and compulsory military service soldiers and residents temporarily sent to work within a 30-kilometre radius of the core of the accident or to build the city of Slavutych in Ukraine) and who have health problems as a result (hereinafter – participants), i.e. 61.5 percent fewer than in 2015; the average payment amounted to EUR 1,420.

Lump-sum benefits are also awarded to the families of participants in the opposition to the occupations (resistance) and of those who died fighting for Lithuania's freedom and independence, during imprisonment, or during exile after imprisonment⁶³. Burials for volunteer soldiers are paid for from the state budget (an allowance is allocated in the amount of 20 basic social benefits – EUR 760). Municipal administrations allocated 53 allowances in 2016 for volunteer soldiers who died or were killed. The size of the allowance is related to the circumstances of the death of the participant in the opposition to the occupations (resistance). This piece of legislation also establishes that the size of lump-sum allowances is indexed annually in accordance with the procedure established by the Government of the Republic of Lithuania, taking the inflation rate of the previous year into account; the size of these allowances has therefore increased. From commencement of the law, i.e. 1998, to 2016, the size of these allowances increased 48.5 per cent, with the exception of lump-sum allowances for the families of the opposition (resistance) participants/volunteer soldiers and the freedom fighters who were killed or died in exile after imprisonment, which increased 14 per cent.

⁶² Resolution No 198 of 18 February 1998 of the Government of the Republic of Lithuania on Lump-Sum Compensation and Privileges for Persons who were Harmed during Liquidation of the Consequences of the Chernobyl Nuclear Power Plant Accident, Resolution No 1004 of 19 August 2004 of the Government of the Republic of Lithuania on Approval of the Description of the Procedure for the Payment of Lump-Sum Compensation to Persons who were Injured while Fulfilling Compulsory Military Service in the Soviet Army and the Families of Persons who Died in this Army, Resolution No 128 of 11 February 2015 of the Government of the Republic of Lithuania on Approval of the Regulations for Award and Payment of State Pensions for Officials and Soldiers, Resolution No 1665 of 23 December 2003 of the Government of the Republic of Lithuania on Approval of the Regulations for Award and Payment of State Signatory Annuities, and the Resolution of the Government of the Republic of Lithuania on Resolution No 255 of 14 March 2007 of the Government of the Republic of Lithuania on Approval of the Regulations for Award and Payment of First-Degree and Second-Degree State Pensions of the Republic of Lithuania.

⁶³ Republic of Lithuania Law No VIII-871 on State Support for the Families of Participants in the Opposition to the 1940–1990 Occupations who were Killed; Republic of Lithuania Law No VIII-541 on State Support for Armed Opposition (Resistance) Participants.

5 | Cash social assistance, social scope

5.1. CASH SOCIAL ASSISTANCE

Efficient provision of cash social assistance is one of the key objectives to be implemented in order to protect the most vulnerable social groups, mitigate the consequences of poverty and social exclusion, as well as use financial incentives with respect to families raising children.

This chapter covers the changes and tendencies of the system of cash social assistance provided to families with children and poor residents, which occurred in 2016 and the first half of 2017. It presents statistics on benefits for children, cash social assistance for poor residents, social assistance for pupils, and assistance in the case of death.

5.1.1. BENEFITS FOR FAMILIES AND CHILDREN

In 2016, pursuant to the Republic of Lithuania Law on Benefits for Children⁶⁴, 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), a child benefit, a lump-sum benefit for a pregnant woman, a benefit for a child of a serviceman in mandatory primary military service, a guardianship (curatorship) benefit, a targeted guardianship (curatorship) benefit supplement, and a lump-sum settlement benefit.*

In 2016 (by 1 January 2017), a child benefit was paid with regard to family's income: a monthly benefit in the amount of 0.75 basic social benefit (BSB) (EUR 28.5) is granted and paid to children from birth to 2 years of age; a child benefit in the amount of 0.4 BSB (EUR 15.2) is paid to children from 2 to 7 years of age and until 18 years of age in large families, if the average monthly income per one of the persons living together does not exceed 1.5 amounts of state supported income (SSI) (EUR 153).

On 28 June 2016, amendments were made to the Republic of Lithuania Law on Benefits for Children⁶⁵, whereby new types of benefit – *a child care benefit for persons in training or education and a benefit for multiple births* – have been established as of 1 January 2017.

One of the child's parents (or the only parent), adoptive parents or a guardian who raises a child shall be paid *a child care benefit for persons in training or education* in the amount of 4 BSB (EUR 152) during the period of training or studies and during 12 months after completion of training or studies (on the basis of a document that legitimates study and/or qualification achievements), if the person studies (studied) according to the formal

⁶⁴ Republic of Lithuania Law on Benefits for Children No. I-621.

⁶⁵ Law Amending Articles 1, 3, 10, 12 and 13, the Title of Section 4 of the Republic of Lithuania Law on Benefits for Children No. I-621 and Supplementing the Law with Articles 10¹ and 10².

vocational training programme or is (was) a full-time student at a higher education institution until the age of 26, or is (was) a doctoral or medical residency student until the age of 30 (including the period of academic leave due to pregnancy), and if the person is not entitled to a child care benefit in accordance with the Republic of Lithuania Law on Sickness and Maternity Social Insurance.

A benefit for multiple births shall be granted to one of the child's parents (or the only parent). If two children are born at a time, a monthly benefit amounts to 4 BSB (EUR 152). If more than two children are born at a time, the amount of benefit is increased by 4 BSB (EUR 152) respectively.

Amendments to the Republic of Lithuania Law on Benefits for Children were adopted on 21 September 2016⁶⁶, whereby legal regulation of payment of a child benefit has been changed as of 1 January 2017. When the family raises and/or takes care of one or two children, a child benefit shall be paid until the child attains 18 years of age (previously this benefit has been paid until 7 years of age), taking into account family's income, whereas families raising and/or taking care of three and more children shall be paid this benefit until the child attains 18 years of age without considering family's income. The above Law also transposed into national law the provisions of Directive 2014/54/EU of the European Parliament and of the Council of 16 April 2014 on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers (hereinafter referred to as "Directive 2014/54/EU"), whereby Member States must guarantee to workers or members of their family who are citizens of a Member State of the European Union or the European Free Trade Association belonging to the European Economic Area the conditions equal to those of citizens of a Member State to be paid a child benefit, a lump-sum child benefit and a lump-sum benefit for a pregnant woman.

It should be noted that one of the priority tasks of the Government of the Republic of Lithuania in the period of 2018–2020 is the development of financial incentives and services to young families or families raising children. The Plan of Implementation of the Programme of the Government of the Republic of Lithuania, approved by Resolution No. 167 of the Government of the Republic of Lithuania of 13 March 2017 "On the Approval of the Plan of Implementation of the Programme of the Government of the Republic of Lithuania" (hereinafter referred to as the "Plan of Implementation of the Programme of the Government of the Republic of Lithuania"), establishes the *creation and legitimation of the system of child benefits to all children raised or placed under guardianship in a family*. This is one of the integrated financial measures that would contribute to the solution of demographic problems and would improve the financial condition of families raising and/or taking care of children.

5.1.2. 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 Residents⁶⁷. Pursuant to this legal act, poor residents shall be paid social benefit and compensations for heating, hot and drinking water expenses (hereinafter referred to as the "compensations"). This assistance is provided having evaluated owned property and earnings. Social benefit and compensations are granted to poor residents, if the value of their property does not exceed the average property value set for their residential area⁶⁸.

Currently, all Lithuania's municipalities apply the same model of provision of cash social assistance, i.e. the provision of social benefit and compensations is an independent function of municipalities, financed from municipal budget funds.

⁶⁶ Law Amending Articles 1, 2, 5, 6, 8, 12 and 20 and the Annex of the Republic of Lithuania Law on Benefits for Children No. I-621.

⁶⁷ Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.

⁶⁸ 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.

Having regard to the monitoring of the implementation of the abovementioned law and in implementing the recommendations of the Council of the European Union for Lithuania of 13 May 2015 and 18 May 2016 regarding the National Reform Programme of Lithuania together with the Council opinion regarding the Stability Programme of Lithuania, in order to create more favourable conditions for poor residents to receive cash social assistance, ensure adequacy of this assistance and boost motivation of capable persons of working age to integrate in the labour market, the amendments to the Republic of Lithuania Law on Cash Social Assistance for Poor Residents were adopted on 20 September 2016⁶⁹. These amendments have improved legal regulation of cash social assistance for poor residents related to the application of the scheme of proportionate reduction of a social benefit and granting of an additional part of social benefit when a person finds employment.

Seeking to increase the scope and adequacy of cash social assistance, it has been established that proportionate reduction of a social benefit shall apply only to capable persons of working age who are unemployed (and who are not self-employed). The list of circumstances when the scheme of proportionate reduction of a social benefit is not applied has been expanded and established *as a mandatory legal norm*. After the provisions of the adopted law entered into force, a social benefit cannot be reduced with respect to capable persons of working age who are unemployed also in cases where these persons: 1) have not received a proposal to work or take part in active labour market policy measures by the Lithuanian territorial labour exchange or a public employment service of another state during the period of provision of social assistance or 2) have been participating in the social useful activity organised by a municipal administration. The provision stipulating non-provision of social benefits to persons who have been receiving them for longer than 60 months has been repealed and a 50 per cent reduced social benefit, provided in non-monetary form, has been established.

While boosting motivation of the recipients of social benefit to become employed, the amendments to the abovementioned law have reduced the period of registration in the Lithuanian territorial labour exchange or a public employment service of another state from 12 to 6 months when, after the recipient of assistance becomes employed, an additional social benefit is paid, equal to the amount of 50 per cent of a social benefit paid during the last 6 months prior to becoming employed. It has also been established that when granting cash social benefit, the person's received income does not include the grant paid to the unemployed who are in vocational training for the unemployed and employees of working age who have been given notice of dismissal.

In order to encourage children of poor families to work and earn and increase social inclusion among youth, etc., it has been established that when providing cash social insurance, income connected to labour relations of persons under 18 years of age shall not be included in the income earned by a person.

With regard to the fact that targeted benefits are not included in the income received by a person, a targeted guardianship (curatorship) benefit supplement paid to the guardian (foster carer) for a child who has been placed under guardianship (curatorship) in a family has not been included in the amount of received income when granting cash social benefits as of 1 January 2016.

While ensuring proper harmonisation of legislation of the Republic of Lithuania and European Union legislation, the abovementioned law transposed into national law the provisions of Directive 2014/54/EU whereby Member States must guarantee to workers or members of their family who are citizens of a Member State of the European Union or the European Free Trade Association belonging to the European Economic Area the conditions equal to those of citizens of a Member State to receive cash social assistance.

Efficiently provided cash social assistance, an improving economic situation of Lithuania and positive labour market changes contributed to the decrease in the number of recipients of assistance and expenses for payment of this assistance. The turnover of recipients of assistance and changes in their number show that assistance is efficient and the cash social assistance system corresponds to its main purpose, i.e. to help people when they are

⁶⁹ Law Amending Articles 1, 2, 8, 10, 12, 17, 20, 23 and 25 and the Annex of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.

mostly in need of assistance, boost motivation of recipients of assistance to integrate in the labour market, and reduce long-term dependency on the social assistance system.

There are plans to further improve compatibility of cash social assistance, social services and active labour market policy measures, moving from passive to active and employment promoting forms of assistance while integrating the unemployed into the labour market.-

5.1.3. 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 remained unchanged in 2016 and the first half of 2017. Pursuant to the Republic of Lithuania Law on Social Assistance for Pupils⁷⁰, 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 schools⁷¹. Municipalities have been entitled to grant free meals, including breakfast and afternoon meal, in exceptional cases in accordance with the procedure established by the municipal council. The amount of funds allocated for the above purpose has been increased from 2 to 4 per cent of state budget funds allocated to cover expenses for social assistance for pupils as of 1 January 2016⁷².

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 recommended daily amounts of funds allocated per pupil for the acquisition of products (including value added tax on purchase) have been established. The amount of 1.3 to 7.7 per cent of BSB (EUR 0.49 to 2.93) is allocated for the purchase of food products per pupil per day⁷⁰.

The Description of the Procedure for the Provision of Free Meals to Pupils at School⁷¹ establishes 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 EUR 1.06 to 1.52) is allocated for lunch per day per pupil; the amount of 6.6 to 7.7 per cent of BSB (from EUR 2.51 to 2.93) – *for meals in summer camps organised in schools; the amount of 1.3 to 2.2 per cent of BSB (from EUR 0.49 to 0.84) – for breakfast or afternoon meals.*

Assistance for the acquisition of school supplies is provided in cash or in non-monetary form if a pupil is at social risk or a pupil is raised by cohabitants who are at social risk. Seeking to support poor families raising school-age children, amendments to the Republic of Lithuania Law on Social Assistance for Pupils were adopted on 15 December 2015⁷². Pursuant to these amendments, the amount of funds allocated for the acquisition of school supplies has been increased from 1.2 to 1.5 BSB (from EUR 45.6 to 57) as of 2016.

5.1.4. ASSISTANCE IN THE CASE OF DEATH

On 20 September 2016, the Republic of Lithuania Law on Assistance in the Case of Death⁷³ (new version) was adopted. The law establishes a new type of assistance in the case of death – *support for repatriation of the bodies of citizens of the Republic of Lithuania who have died abroad to the Republic of Lithuania* (hereinafter

⁷⁰ Republic of Lithuania Law on Social Assistance for Pupils No. X-686.

⁷¹ 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".

⁷² Law Amending Articles 8, 10, 11, 12 and 14 of the Republic of Lithuania Law on Social Assistance for Pupils No. X-686.

⁷³ Law Amending the Republic of Lithuania Law on Assistance in the Case of Death No. I-348.

referred to as the "support for repatriation of bodies"), determines the grounds for its granting and payment, as well as conditions and amounts. Before coming into force of the law, this type of assistance has been provided in accordance with the Rules of Provision of State Financial Support for Repatriation of the Bodies of Citizens of the Republic of Lithuania Who Have Died Abroad to the Republic of Lithuania⁷⁴ approved by a resolution of the Government of the Republic of Lithuania.

Support for repatriation of bodies is granted to a natural person who organises repatriation of the body to the Republic of Lithuania and incurs expenses if the average income per family member per month does not exceed 3 amounts of SSI (EUR 306). The amount of support for repatriation of bodies equals the factual expenses of repatriation of bodies to the Republic of Lithuania but cannot exceed 54 BSB (EUR 2 052).

The amount of a funeral allowance has not changed. A funeral allowance in the amount of 8 BSB (EUR 304) is paid a natural or legal person who takes care of the funeral of the deceased.

The amendments to the adopted law establish a longer term (from 6 to 12 months) during which persons may apply for assistance in the case of death.

In order to set uniform requirements for granting a funeral allowance to all entities specified in the Law on Assistance in the Case of Death, the requirement that the data on the place of residence in the Republic of Lithuania of the deceased person or the data on the municipality where they lived, if these persons had no place of residence, must be entered in the Population Register of the Republic of Lithuania has been repealed. Accordingly, the legal basis for paying a funeral allowance from the municipal budget funds in accordance with the procedure established by a municipal council also in those cases where the place of residence of the deceased persons had not been declared in the Republic of Lithuania in accordance with the procedure prescribed by legislation has also been repealed.

While ensuring proper harmonisation of legislation of the Republic of Lithuania and European Union legislation, the abovementioned law transposed into national law the provisions of Directive 2014/54/EU whereby Member States must guarantee to workers or members of their family who are citizens of a Member State of the European Union or the European Free Trade Association belonging to the European Economic Area the conditions equal to those of citizens of a Member State to receive a funeral allowance.

5.1.5. CHANGES IN THE SCOPE OF FINANCING CASH SOCIAL ASSISTANCE AND THE NUMBER OF ITS BENEFICIARIES

Beneficiaries of cash social assistance in 2012–2016 (persons, thous.)

Item No.	Benefits	2012	2013	2014	2015	2016
1.	Benefits to persons raising and/or fostering children, including:					
1.1.	Lump-sum child benefit	31.8	32.4	32.7	32.95	33.6
1.2.	Lump-sum benefit for a pregnant woman	8.2	7.4	7.2	6.5	5.66
1.3.	Child benefit	107.1	99.1	88.0	76.3	66.1

⁷⁴ Resolution No. 618 of the Government of the Republic of Lithuania of 20 May 2003 "On the Approval of the Rules of Provision of State Financial Support for Repatriation of the Bodies of Citizens of the Republic of Lithuania Who Have Died Abroad to the Republic of Lithuania and Provision of Material Aid for the Citizens of the Republic of Lithuania Who Have Become Victims in Foreign States".

Item No.	Benefits	2012	2013	2014	2015	2016
1.4.	Benefit for a child of a serviceman in mandatory primary military service	0.006	0.007	0.012	0.011	0.043
1.5.	Guardianship (curatorship) benefit	12.1	11.6	11.1	10.5	10.25
1.6.	Lump-sum settlement benefit	3.0	2.9	2.8	2.9	2.55
1.7.	Targeted guardianship (curatorship) benefit supplement	0.3	0.4	0.4	0.5	4.8
2.	Benefits and other types of assistance for poor residents, including:					
2.1.	Social benefit	221.9	190.0	140.1	110.7	88
2.2.	Compensations for heating of a dwelling, hot and drinking water expenses	198.8	204.9	188.5	144.6	129.8
2.3.	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	1.1	1.4	1.3	3.0	6.19
2.4.	Free meals for pupils	128.5	109.0	90.5	75.8	63.6
2.5.	Assistance for the acquisition of school supplies	118.3	97.3	80.4	67.6	54.3
3.	Assistance for independence defenders aggrieved during the events of 11–13 January 1991 and the following aggression of the USSR, and their families	0.3	0.3	0.3	0.4	0.4
4.	Assistance in the case of death, including:	40.2	41.0	39.5	41.3	40.7
4.1.	Funeral allowance	40.2	41.0	39.5	41.3	40.63
4.2.	Support for repatriation of bodies					0.07

Data of the Ministry of Social Security and Labour

Table 5.1.5-1

Expenses of cash social assistance in 2012–2016 (EUR million)

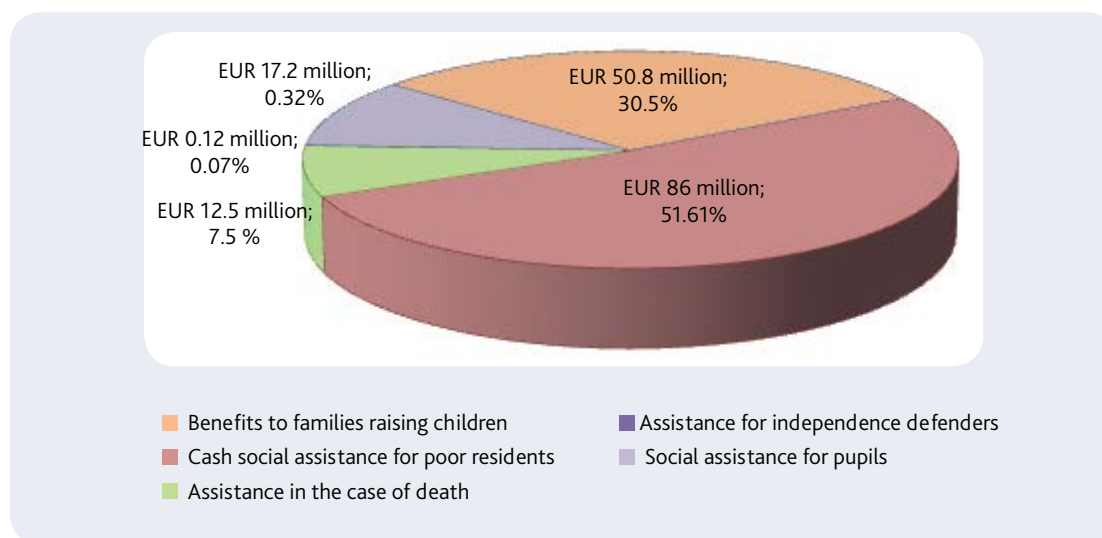
Item No.	Benefits	2012	2013	2014	2015	2016
1.	Benefits to persons raising and/or fostering children, including:	61.7	59.0	55.1	51.4	50.8
1.1.	Lump-sum child benefit	13.2	13.4	13.5	13.8	14.04
1.2.	Lump-sum benefit for a pregnant woman	0.6	0.6	0.5	0.5	0.43
1.3.	Child benefit	25.2	23.0	20.2	17.4	15.02
1.4.	Benefit for a child of a serviceman in mandatory primary military service	0.002	0.001	0.003	0.003	0.02
1.5.	Guardianship (curatorship) benefit	18.8	18.0	17.0	16.3	15.9
1.6.	Lump-sum settlement benefit	3.3	3.2	3.1	2.6	2.6
1.7.	Targeted guardianship (curatorship) benefit supplement	0.6	0.8	0.8	0.8	2.8
2.	Benefits and other types of assistance for poor residents, including:	255.7	219.4	161.0	123.0	103.17
2.1.	Social benefit	173.6	147.2	103.8	77.3	60.75

Item No.	Benefits	2012	2013	2014	2015	2016
2.2.	Compensations for heating of a dwelling, hot and drinking water expenses	49.1	44.1	31.3	20.9	17.9
2.3.	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	0.6	0.6	0.7	1.0	2.41
2.4.	Free meals for pupils	24.2	20.6	19.4	17.0	14.11
2.5.	Assistance for the acquisition of school supplies	5.4	4.4	3.6	3.1	3.1
2.6.	Cash social assistance from municipal budgets granted on the decision of a municipality	2.8	2.5	2.2	3.7	4.9
3.	Assistance for independence defenders aggrieved during the events of 11–13 January 1991 and the following aggression of the USSR, and their families	0.14	0.15	0.13	0.12	0.12
4.	Assistance in the case of death, including:	12.1	12.7	11.9	12.6	12.47
4.1.	Funeral allowance	12.1	12.7	11.9	12.6	12.34
4.2.	Support for repatriation of bodies					0.13
	Total (1+2+3+4)	329.6	291.3	228.1	187.1	166.6

Data of the Ministry of Social Security and Labour

Table 5.1.5-2

Distribution of expenses for cash social assistance in 2016



Data of the Ministry of Social Security and Labour

Figure 5.1.5-1

In 2016, the major share of expenses for cash social assistance (51.61 per cent) consisted of expenses for social benefit, compensations for heating of a 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's income and

property. Benefits to persons raising and/or fostering children accounted for 30.5 per cent of all funds allocated for cash social assistance.

In 2016, expenses for the provision of benefits and other assistance for poor residents decreased by 11 per cent, as compared with 2015 (from EUR 187.1 million to EUR 166.6 million).

In 2016, on average 88 000 persons (3.1 per cent of the whole population of Lithuania) received social benefit on a monthly basis. As compared with 2015, the average number of persons receiving social benefit on a monthly basis decreased by 20.5 per cent (from 110 700 to 88 000 persons), and expenses for payment of social benefit decreased by 21.4 per cent (from EUR 77.3 million to EUR 60.75 million). In 2016, as compared with 2015, the average amount of a monthly social benefit per capita decreased by 1.03 per cent (from EUR 58.2 to EUR 57.6).

During one month of 2016, on average 129 800 persons (4.6 per cent of the whole population of Lithuania) received compensations for heating of the dwelling and water expenses. During one month of 2016, as compared with the respective period in 2015, the average number of persons who received compensations for heating of the dwelling expenses per month decreased by 10.2 per cent (from 144 560 to 129 800 persons). In 2016, 14.4 per cent less funds were spent on compensations for heating of the dwelling and water expenses than in 2015; expenses fell from EUR 20.9 million to EUR 17.9 million.

During one month of 2016, on average 39 300 persons received compensations for drinking water expenses. As compared with 2015, the number of persons receiving compensations for drinking water expenses decreased by 8.4 per cent (from 42 900 to 39 300 persons).

During one month of 2016, on average 61 900 persons received compensations for hot water expenses. As compared with 2015, the number of persons receiving compensations for hot water expenses decreased by 18.3 per cent (from 75 800 to 61 900 persons).

The average amount of a compensation for heating of the dwelling expenses per capita per month in 2016 was approx. EUR 24.7 with the centralised heating system (EUR 24.2 in 2015) and EUR 36.5 when heating with other types of energy and fuel (EUR 39.2 in 2015); the amount of a compensation for drinking water expenses was approx. EUR 1.58 (EUR 1.67 in 2015); the amount of a compensation for hot water expenses was approx. EUR 5.0 (EUR 5.66 in 2015).

In 2016, as compared with 2015, the average number of pupils who received free meals per month decreased by 16.1 per cent (from 75 800 to 63 600 pupils); the number of pupils who received breakfast increased by 13 per cent (from 2 300 to 2 600 pupils). In 2016, having regard to the decreasing number of pupils who receive lunch, expenses for free meals of pupils (food products) decreased by 16.8 per cent (from EUR 16.96 million to EUR 14.11 million).

In 2016, as compared with 2015, the number of recipients of assistance for the acquisition of school supplies fell by 19.7 per cent (from 67 600 to 54 300 pupils). However, with regard to the fact that in 2016 the amount of funds allocated for assistance for the acquisition of school supplies was increased from EUR 45.6 to EUR 57, expenses for this type of assistance increased by 0.3 per cent, as compared with 2015 (from EUR 3.09 million to EUR 3.1 million).

In 2016, as compared with 2015, expenses for the administration of social assistance for pupils fell by 14.5 per cent (from EUR 0.76 million to EUR 0.65 million).

In 2016, the decrease in the recipients of social benefit, compensations for heating of the dwelling, hot and drinking water expenses, social assistance for pupils and related expenses was influenced by the decrease in the unemployment rate and the number of the unemployed (in 2016, the unemployment rate was 7.9 per cent, which was 1.2 percentage points smaller than in 2015; according to the data of the Lithuanian Labour Exchange, on 1 January 2016, a total of 162 600 unemployed persons were registered in the country, which is 9 per cent of the entire working age population of the country, or 0.3 percentage points less than in early 2015; on 1 January

2017, a total of 152 000 unemployed persons were registered in the country, which is 8.5 per cent of the entire working age population of the country, or 0.5 percentage points less than in early 2016); increasing income of residents (a rapid increase in the minimum monthly wage (in 2015–2016, the minimum monthly wage increased from EUR 300 to EUR 380 (21 per cent), increasing average monthly wages (in 2016, as compared with 2015, the average wage increased by 7.9 per cent). A decrease in the number of recipients of social assistance for pupils and related expenses has also been influenced by a general decrease in the number of pupils studying according to pre-primary or general education curricula (in the 2016–2017 school year, the number of pupils decreased by 1.3 per cent, as compared with the 2015–2016 school year).

During the first quarter of 2017, on average 84 600 persons (3.0 per cent of the whole population of Lithuania) received social benefit on a monthly basis. As compared with the first quarter of 2016, the average number of persons receiving social benefit on a monthly basis decreased by 18.6 per cent (from 103 990 to 84 600 persons), and expenses for payment of social benefits decreased by 7.3 per cent (from EUR 17.8 million to EUR 16.5 million). During the first quarter of 2017, the average amount of a monthly social benefit per capita increased by 13.46 per cent, as compared with the first quarter of 2016 (from EUR 57.2 to EUR 64.9).

During one month of the first quarter of 2017, on average 104 700 persons (3.7 per cent of the whole population of Lithuania) received compensations for heating of the dwelling and water expenses. During one month of the first quarter of 2017, as compared with the respective period in 2016, the average number of persons who received compensations for heating of the dwelling and water expenses per month decreased by 19.2 per cent (from 129 500 to 104 700 persons). In the first quarter of 2017, 29.35 per cent less funds were spent on compensations for heating of the dwelling and water expenses than in the first quarter of 2016; the expenses fell from EUR 10.05 million to EUR 7.1 million.

During one month of the first quarter of 2017, on average 31 600 persons received compensations for drinking water expenses. As compared with the respective period in 2016, the number of persons receiving compensations for drinking water expenses decreased by 18.5 per cent (from 38 780 to 31 600 persons).

During one month of the first quarter of 2017, on average 45 000 persons received compensations for hot water expenses. As compared with the first quarter of 2016, the number of persons receiving compensations for hot water expenses decreased by 26.9 per cent (from 61 600 to 45 000 persons).

The average amount of a compensation for heating of the dwelling expenses per capita per month in the first quarter of 2017 was approx. EUR 20.6 with the centralised heating system (EUR 24.7 in the first quarter of 2016) and EUR 36.7 when heating with other types of energy and fuel (EUR 36.5 in the first quarter of 2016); the amount of a compensation for drinking water expenses was approx. EUR 1.7 (EUR 1.58 in the first quarter of 2016); the amount of a compensation for hot water expenses was approx. EUR 4.2 (EUR 5.0 in the first quarter of 2016).

During the first quarter of 2017, as compared with the same period in 2016, the number of pupils who received free meals per month decreased by 17 per cent (from 70 000 to 58 100 pupils). With regard to the decreased number of children who received free meals and the number of days of providing pupils with meals, expenses for free meals of pupils (food products) decreased by 4.4 per cent (from EUR 4.34 million to EUR 4.15 million) in the first quarter of 2017, as compared with the same period in 2016.

State guaranteed cash social assistance should be consistently provided in the future as well, with regard to the social and economic development of the country as well as the financial resources of the state; it should be directed towards the strengthening of family, encouraging its capacities to independently solve social problems and reinforcing community relations.

5.2. SOCIAL SERVICES

One of the activity directions for 2016–2020, laid down in the Programme of the Seventeenth Government, is the development of family and community-based services provided to children, the disabled person and their families, as well as prevention and assistance to socially excluded groups. In 2016–2017, measures of the Action Plan for the Reform of Institutional Care were implemented. Focus was shifted to the prevention of problems arising in families at social risk and work with these families, seeking to coordinate social support, education, health care services, community and law enforcement assistance in municipalities, develop competences of specialists who provide social services and improve working conditions. In 2016–2017, provision of support to municipalities in establishing and developing the services of integral assistance at home continued and non-governmental organisations (NGO) which provide assistance to persons at social risk were supported.

5.2.1. REFORM OF INSTITUTIONAL SOCIAL CARE

Seeking to create a consistent and coordinated system of assistance and services in the community in Lithuania, the Action Plan on Transition from Institutional Care to Family and Community-Based Services for People with Disabilities and Children Deprived of Parental Care⁷⁵ (hereinafter referred to as the “Action Plan”) was approved in 2014. It stipulates consistent actions of the reform of institutional care. This Action Plan is supposed to help make a breakthrough in the reform of institutional care throughout the country. The measures of this Action Plan will be financed from the European Union (EU) structural support funds, while implementing the Operational Programme for EU Structural Funds Investments 2014–2020.

The reform of institutional care is carried out in stages. The first stage covers the plans to create a framework for the provision of new forms of community-based services to children, the disabled person and their families as well as the development of infrastructure of these services and to test organisation and implementation of new forms of services, whereas the second stage envisages to develop organisation and implementation of new forms of services and to create the necessary infrastructure, by allocating funds for the development of infrastructure.

While implementing the Action Plan, the project “Creation of conditions for sustainable transition from institutional care to the family and community-based services system in Lithuania” (hereinafter referred to as the “Project”), financed from the EU structural funds, was launched in 2015. The Project is implemented by the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour together with the Department for the Affairs of Disabled under the Ministry of Social Security and Labour. The Project is implemented within the framework of the Operational Programme for EU Structural Funds Investments 2014–2020 and co-financed from EU structural funds and state budget funds under the measure “Reform of Institutional Care” (No. 08.4.1-ESFA-V-405).

The aim of the Project is to create the conditions for efficient transition from institutional care to family and community-based services in Lithuania, and this aim is directly related to the goals of the reform of institutional care: to ensure harmonious environment and conditions for all children (and disabled children) to be raised in their families, and to children deprived of parental care to be raised in the families of guardians or foster parents or in social families and to receive assistance in the community; to create the conditions for disabled adults and their families (guardians, foster parents) to be provided with individual community-based services that meet their needs; to promote the change of value attitudes in society, forming a positive society's attitude towards reorganisation of the system and to ensure publicity of ongoing processes.

⁷⁵ Order No. A1-83 of the Minister of Social Security and Labour of 14 February 2014 “On the Approval of the Action Plan on Transition from Institutional Care to Family and Community-Based Services for People with Disabilities and Children Deprived of Parental Care 2014–2020”.

In 2016, packages of methodological documents in relation to the establishment of individual needs of persons living in care institutions selected for reorganisation and to the drafting of plans were prepared, 61 certified social workers were trained for the provision of services of training and consulting of guardians (foster parents) and adoptive parents under the programme of preparation of close relatives for the child's guardianship (foster care). In 2016–2017, organisation of measures to test new forms of community-based services (a family type community-based child care home, supporting care, protected housing, a temporary respite service, etc.) and to increase accessibility of social services by the social groups which were mentioned above.

In 2016–2017, while carrying out the reform of institutional care, cluster conferences focusing on interinstitutional, interdepartmental and cross-sectoral cooperation were held, round-table discussions, seminars on the theoretical and practical aspects of teamwork when modelling the system of integral community-based services and trainings for heads on the management of development of community-based services in municipalities were organised in all regions.

In order to ascertain society's attitude towards the reform of institutional care, adoption, guardianship and foster care, a sociological survey of Lithuania's residents and participants of the reform of institutional care was carried out in the first quarter of 2016. The survey showed that 60 per cent of persons aged 36–55 approve of the reform of institutional care, 89 per cent of the respondents consider that persons with intellectual and/or mental disability are discriminated in society, yet 53 per cent of them noted that the state should take care of people with severe intellectual or mental disability, 62 per cent of the respondents stated that family members or close relatives should take care of children deprived of parental care, and 47 per cent said that they would not like to work or study together with people with intellectual and/or mental disability.

In order to change the value attitudes of the local community, ensure the publicity of the reform of institutional care, and raise public awareness of its outcomes, an information system for the reform of institutional care was designed. The purpose of the webpage www.pertvarka.lt is to inform society and persons concerned with the reform. The webpage offers an opportunity to discuss; intranet has been designed for the internal communication of the participants of the reform and the Project, in addition to an e-mail system which allows creating small and simple databases, social maps and system support, maintenance and content creation services. 12 social campaigns "Care. Family. Community" were held in different Lithuania's cities; a mobile photography exhibition on adoption, social care in a family, people with intellectual and/or mental disability, and other publicity measures were organised.

5.2.2. INTEGRAL ASSISTANCE DEVELOPMENT

With regard to the fact that Lithuania's society has been rapidly ageing and municipalities lack non-institutional services that would be alternative to institutional care and nursing, the Integral Assistance Development Programme⁷⁶, financed from the European Social Fund, was launched in 2013. It aims at quality integral assistance (nursing and social services) for the disabled and elderly people in their homes as well as consultations to their family members who take care of these persons. In 2013–2015, pilot projects were implemented under this programme in 21 municipalities: mobile teams were set up for provision of nursing and social services at home and also offering consultations to family members, etc.

After the pilot projects were accomplished and their outcomes as well as contribution of integral assistance to the improvement of beneficiaries' life quality were evaluated, the new Action Plan for Integral Assistance

⁷⁶ Order No. A1-353 of the Minister of Social Security and Labour of the Republic of Lithuania of 20 July 2012 "On the Approval of the Integral Assistance Development Programme".

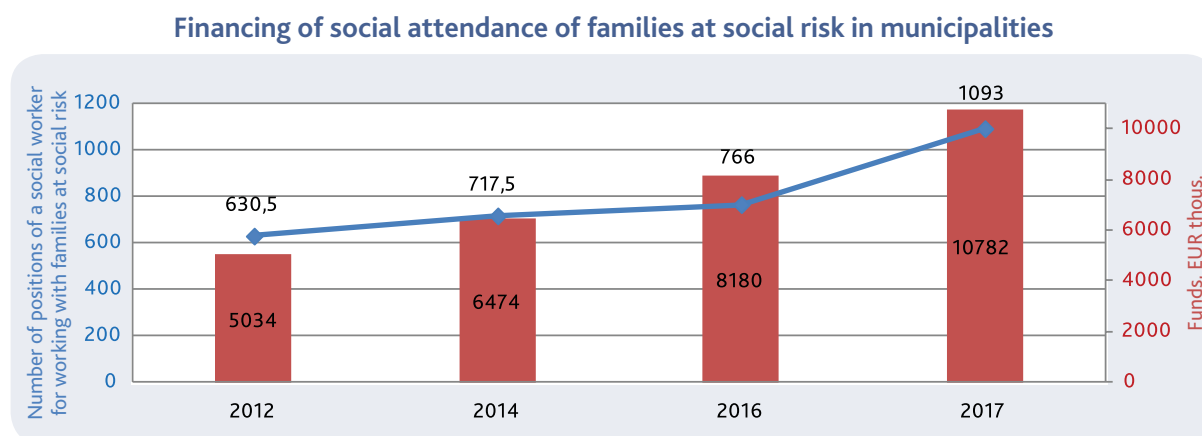
Development 2016–2019⁷⁷ was approved. Pursuant to this plan, integral assistance will be provided in all country's municipalities (except for Neringa) during this period. A total of EUR 16.4 million are planned to be allocated for the implementation of the new action plan from the EU funds. By 2019, integral assistance services are planned to be provided to almost 2 250 disabled and elderly persons and consultation services to over 1 500 family members who take care of their close disabled or elderly relatives.

From mid-2016 until the first quarter of 2017, integral assistance services were provided to about 1 300 persons, consultation services – to 500 family members who take care of their close disabled or elderly relatives.

5.2.3. WORK WITH SOCIAL RISK FAMILIES

In 2007, seeking to strengthen social work with social risk families, the positions of social workers who provide social assistance to families at social risk started to be established in municipalities (eldershops). Social assistance of families at social risk is financed from municipal budgets and special target grants from the state budget to municipalities (hereinafter referred to as "state grants"). State grant funds are used to finance wages and social insurance contributions of social workers who work with social risk families, as well as for supervision of these workers and partly for their professional development as of March 2016.

In order to improve the quality of services provided to families, the workload of social workers has been considerably reduced as of 2017 – one position of a social worker should be assigned not more than 10 social risk families as defined in Article 2(8) of the Law on Social Services⁷⁸ (i.e. not only those included in the register of social risk families). The aim is to increase the number of families receiving assistance and to carry out prevention until the problems are not so deep/ complexed. After the need for social workers working with families at social risk increased, state grant funds for municipalities were significantly increased as well.



Data of the Ministry of Social Security and Labour

Figure 5.2.3-1

The analysis of social work with families at social risk shows that assistance offered by a social worker to social risk families is not enough, because very often family problems are complexed, thus the Description of the Procedure of Common Work with Families has been approved.⁷⁹

⁷⁷ Order No. A1-435 of the Minister of Social Security and Labour and the Minister of Health of the Republic of Lithuania of 14 July 2015 "On the Approval of the Action Plan for Integral Assistance Development".

⁷⁸ Republic of Lithuania Law on Social Services No. X-493.

⁷⁹ Order No. A1-362/V-936/V-646/1V-495 of the Minister of Social Security and Labour, the Minister of Health, the Minister of Education and Science and the Minister of the Interior of the Republic of Lithuania of 14 July 2016.

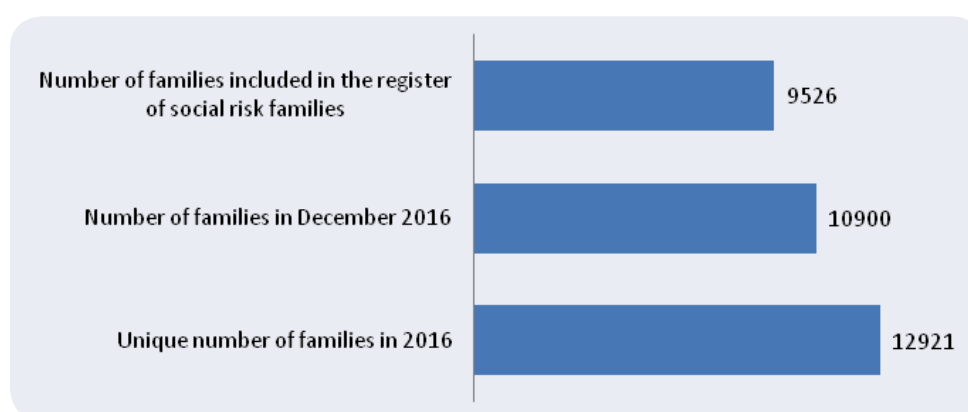
The approved procedure aims at ensuring coordinated provision of social support, education, health care services, community and law enforcement assistance to families in municipalities, with a view to strengthening families' responsibility, competences and possibilities to independently solve family problems and helping them overcome social exclusion. The document stipulates the principles of organisation and provision of assistance to social risk families (including families with pregnant women), the procedure of organisation of common work in municipalities, the participants and their functions in different situations, as well as the monitoring mechanism. In addition to other recommendations, municipalities are also recommended setting up mobile interinstitutional teams of specialists which provide urgent integral assistance to the child and the family or community faced with a crisis in their living environment. While providing assistance to families, municipalities are suggested including not only the representatives of municipal child rights protection offices, social workers, specialists of social services centres, other social services institutions, elderships, elders and sub-elders, but also the representatives of community organisations, primary health care institutions, mental health centres, centres for addictive disorders, public health bureaus, schools, pre-school and pre-primary education institutions, specialised assistance centres, police, non-governmental organisations and other institutions or organisations functioning in municipalities. The Description of the Procedure of Common Work with Families has been drafted referring to the best practice of non-governmental organisations, municipalities and elderships in individual municipalities.

In early 2017, the municipality data of 2016 on social workers working with families at social risk and on their working conditions in municipalities were summarised.

According to aggregated data of municipalities, the major share of social workers working with families at social risk (25.6 per cent) have been employed as of 2007, whereas 18.9 per cent of them started working in 2016. The majority of these social workers (97 per cent) were employed in municipal institutions and as few as 3 per cent – in NGO institutions.

In December 2016, the actual average number of families per one worker was 13 (of which 12 families at social risk and 1 so-called signal family).

Number of families cared for by social workers



Data of the Ministry of Social Security and Labour

Figure 5.2.3-2

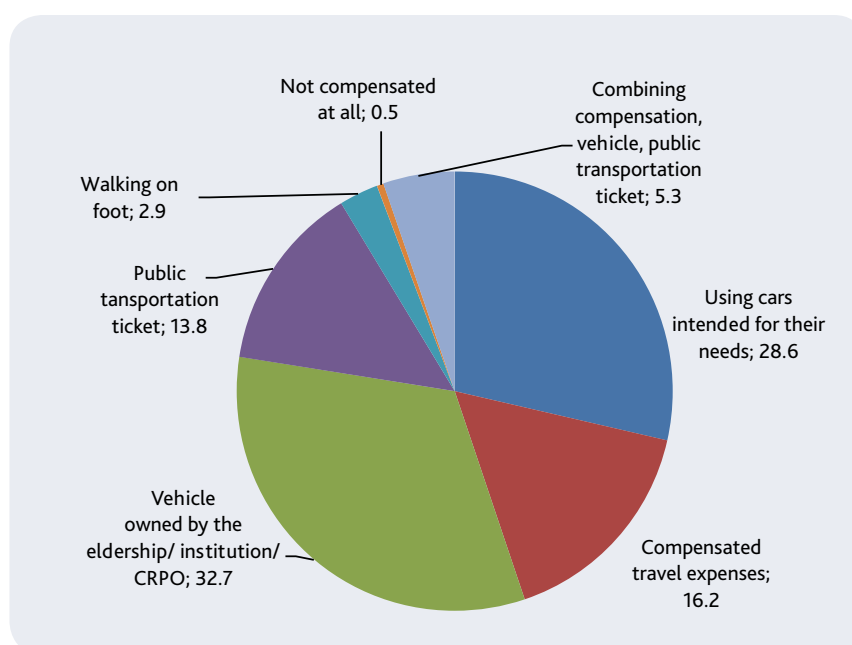
In 2016, when calculating wages of social workers, the average applied official wage coefficient was 15.56 (i.e. EUR 552.36). 90 per cent of workers received bonuses and premiums. The average bonus rate was 24 per cent. The average worker's monthly wage with bonuses was EUR 669.6.

In 2016, 3.5 per cent of social workers working with families at social risk did not participate in any trainings or the supervision process. As compared with 2015, the share of such workers was about 5 times smaller in

2016. In 2016, twice as much workers as in 2015 attended the supervision process. This increase could have been determined by the fact that state grant funds were allocated for the supervisions of these workers and for partial compensation of professional development costs.

In accordance with the Law on Social Services, social assistance of families at social risk is financed not only with state grants, but also with municipal budget funds; therefore, municipalities must ensure provision of this service allocating necessary financing and paying adequate attention, i.e. providing with work equipment (workplace), vehicles to visit families, and means of communication, as well as evaluation of risks at work place. It should be noted that in 2016, as few as 28.6 per cent of workers in 26 municipalities had cars to be used only for their needs (119 cars in total).

Provision of social workers with vehicles to visit families



Data of the Ministry of Social Security and Labour

Figure 5.2.3-3

In 2016, 71 per cent of social workers in municipalities were provided with mobile communication means and the costs were covered by the employer. Other workers used a fixed-line telephone of the institution or eldership, or a personal phone, the bills whereof were not compensated for everybody, etc. Occupational risk, assessment whereof is stipulated in the General Regulations of Occupational Risk Assessment⁸⁰, has been assessed for less than a half of workers (41 per cent); as few as 6 per cent of workers were vaccinated at the employer's expense; and only 8 municipalities covered social workers with additional insurance against accidents at work.

⁸⁰ Order No. A1-457/V-961 of the Minister of Social Security and Labour and the Minister of Health of the Republic of Lithuania of 10 October 2012 "On the Approval of the General Regulations of Occupational Risk Assessment".

5.2.4. PROFESSIONAL COMPETENCE AND WAGES OF WORKERS IN THE FIELD OF SOCIAL SERVICES

Supervisions – consultation of employees and social services institutions (companies, organisations) on the issues of professional relations – are an important measure in order to develop professional competences of social workers and activities of organisations. Supervisions may be held individually, in groups or teams and organisations. The supervision process is conducted by professional supervisors who have completed special studies or trainings for supervisors, meeting European supervisor training standards, and who hold respective certificates.

Social work is a particularly sensitive and specific field, thus it should be mandatory for social workers to participate in the supervision process (3 hours at least once a month are recommended) in order to reduce stress at work, evaluate your work from the outside, and receive advice in complicated situations. It is also important that supervisors who conduct supervisions for social workers have social work experience or respective education.

Wages of workers in the field of social services, who work in budgetary institutions and elderships, have been increased by averagely 15 per cent as of 1 January 2016. Around EUR 6.5 million in total were allocated from the state budget for this increase of wages.

According to the data of the Ministry of Social Security and Labour, the comparison of data of the first quarter of 2015 and the first quarter of 2016 shows that the actual wages (including bonuses and premiums) of workers in the field of social services of all budgetary institutions (state and municipal) and elderships increased by about EUR 91 on the average (i.e. about 12 per cent), of which in municipal budgetary institutions and elderships – by about EUR 54 (i.e. about 10 per cent). The biggest increase has been recorded in the actual wages of social workers (including bonuses and premiums) – by about 15 per cent (EUR 79.6), of which in municipal budgetary institutions and elderships – by about 12.8 per cent (EUR 65.3), and of individual care staff – by about 13.4 per cent (EUR 54.4), of which in municipal budgetary institutions and elderships – by about 13.4 per cent (EUR 51.3).

Wages were increased in accordance with the provisions of the then effective Resolution No. 511 of the Government of the Republic of Lithuania "On Improvement of Remuneration Procedure for Employees of Budgetary Institutions and Organisations". In certain positions (heads and deputy heads of institutions, heads of units, social workers with higher university education) the minimum and maximum coefficients of official wages have been increased, the limits of official wage coefficients have been significantly narrowed or completely abolished, by establishing fixed coefficients of official wages for social workers with a non-university education in social work or an equivalent education and for social workers with certification categories. The coefficients of official wages of social workers with university education have been increased by a bigger percentage share (more than 15 per cent) as a matter of priority.

5.2.5. EMOTIONAL TELEPHONE SUPPORT

The Ministry of Social Security and Labour has been paying for the calls of residents to the services providing emotional (psychological) assistance and partly covering administration expenses of these services.

In 2016, the tender for the selection of projects of provision of emotional telephone support for 2016–2018 was held and the contract of provision of emotional telephone support with state budget funds was signed with the Lithuanian Association of Emotional Support Services. In 2017, this contract has been extended for another year.

The Lithuanian Association of Emotional Support Services unites 11 services which function through 5 helplines: youth helpline, child helpline, helpline "Hope", helpline for women and helpline "Linija doverija". All services work

from the Call Centre managed under the right of trust by the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour.

With more funds allocated for emotional telephone support every year, accessibility of this type of assistance has been increasing: the working hours of these services have been extended, the activities of these services have been publicised more widely, thus the share of answered calls has increased, the overall duration of calls has become longer, and a bigger number of consulting services have been provided.

5.2.6. SOCIAL ASSISTANCE TO VICTIMS OF TRAFFICKING IN HUMAN BEINGS

The Ministry of Social Security and Labour together with other institutions has been taking part in anti-trafficking activities: implementing the Interinstitutional Action Plan for the Implementation of the Public Security Development Programme 2015–2025⁸¹, being an active member of the Fight against Human Trafficking Coordination Commission, set up in 2016 in accordance with the resolution of the Government of the Republic of Lithuania⁸², chaired by the chancellor of the Ministry of the Interior; carrying out measures in accordance with the Anti-Trafficking Action Plan 2017–2019⁸³; participating in the project “STROM – Strengthening the Role of Municipalities in the Work against Trafficking in Human Beings in the Baltic Sea Region”, implemented by the Working Group against Trafficking in Human Beings of the Council of the Baltic Sea States, carried out by the Ministry of the Interior; cooperating with other ministries, institutions, municipalities, NGOs with regard to provision of necessary assistance to victims of trafficking in human beings as of the moment of their identification.

In 2017, with a view to continuing provision of social assistance to victims and potential victims of trafficking in human beings, financing from the state budget has been extended for 5 NGO projects selected by tender in 2016 and implemented by the Support Centre for Families of Missing People, Klaipėda Social and Psychological Assistance Centre, Caritas of Lithuania, Caritas of Vilnius Archdiocese, and the Association “Men’s Crisis Centre”.

In 2016, project implementers provided social assistance to 179 persons, of whom 92 persons were recognised as victims by law enforcement institutions. According to the data of project implementers, the number of men has increased among all people addressing (or referred to) for help (34 per cent in 2015; 49 per cent in 2016), and the number of victims or potential victims outside the territory of Lithuania has also increased (50 per cent in 2015; 58 per cent in 2016). As compared with the previous years, distribution of persons who received assistance by their indicated form of exploitation has changed: in 2016, there were fewer victims of sexual exploitation (54 per cent in 2013; 33 per cent in 2016), but more victims of forced labour (19.5 per cent in 2014; 33 per cent in 2016), and more persons, including a large share of minors, are taken abroad to commit crimes (29 per cent of all persons who received assistance in 2016).

With regard to the fact that assistance to victims of trafficking in human beings might be effective and efficient only if it is organised in a coordinated and integrated manner, measures have been envisaged to encourage municipalities to pay more attention to the phenomenon of trafficking in human beings by combining efforts of all municipal institutions and organisations to carry out prevention, identify victims of trafficking in human beings, organise and provide assistance, and cooperate with NGOs.

⁸¹ Resolution No. 1039 of the Government of the Republic of Lithuania of 19 September 2016 “Interinstitutional Action Plan for the Implementation of the Public Security Development Programme 2015–2025”.

⁸² Resolution No. 785 of the Government of the Republic of Lithuania of 11 August 2016 “On Anti-Trafficking Coordination”.

⁸³ Order No. 1V-598 of the Minister of the Interior of the Republic of Lithuania of 29 August 2016 “On the Approval of the Anti-Trafficking Action Plan 2017–2019”.

5.3. EQUAL OPPORTUNITIES

Equal opportunities are among the key 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 European Union.

5.3.1. NON-DISCRIMINATION

In 2011–2016, the Ministry of Social Security and Labour coordinated the Interinstitutional Action Plan for Promotion of Non-discrimination⁸⁴ (hereinafter referred to as the “Plan”). The purpose of this Plan was to ensure the implementation of educational measures of non-discrimination promotion and equal opportunities, raise legal consciousness, increase mutual understanding and tolerance on the grounds of gender, race, nationality, language, origin, social status, faith, convictions or views, age, sexual orientation, disability, ethnicity and religion, raise public awareness of manifestations of discrimination in Lithuania and its negative impact on opportunities for certain groups of society to actively participate in social activities under equal conditions.

While implementing the Plan in 2016, trainings and educational events on the issues of integration in society and ensuring equal opportunities were organised, activities promoting the establishment of representatives of national minorities in the labour market and cross-cultural knowledge as well as giving meaning to the cultural heritage of national minorities and immigrants were implemented, social advertising on non-discrimination was created and displayed on public transport, and other activities were carried out. Besides the Ministry of Social Security and Labour, other public institutions (the Ministry of Education and Science, the Ministry of Justice, the Department of National Minorities under the Government of the Republic of Lithuania, the Office of the Equal Opportunities Ombudsperson, etc.) also participated in the implementation of measures.

After the Government of the Republic of Lithuania decided that the Plan and its measures should be approved by the order of the Minister of Social Security and Labour, the Action Plan for Promotion of Non-discrimination 2017–2019⁸⁵ was drafted. In 2016–2017, there are plans to implement 21 educational measures financed with the state budget and European Union support funds. The measures envisaged in the Plan will be implemented by the Ministry of Social Security and Labour and several subordinate bodies, the Ministry of Education and Science, the Office of the Equal Opportunities Ombudsperson, the Department of National Minorities under the Government of the Republic of Lithuania, the Ministry of Foreign Affairs, the Ministry of Justice, and the Police Department under the Ministry of the Interior.

5.3.2. SOCIAL INTEGRATION OF THE DISABLED

Employment of disabled persons is one of the key indicators of social integration of the disabled. The right precondition for the solution of the employment problem of the disabled is continuous, active and integral activities by all concerned state and municipal institutions, agencies and non-governmental organisations.

⁸⁴ Resolution No. 46 of the Government of the Republic of Lithuania of 28 January 2015 “On the Approval of the Interinstitutional Action Plan for Promotion of Non-discrimination”.

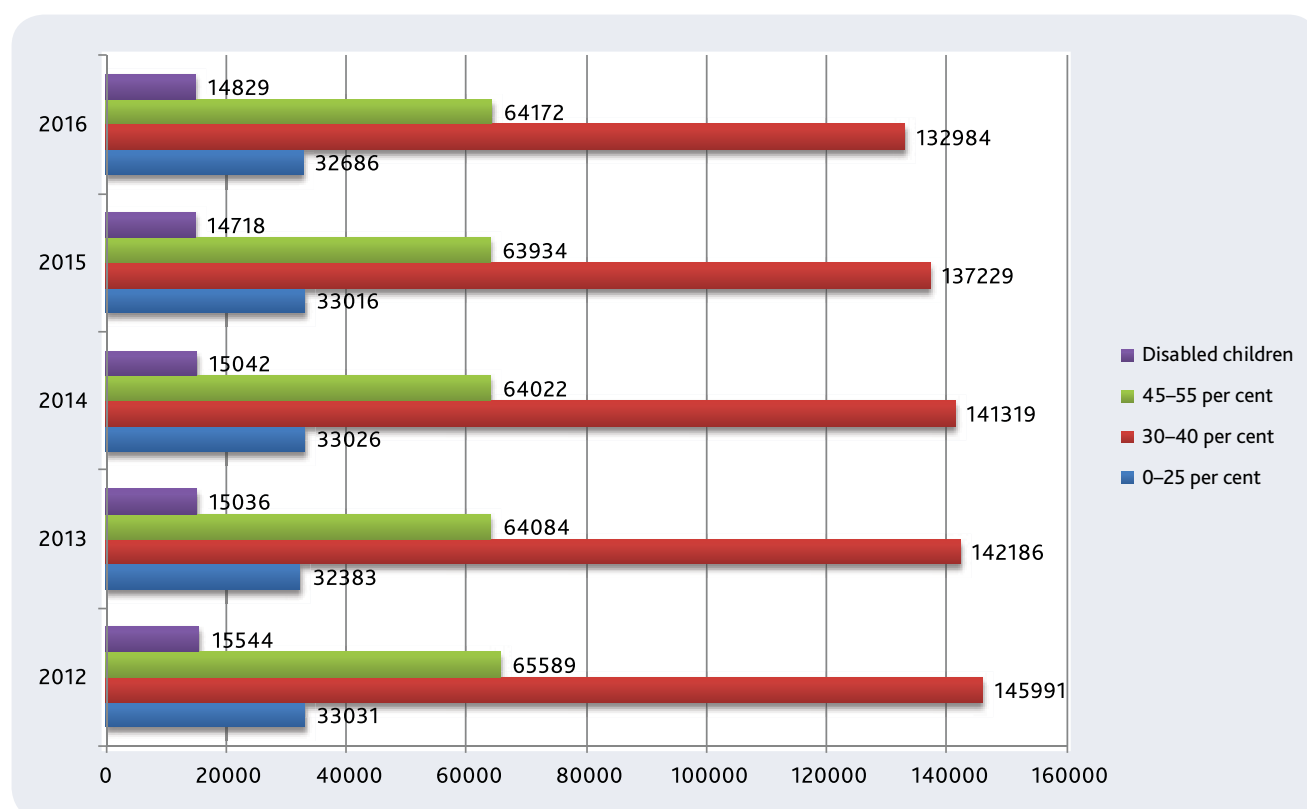
⁸⁵ Order No. A1-250 of the Minister of Social Security and Labour of the Republic of Lithuania of 15 May 2017 “On the Approval of the Action Plan for Promotion of Non-discrimination 2017–2019”.

In 2016, disabled persons constituted about 9 per cent of Lithuania's population. Due to physical or mental disorders a disabled person cannot take care of his/her personal and social life and enjoy his/her rights. Integration of the disabled in the labour market is a significant problem, because work is a necessity for a disabled person: a working person has greater opportunities to realise himself/herself, socialise, communicate and be more independent.

5.3.2.1. KEY DISABILITY INDICATORS

At the beginning of 2017, disability related pensions and benefits were paid to 245 000 residents of Lithuania. As compared with 2016, this number slightly decreased. About 48 per cent of men and about 52 per cent of women receive disability pensions. The number of disabled children, as compared with 2016, slightly increased and reached 14 800. The dynamics of the number of disabled persons by the level of capacity for work (disability group) and the level of disability in 2012–2016 is presented in Figure 5.3.2.1-1.

Dynamics of the number of disabled persons by the level of capacity for work (disability group) and the level of disability, 2012–2016



Data of the Ministry of Social Security and Labour

Figure 5.3.2.1-1

In 2012–2016, the number of the disabled was falling in all Lithuanian counties. Likewise, the number of disabled persons who have not declared their place of residence in any county decreased in 2016. Detailed information on the number of the disabled in counties and their decrease in 2012–2016 is provided in Table 5.3.2.1-1.

Number of the disabled in 2012–2016 by county

	2012	2013	2014	2015	2016
Alytus County	16 550	15 585	15 568	14 842	13 750
Kaunas County	58 679	56 029	56 027	53 284	48 943
Klaipėda County	24 655	24 472	24 449	25 123	23 743
Marijampolė County	15 641	15 207	15 205	14 739	13 688
Panevėžys County	24 658	24 182	24 149	23 328	20 631
Šiauliai County	29 377	28 809	28 779	28 514	26 474
Tauragė County	9 632	9 291	9 276	9 091	8 403
Telšiai County	10 421	10 300	10 245	10 476	9 654
Utena County	13 848	13 487	13 408	13 239	12 119
Vilnius County	52 250	51 186	51 162	50 942	48 218
Not identified	4 861	5 141	5 141	5 319	4 246

Data of the Ministry of Social Security and Labour

Table 5.3.2.1-1

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; in 2015 – 12 900; in 2016 – 12 000.

Most often persons of working age are recognised as disabled due to malignant tumours, diseases of blood circulation system, connective tissue and skeletomuscular 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 2012–2016, the number of persons receiving compensations for attendance (assistance) stabilised (in 2012 – 58 300, in 2013 – 56 800, in 2014 – 56 000, in 2015 – 56 400, in 2016 – 56 300). 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 2012 compensations were received by 39 600 persons; in 2013 – 39 200; in 2014 – 39 900; in 2015 – 41 500; in 2016 – 41 300. In 2016, 942 children received compensations for nursing expenses; 8 600 children received compensations for attendance (assistance) expenses.

5.3.2.2. IMPLEMENTATION OF THE UNITED NATIONS CONVENTION ON THE RIGHTS OF PERSONS WITH DISABILITIES

On 6–7 April 2016, the United Nations Committee on the Rights of Persons with Disabilities (hereinafter referred to as the “Committee”) considered the initial report of Lithuania on the implementation of the United Nations Convention on the Rights of Persons with Disabilities (hereinafter referred to as the “Convention”) in Geneva, and on 20 April 2016 submitted its recommendations to Lithuania.

Seeking to ensure continuity of the policy of social integration of the disabled, with regard to the Committee's recommendations to Lithuania as well as fulfilling assumed international commitments regarding a more effective implementation of the Convention, the Ministry of Social Security and Labour of the Republic of Lithuania, being a coordinating authority for the implementation of the Convention, took into consideration the proposals of organisations representing the disabled and adopted a decision to initiate the preparation of a plan of implementation of the Committee's recommendations to Lithuania. Upon receipt of proposals from ministries

and concerned institutions regarding measures for the implementation of the Committee's recommendations, the Plan of Implementing Measures of the Committee's Recommendations 2016–2020⁸⁶ was developed.

Having regard to the amendments to the Republic of Lithuania Law on Social Integration of the Disabled adopted on 1 September 2016, the Minister of Social Security and Labour approved the institutional and personal composition of the Council for the Affairs of the Disabled (hereinafter referred to as the "Council") by Order No. A1-145 of 28 March 2017. The Council is an advisory body composed of 9 representatives of state institutions, one representative of a municipality, 9 representatives of associations of the disabled, and one representative of an academic community. The key objective of the Council, chaired by the Minister of Social Security and Labour, is to examine the issues of social integration of the disabled and submit proposals to the Government of the Republic of Lithuania, ministries, other state and municipal institutions and agencies regarding the policy of social integration of the disabled, its implementation, draft legal acts regulating social relations of the disabled, as well as the monitoring reports on the implementation of the Convention and its Optional Protocol.

In February 2017, for the purpose of implementation of the provisions of the Convention, the Ministry of Social Security and Labour of the Republic of Lithuania formed an interinstitutional working group (hereinafter referred to as the "Working Group") for drafting legal acts related to the implementation of Article 29(a) of the Convention. The Working Group was composed of the representatives of the Ministry of Social Security and Labour of the Republic of Lithuania, the Ministry of Justice of the Republic of Lithuania, the Department for the Affairs of the Disabled under the Ministry of Social Security and Labour, the Office of the Equal Opportunities Ombudsperson, the Central Electoral Commission of the Republic of Lithuania, the Association of Local Authorities in Lithuania, and the Society for the Physically Disabled of Lithuania.

Having evaluated the problems of application of the following laws on elections: the Republic of Lithuania Law on Elections to the Seimas, the Republic of Lithuania Law on Presidential Elections, the Republic of Lithuania Law on Elections to the European Parliament, and the Republic of Lithuania Law on Elections to Municipal Councils, arising due to inefficiency of existing legal regulation in practice, the Working Group prepared draft amendments to the Republic of Lithuania Law on Elections to the Seimas, the Republic of Lithuania Law on Presidential Elections, the Republic of Lithuania Law on Elections to the European Parliament, the Republic of Lithuania Law on Elections to Municipal Councils, and the Code of Administrative Offences of the Republic of Lithuania.

After the Government of the Republic of Lithuania approves of and the Seimas adopts these draft laws, persons with disabilities will be able to effectively and fully participate in political and public life on an equal basis with others, directly or through freely chosen representatives, including the right and opportunity for persons with disabilities to vote and be elected, *inter alia*, by ensuring that voting procedures, facilities and materials are appropriate, accessible and easy to understand and use; safeguarding the right of persons with disabilities to vote by secret ballot without intimidation, facilitating the use of assistive and new technologies where appropriate; guaranteeing the free expression of the will of persons with disabilities as electors, allowing to use the most suitable way of their own choice.

Furthermore, the Ministry of Social Security and Labour has been appointed to coordinate Lithuania's position on the Proposal for the Directive of the European Parliament and of the Council on the approximation of the laws, regulations and administrative provisions of the Member States as regards accessibility requirements for products and services (hereinafter referred to as the "Accessibility Directive")⁸⁷. The Ministry thus formed an interinstitutional working group⁸⁸ which has been actively contributing to the development of the directive.

⁸⁶ Order No. A1-596 of the Minister of Social Security and Labour of the Republic of Lithuania of 9 November 2016 "On the Approval of the Plan of Implementing Measures of Recommendations of the United Nations Committee on the Rights of Persons with Disabilities 2016–2020".

⁸⁷ Proposal for the Directive of the European Parliament and of the Council on the approximation of the laws, regulations and administrative provisions of the Member States as regards accessibility requirements COM/2015/0615 final/2 - 2015/0278 (COD).

⁸⁸ Order No. A1-265 of the Minister of Social Security and Labour of the Republic of Lithuania of 24 May 2016 "On the Setting Up of the Working Group for the Examination of the Proposal for the Accessibility Directive".

The purpose of the Accessibility Directive is to improve the functioning of the internal market, remove barriers to the free movement of commonly used goods and services. The Directive provides for uniform requirements for accessibility of commonly used goods and services in the internal market. Achievement of this goal will at the same time ensure proper implementation of obligations under the Convention. The Convention establishes that to enable persons with disabilities to live independently and participate fully in all aspects of life, States Parties shall take appropriate measures to ensure to persons with disabilities access, on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas. These measures shall include the identification and elimination of obstacles and barriers to accessibility.

Thus, the implementation of this Directive will promote and develop the policy of equal opportunities, social integration of the disabled, and solidarity. Persons with disabilities will be able to use the most necessary goods and services that are accessible to other members of society. The implementation of the Directive will help certain social groups, including elderly people, to avoid social exclusion.

5.3.2.3. IMPLEMENTATION OF THE PROGRAMME FOR SOCIAL INTEGRATION OF THE DISABLED

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.

The provisions of this Convention are implemented through the National Programme for Social Integration of the Disabled 2013–2019 and the plans of implementing measures.

In 2016, when implementing the programme measure “Developing accessibility of services for the disabled, enhancing self-sufficiency and promoting their employment opportunities”, 356 projects selected by tender were financed. Each year, 60 municipalities finance projects of social rehabilitation services for the disabled in the community. These projects are implemented by organisations working in the field of social integration of the disabled. Moreover, the projects of supporting the activities of associations of the disabled and projects for the development of mobility and self-sufficient living skills of people with physical disabilities selected by tender and implemented by umbrella associations of the disabled were financed. In 2016, when implementing social integration projects financed by tender, over 30 000 persons with disabilities, including 15 per cent of persons with severe forms of disability, received various services (benefits).

In 2016, 20 special vehicles adapted to provide services for the disabled were purchased. These vehicles were transferred to associations of the disabled on the loan-for-use basis. In 2017–2018, the Department for the Affairs of the Disabled under the Ministry of Social Security and Labour plans to acquire another 20 special vehicles adapted to provide services for the disabled.

The implementation of a new measure “Implementing projects of social integration of the disabled through physical training and sports” commenced in 2016.

Pursuant to the Specifications of the Tender for Financing Projects of Social Integration of the Disabled through Physical Training and Sports in 2016–2018, 79 projects of social integration of the disabled through physical training and sports implemented by non-governmental organisations of the disabled were financed in 39

municipalities. The following activities were supported in relation to projects: regular activities (training in various sport branches; physical training exercises, active physical activities) and irregular activities (preparation to take part in national pre-qualifying competitions organised by sport federations of the disabled; wellness, physically active leisure and demonstration events of physical training and sports organised by municipalities, as well as regional events). In 2016, 3 213 disabled persons participated in the projects of social integration of the disabled through physical training and sports.

When implementing measure "Improving information environment for the disabled", the services of the Lithuanian sign language interpreters were provided. In 2016, 1 421 deaf persons, including 112 deaf children, received interpretation services. The need for sign language interpreting services grew, thus the volume of provided services increased by 44 per cent, as compared with 2015.

In 2016, 8 projects of financing the publishing and circulation of periodical publications for the disabled were selected by tender and financed. These projects were implemented by 5 associations of the disabled and 3 public institutions. While implementing projects, the publishing of 8 periodical publications relevant to the social education and information of the disabled was supported.

When implementing the measure "Adapting housing and surroundings thereof to persons with disabilities", housing was adapted to the disabled, buildings that were relevant to the disabled were discussed in the information system "Infostatyba" and inspected in construction accomplishment commissions. In 2016, 444 units of housing were adapted to the needs of the disabled and this indicator grew by 30 per cent, as compared with 2015. 144 lifts were purchased and fitted in 36 municipalities. This increase in the number of housing units adapted to the needs of the disabled has been determined by an increasing need of the disabled to adapt housing.

When implementing the measure "Providing financial aids to disabled students", financial support was further provided to disabled students in 2017. Following the Description of the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools⁸⁹, 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 benefits once in a semester).

In 2016, financial support was provided to 935 disabled students studying in 37 higher schools, of whom 861 disabled students of 26 public higher schools and 74 disabled students of 11 non-public higher schools. 935 disabled students were paid benefits to satisfy special needs and 427 disabled students were paid target benefits for partial reimbursement for study expenses.

When implementing the measure "Paying benefits in the amount of 20 per cent of BSB to the disabled raising children for payment for utilities, electricity or telephone bills or purchase of fuel", 22 city and district municipalities paid benefits in the amount of 20 per cent of basic social benefit (BSB) on average every month to 55 disabled persons raising children under 18 years of age (in case of studying in general education or vocational schools registered in the Republic of Lithuania according to the day-time study mode or in higher schools according to the day-time or full-time study mode – under 24 years of age), who have been recognised as incapable of work and in whose families there are no capable persons. These benefits are granted to pay for utilities, electricity or telephone bills or to purchase fuel. The number of the disabled who apply for support has been decreasing each year.

5.3.2.4. PROVISION OF TECHNICAL AIDS FOR RESIDENTS

The measure "Acquisition and provision of technical aids for disabled people" of the Programme for Social Integration of the Disabled is implemented each year. The purpose of the measure is to develop the system of provision of country's residents with technical aids (TA) and to meet the needs of provision with TA.

⁸⁹ Resolution No. 831 of the Government of the Republic of Lithuania of 29 August 2006 "On the Approval of the Description of the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools".

Indicators of provision of the disabled with TA

Year	Overall TA provision level (per cent)	The level of TA provision for adults (including paid compensations, %)	The level of TA provision for children (including paid compensations, %)	Total number of TA recipients	Funds allocated, EUR
2012	94.1	90.7	97.7	34 473	2 038.3
2013	75.4	77.4	74.3	32 716	2 038.3
2014	75.1	73.4	84.3	34 123	2 294.4
2015	83.4	86.2	74.2	34 966	2 141.1
2016	81.23	82.91	86.97	33 302	2 145.5

Data of the Centre of Technical Aid for Disabled People under the Ministry of Social Security and Labour

Table 5.3.2.4-1

In 2016, disabled people were provided with TA in four ways: provided free of charge from ten territorial units of the Centre of Technical Aid for Disabled People under the Ministry of Social Security and Labour (hereinafter referred to as the "Centre") (in Vilnius, Kaunas, Klaipėda, Šiauliai, Panevėžys, Alytus, Utena, Telšiai, Marijampolė and Tauragė) or from municipal institutions; provided with TA bought by the Centre having paid additionally for TA; acquired TA with their own funds and received partial reimbursement for acquisition expenses; provided with TA through companies with which the Centre had concluded agreements under which companies receive compensations.

As of January 2017, the option of provision of the disabled with TA through companies with which the Centre has concluded agreements has been renounced. A person may now acquire an aid, which is reimbursed, in any company trading in any European country and, having submitted the required documents to the Centre, receive compensations for the acquisition of the abovementioned TA. Furthermore, the TA list has been supplemented with new TA as of 2017: **electric propulsion** (a device mounted on a wheelchair for tetraplegics to propel it), **a Daisy book player** (a player with the *Daisy* software and speech synthesizer for reading audio books and other texts), **a magnifying system** (a tool or system that magnifies the image captured by a video camera on the screen), **an optical character recognition tool** (a tool to read written text and transform it into an alternative video, audio and/or textual information), **a talking blood glucose meter** (a device for persons with diabetes and full blindness).

The Centre and its units constantly provide information to society, collect feedback on TA, and consult on various ways of TA provision. The Centre regularly updates information about TA provision on its website and carries out publicity (disseminates booklets, publishes articles in regional press). While improving accessibility to information about the provision of people with TA, meetings with medical specialists from personal health care institutions and municipality employees have been organised.

5.3.2.5. 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 Vocational Rehabilitation Programme is implemented and vocational rehabilitation services are provided every year.

Vocational rehabilitation is the *restoration* or *increase* of a person's capacity for work level, professional competence and ability to participate in the labour market through educational, social, psychological, rehabilitation and other impact measures.

A person participating in the Vocational Rehabilitation Programme is provided with the following services: evaluation of professional competences; vocational guidance and counselling; restoration of professional competences or development of new competences; assistance when finding employment; support at the workplace.

In 2016, vocational rehabilitation services were provided by 12 vocational rehabilitation centres according to the nature of disability. Persons with disabilities chose 120 different vocational training programmes, the most popular among them being: accountant, basic computer user, stock assistant, florist-flower seller, carpenter, computer technician, nurse assistant, seller-cashier, leather artistic handicrafts producer, hairdresser of wide profile, cook, company manager, kitchen assistant, decoupage maker, jeweller, basic computer literacy specialist, advertising layout operator, webpage designer, plumber, small business administrator, cleaner (adapted to persons with mental disability), wood artistic handicrafts weaver, text typing and desk-top publishing and editing operator, florist, insurance consultant, decorative handicrafts producer.

In 2016, 778 persons participated in the Vocational Rehabilitation Programme and 597 disabled persons completed it. As compared with 2015, the number of persons who took part in the Vocational Rehabilitation Programme increased by 9 per cent, and the number of persons who completed it increased by 37 per cent. In 2016, the employment rate within 6 months after completion of the Vocational Rehabilitation Programme (percentage) was 67.8, which marks an increase by 16 per cent, as compared with 2015. This increase could have been determined by the regulation of requirements in early 2016 for the content of the cycle of vocational rehabilitation services, provision of services, specialists who provide these services, with regard to the nature of disability of persons participating in the Programme as well as physical disability, and general requirements for specialists who provide vocational rehabilitation services to the disabled.

In order to implement monitoring of employment and remaining in the labour market by the participants of the Vocational Rehabilitation Programme who have completed it as well as monitoring of the use of funds allocated to this Programme, the Methodology for the Evaluation of Efficiency of the Vocational Rehabilitation Programme has been developed⁹⁰.

5.3.3. ACTION PLAN FOR THE RETURN OF POLITICAL 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 2015–2017⁹¹ (hereinafter referred to as the "Action Plan") has been implemented. 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 to the returning persons for relocation and social integration. Over 2 500 families have expressed their wish to return to Lithuania since 1992. According to the data submitted by municipalities in February 2017, a total of 2 012 returning families were provided with flats in the period of 1992–2016. EUR 32 047 700 were used for this purpose. Lists of returning

⁹⁰ Order No. A1-205 of the Minister of Social Security and Labour of the Republic of Lithuania of 26 April 2017 Amending Order No. A1-302 of the Minister of Social Security and Labour of the Republic of Lithuania of 31 December 2004 "On the Approval of the Description of the Criteria for Establishing the Need for Vocational Rehabilitation Services and the Rules for the Provision and Financing of Vocational Rehabilitation Services".

⁹¹ Order No. A1-124 of the Minister of Social Security and Labour of the Republic of Lithuania of 5 March 2014 "On the Approval of the Action Plan for the Return of Political Prisoners and Exiles as well as Their Family Members to Lithuania 2015–2017".

persons applying for flats were compiled in the country's city and district municipalities until 31 December 2009. At the beginning of 2017, 194 returning families who had submitted their applications for housing in municipalities by 31 December 2009 were registered. The majority of returning families have been waiting for flats in Vilnius and Klaipėda city municipalities.

While implementing social integration measures, relocation expenses are reimbursed, lump-sum settlement benefits are granted, the Lithuanian language courses are financed, financial support is granted for the summer holiday camps of school-aged children of the returning persons who attend Vilnius High School Lithuanian's House by improving the domestic conditions of this high school and organising cultural events, financial support is granted to Lithuanian communities functioning in the former USSR territory for organisation of congresses and conferences. The project "Lessons in communities: On the way to Lithuania" (a summer course), which commenced in 2004 and has been implemented so far, has become a nice tradition. The main aim of this project is to create opportunities for the representatives of Lithuanian communities living in the territory of the former USSR to come to Lithuania to study or improve their Lithuanian and participate in sociocultural events. Figure 5.3.3-1 presents information on the participation of the representatives of Lithuanian communities living in the territory of the former USSR in the project "Lessons in communities: On the way to Lithuania".

Places of exile and imprisonment of Lithuanians, from which the children and grandchildren of exiles come to Lithuania to study Lithuanian



Data of the Department of Supervision of Social Services
under the Ministry of Social Security and Labour

Figure 5.3.3-1

Representatives of Lithuanian communities from the furthest Siberian localities: Altai Krai, Irkutsk Oblast, Krasnoyarsk Krai, Buryatia, Komi, Yakutia, Magadan, Karelia, Karaganda, Vladivostok, Tomsk, Ukraine, Saint Petersburg and Moscow attended the summer course (190 persons studied in 2004–2016). The participants study Lithuanian according to the beginner and advanced training programmes, take part in tours of the places of interest in Vilnius, Rumšiškės, Kernavė, Kaunas, Trakai; moreover, cycles of lectures related to Lithuanian folklore, ethnic culture and history are organised.

5.3.4. SOCIAL INTEGRATION OF FOREIGNERS GRANTED ASYLUM

In 2016, the Government of the Republic of Lithuania approved the Description of the Procedure of Provision of State Support for the Integration of Persons Who Have Been Granted Asylum⁹² (hereinafter referred to as the "Description") which regulates the grounds for, organisation and implementation of the provision of state support for the integration of persons who have been granted asylum, the terms of support for integration at the Refugee Reception Centre and in the territory of a municipality, payment of cash benefits and allowances, education and employment, the grounds for the termination and renewal of support for integration, and raising public awareness of the integration of persons who have been granted asylum. The Description establishes more intensive teaching of Lithuanian and earlier involvement of persons who have been granted asylum into the labour market; municipalities which appoint the administration director or his authorised person to coordinate the provision of support in the territory of municipality are more actively involved in the process of integration of persons who have been granted asylum.

During integration at the Centre (for up to 3 months, with a possibility to extend it to vulnerable groups for up to 6 months), a person who has been granted asylum is provided with free accommodation, social and psychological services, on-site health care services and, where necessary, the conditions are created to receive services at health care institutions; evaluation of personal qualities and qualifications required for the job is organised; a monthly benefit (EUR 71.4) for food and sundries is paid; a benefit (EUR 57) for school-aged children for the acquisition of essential school supplies is paid; a monthly compensation in the amount of EUR 60.8 for the expenses of children's education according to the pre-school and/or pre-primary education curricula is paid; free-of-charge Lithuanian language and culture courses are organised; persons are provided with basic necessities, clothing, footwear, and bedclothes.

After the integration period in the Centre is over, support for integration is provided in a municipality (for 12 months, with a possibility to extend it to vulnerable groups for up to 36 months), in which a person chooses to reside. At this stage, non-governmental and other organisations provide mentoring services to persons who have been granted asylum who are participating in the integration process. In 2016, mentoring services were provided by Caritas of Vilnius Archdiocese, the Lithuanian Red Cross Organisation and Klaipėda City Social Assistance Centre. Mentors help foreigners to acquire basic necessities, rent an apartment, pay cash benefits, organise Lithuanian language teaching to foreigners, organise kindergarten attendance and children's education at school, consult foreigners on all issues, ensure foreigners' attendance at the labour exchange, help to fill in and prepare necessary documents, etc.

During the period of integration in a municipality, persons who have been granted asylum are organised free-of-charge Lithuanian language lessons; paid a lump-sum settlement benefit (EUR 204 for an adult; EUR 102 for a child; EUR 1 122 for an unaccompanied minor upon coming of age); paid a monthly benefit for basic necessities (housing rental, public utilities, food, transport, etc.) which reaches EUR 204 per person for up to six months and EUR 102 from the seventh until the twelfth month. A family of two persons are paid EUR 306 for up to six months and EUR 153 from the seventh until the twelfth month. If a family consists of more than three persons, every other person is additionally paid EUR 51 per month for up to six months and EUR 25.5 from the seventh until the twelfth month; a benefit (EUR 57) for school-aged children for the acquisition of essential school supplies is paid; a monthly compensation in the amount of EUR 60.8 for the expenses of children's education according to the pre-school and/or pre-primary education curricula is paid.

⁹² Resolution No. 998 of the Government of the Republic of Lithuania of 5 October 2016 "On the Approval of the Description of the Procedure of Provision of State Support for the Integration of Persons Who Have Been Granted Asylum".

5.3.4.1. FOREIGNERS WHO HAVE BEEN RELOCATED IN COOPERATION WITH OTHER EUROPEAN UNION MEMBER STATES, THIRD COUNTRIES, EUROPEAN UNION INSTITUTIONS OR INTERNATIONAL ORGANISATIONS

After the migration crisis started in Europe, Lithuania committed to accepting 1 105 foreigners in 2016–2017 (this figure has been later reduced to 1 077). Foreigners who have been relocated to Lithuania in cooperation with other European Union Member States, third countries, European Union institutions or international organisations are provided with support for integration in accordance with the Description⁹³. They receive the same benefits and services like other persons who have been granted asylum; however, all expenses related to the integration of relocated persons are financed with the European Union funds.

In 2016, in order to meet the quota for Lithuania, 206 foreigners were relocated. The majority of persons were relocated from Greece (181) and Turkey (25). These relocated persons constituted the majority of those who have been granted asylum residing in the Refugee Reception Centre.

5.3.4.2. CITIZENS OF THE REPUBLIC OF LITHUANIA, PERSONS OF LITHUANIAN ORIGIN AND THEIR FAMILY MEMBERS RESIDING IN THE AUTONOMOUS REPUBLIC OF CRIMEA, THE CITY OF SEVASTOPOL, DONETSK AND LUHANSK OBLASTS IN UKRAINE WHO HAVE BEEN RELOCATED TO THE REPUBLIC OF LITHUANIA (HEREINAFTER REFERRED TO AS "PERSONS OF LITHUANIAN ORIGIN RELOCATED FROM UKRAINE")

State support for the integration of persons of Lithuanian origin relocated from Ukraine is provided *mutatis mutandis* in accordance with the Description⁹⁴. After these persons are relocated, the Ministry of Social Security and Labour takes care of successful integration of the abovementioned persons and organises provision of state support, including payment of monthly benefits, teaching of the state language, education, employment, etc.

Upon occurrence of the problematic situation, where persons of Lithuanian origin relocated from Ukraine of pensionable age, who had been issued a temporary residence permit in Lithuania, are deprived of the right, upon the expiry of the 12-month period of integration, to be covered with a mandatory health insurance, receive cash benefits and allowances from the funds allocated for integration, and with regard to the fact that these persons are not entitled to receive social benefits (cash social assistance, assistance in the case of death, social allowances) and they also cannot be established disability or special needs, the Ministry of Social Security and Labour submitted a proposal to the Government of the Republic of Lithuania to renounce the period of integration applied with respect to persons of Lithuanian origin relocated from Ukraine, thus providing for the equal conditions to receive state support for integration to both persons of Lithuanian origin relocated from Ukraine and persons who have been granted asylum (i.e. support would be provided for 15 months, and the integration period could be extended for vulnerable groups). This proposal of the Ministry of Social Security and Labour was approved at the sitting of the Government of the Republic of Lithuania on 7 December 2016.

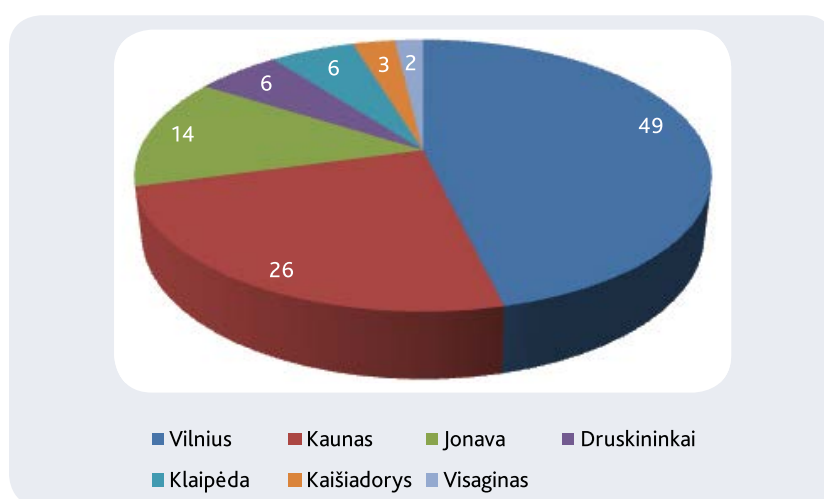
In 2016, a total of 52 relocated persons used support for integration at the Refugee Reception Centre. 106 persons began to receive support for integration in municipalities.

⁹³ Resolution No. 998 of the Government of the Republic of Lithuania of 5 October 2016 "On the Approval of the Description of the Procedure of Provision of State Support for the Integration of Persons Who Have Been Granted Asylum".

⁹⁴ Resolution No. 998 of the Government of the Republic of Lithuania of 5 October 2016 "On the Approval of the Description of the Procedure of Provision of State Support for the Integration of Persons Who Have Been Granted Asylum".

The major share of persons of Lithuanian origin relocated from Ukraine who participated in the integration process in municipalities lived in the largest Lithuanian cities – Vilnius and Kaunas, because these cities provide greater opportunities for employment, wider choice of education institutions for children, etc. Regions are not popular, except for Jonava.

Distribution of persons of Lithuanian origin relocated from Ukraine who started using support for integration in municipal territories by municipalities in 2016



Data of the Refugee Reception Centre

Figure 5.3.4.2-1

5.4. STATE SUPPORT FOR THE ACQUISITION OR RENTAL OF HOUSING

On 9 October 2014, the Seimas of the Republic of Lithuania adopted the Law on Support for the Acquisition or Rental of Housing⁹⁵ (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 (paying the amount of up to 20 per cent of the housing loan or loan balance), 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 municipal social housing to 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 low-income individuals who have no dwelling and have no possibility to acquire own dwelling could rent housing.

⁹⁵ Republic of Lithuania Law on Support for the Acquisition or Rental of Housing No. XII-1215.

An overview of the results of the analysis of application of the provisions established in the Law and the amendments to the Law adopted in 2016 is given below, together with the proposals regarding further improvement of the Law seeking to ensure housing accessibility to low-income residents.

A very small number of individuals and families used support for the acquisition of housing (through partially compensated housing loans) in the period of 2013–2014; 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 established in the Law and secondary legislation have highly increased opportunities for individuals and families to use support for the acquisition of housing:

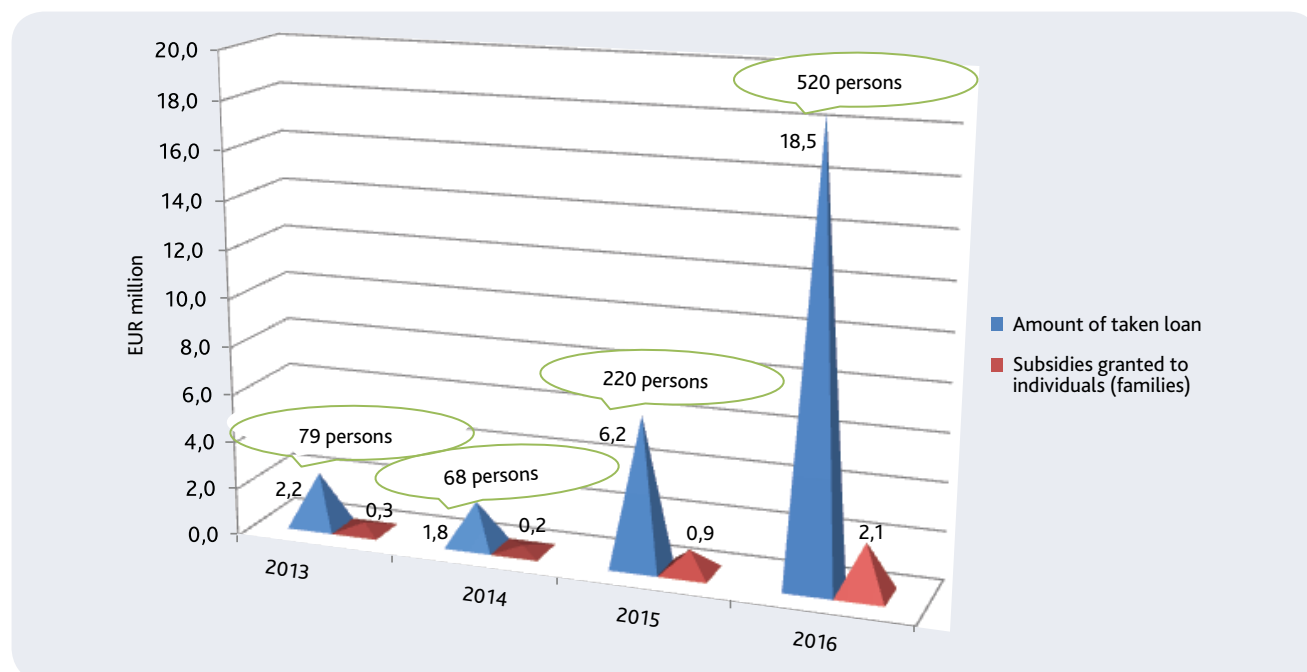
- individuals and families may choose the bank or a credit institution selected to grant housing loans partially compensated by the state, because a bigger number of banks or credit institutions, selected for the period of three years, will be able to grant housing loans partially compensated by the state;
- banks or other credit institutions that grant housing loans partially compensated by the state is 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 may 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).

According to the statistical data presented by Statistics Lithuania regarding the consumer price index which was 111.9 in December 2013, as compared with October 2008 (the amounts of evaluated income and property were established), the amounts of evaluated individuals' and family's income and property, set out for support for the acquisition of housing (established in the Law) have been increased by 11.9 per cent, and the above amounts have been related to state supported income (SSI). This means that after the SSI amount changes, the annual amounts of evaluated individuals' and family's income and property, used to determine an individual's or family's right to acquire or rent housing, will change.

After the said provisions of the Law came into force, the number of recipients of support for the acquisition of housing has grown considerably: already in 2015, 220 individuals and families were granted housing loans partially compensated by the state (3.2 times more than in 2014), whereas in 2016, these loans were granted to 520 individuals and families (7.6 times more than in 2014). In 2016, subsidies for paying part of the housing loan partially compensated by the state were granted to 460 individuals and families (of whom 325 were young families). A person whose wage is 17.4 per cent bigger than the average wage (the average monthly net wage in the fourth quarter of 2016 was EUR 636.9) may apply for support for the acquisition of housing.

Figure 5.4-1 presents data on state support for the acquisition of housing in 2013–2016.

State support for the acquisition of housing, 2013–2016



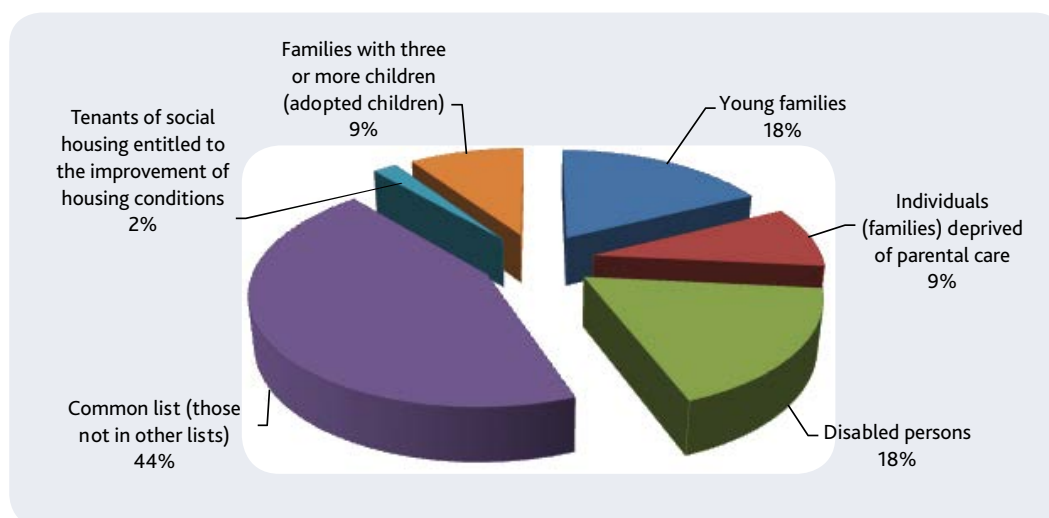
Data of Statistics Lithuania and the Ministry of Social Security and Labour

Figure 5.4-1

In 2016, the highest number of individuals and families who were granted subsidies for paying part of the housing loan partially compensated by the state was recorded in Vilnius (15.9 per cent), Kaunas (12.2 per cent) and Klaipėda (11.5 per cent) municipalities.

Seeking to ensure that support for the rental of housing is used only by those individuals and families whose income and property is insufficient to be able to provide themselves with housing, the Law stipulates that in order to receive support for the rental of housing, individuals and families must declare their property and income each year in accordance with the procedure prescribed by the Republic of Lithuania Law on Declaration of Residents' Property. Regular submission of declarations of individuals' and families' property and income for every year and annual revision of the right to support for the rental of housing created the conditions to more accurately identify beneficiaries and draw up the lists of individuals and families entitled to this type of support and waiting for it. In accordance with the provisions of the Law, after the declarations of property and income of persons queued up for the rental of social housing were checked, the number of those entitled to support for the rental of housing and queued up for this support decreased from 32 815 individuals and families (70 518 family members) in late 2014 to 12 546 individuals and families (26 443 family members) by 31 March 2017, or 2.6 times. Thus, according to the estimates of 2017, there are on average ten individuals included in the waiting lists for the rental of social housing per one thousand residents in the country.

Distribution of individuals and families queued up for the rental of social housing according to the lists drawn up in municipalities as of 31 March 2017



Data of the Ministry of Social Security and Labour

Figure 5.4-2

In 2017, the highest number of individuals and families willing to rent municipal social housing has been recorded in Vilnius (15.2 per cent), Kaunas (10.5 per cent) and Klaipėda (5.2 per cent) municipalities.

No state budget funds were allocated for the development of municipal social housing stock in 2016–2017. 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. In 2015, the Action Plan for the Development of Municipal Social Housing Stock 2015–2020⁹⁶ was approved. 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 social housing in 2017–2019. 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 commenced in 2016 and decisions were passed in relation to financing of 57 projects selected by municipalities, which resulted in the signature of project financing agreements.

Having evaluated insufficient financial resources to develop social housing stock in municipalities, the Law lays down the new form of provision of support for the rental of housing, i.e. 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 housing rental or lease payments. Compensation for part of housing rental payment increases the possibilities for providing families and individuals with housing, as well as create a possibility to rent a dwelling meeting their needs.

In 2016, 510 persons in 24 municipalities used this type of support (90 persons in 16 municipalities in 2015); in the first quarter of 2017, 557 persons in 25 municipalities were granted compensations for part of housing rental payment. The main reasons why individuals and families entitled to support for the rental of housing did not use compensations for part of housing rental or lease payment were the following: they did not have agreements of housing rental registered in the State Enterprise Centre of Registers; the period when individuals and families used compensations for part of housing rental or lease payment was not included in the period of being categorised as individuals and families entitled to renting social housing.

⁹⁶ Order No. A1-192 of the Minister of Social Security and Labour of the Republic of Lithuania of 9 April 2015 “On the Approval of the Action Plan for the Development of Municipal Social Housing Stock 2015–2020”.

In 2016, seeking to improve legal regulation of support for the acquisition or rental of housing and create the conditions for a bigger number of individuals and families to use the abovementioned forms of support, the Seimas of the Republic of Lithuania adopted the following amendments to the Law, which have entered into force as of 1 January 2017:

- the Law establishes the types of income (in accordance with the Law on Cash Social Assistance for Poor Residents) which is not included in the income evaluated when determining the right of individuals and families to support for the acquisition or rental of housing. This creates a possibility for individuals and families who receive targeted support yet cannot afford housing to apply for support for the acquisition or rental of housing and use it, and to retain this right for individuals who have been currently exercising their right to support for the rental of housing and have been renting social housing or receiving a compensation for part of housing rental payment;
- the Law establishes that individuals and families are removed from the list of those queued up for support and the agreement of renting social housing or payment of a compensation for part of housing rental payment is terminated when their income or property exceed the amounts established in the Law by more than 25 per cent;
- with regard to the fact that the purpose of compensations for part of housing rental or lease payment is to cover the expenses of housing in full or in part, having evaluated owned property, received income and other factors related to a person's social status, the Law establishes that the amount of compensation for part of housing rental or lease payment cannot exceed the rental or lease payment;
- the Law establishes that individuals or families who have moved to reside in the territory of another municipality, shall, upon submitting an application to the executive authority, be included in the list of individuals and families entitled to support for the rental of housing in this municipality, adding the period of being on the respective list in the previous municipality;
- the Law establishes that the period during which individuals and families use a compensation for part of housing rental or lease payment shall be included in the period of being on the list of individuals and families entitled to support for the rental of housing, i.e. from now on the abovementioned individuals and families will still "move upwards in the list", regardless of the compensation they receive;
- the Law extends the term of payment for the sold municipal housing and auxiliary buildings as well as parts thereof from 10 calendar days to 3 months. This provides individuals with more favourable conditions to exercise their right to buy the abovementioned premises.

While implementing the monitoring of the provision of support for the acquisition or rental of housing and seeking to create more favourable conditions for individuals and families to use this form of support, there have been plans to initiate deliberation of the following amendments to the Law in 2017:

- to establish that disabled adult children and/or adopted children cohabiting with their parents or adoptive parents, as well as guardians (foster carers) together with cohabiting persons they are guardians (foster carers) of, who have been placed under guardianship (foster care), i.e. both guardians (foster carers) together with cohabiting minors they are guardians (foster carers) of and guardians (foster carers) together with cohabiting adult persons they are guardians (foster carers) of may be treated as family members, without the need of a court decision;
- in order to increase persons' motivation to receive higher income, there is a proposal to establish the right to persons who are deprived of the right to support for the rental of housing or to a compensation for part of lease payment due to a higher income and who are removed from the respective lists to be re-entered in these lists, including the previous period of being on these lists, if the annual amounts of their evaluated income and

property do not exceed the amounts of property (including received income) specified in the Law and if not more than 3 years have passed since the date of their removal from the list;

- having regard to the fact that currently effective legal regulation does not establish any possibility to sell engineering structures with the priority right granted to the owners of residential buildings (they may only be sold by auction), the draft amended Law proposes to establish that the abovementioned buildings shall be sold with the priority right granted to persons who have been legally using them;
- the draft proposes to categorise a compensation for part of lease payment which, taking into account its purpose and nature, i.e. housing is acquired by the right of ownership, is equivalent to the provision of subsidies for paying part of the housing loan partially compensated by the state, with the forms of support for the acquisition of housing or to increase the amounts of income and property for individuals and families who apply for compensations for part of lease payment, with a view to complying with the Regulations on Responsible Lending of the Bank of Lithuania, thus creating the conditions for individuals and families who cannot independently acquire housing due to insufficient income to use compensations for part of lease payment and acquire own housing;
- to establish a possibility for municipalities to develop the social housing stock by subleasing housing rented in the market and providing individuals and families with social housing. Thus municipalities might encourage entrepreneurs to develop the housing rental market.

6 | Community, child, youth and family affairs

6.1. DEVELOPMENT OF COMMUNITIES AND THE NON-GOVERNMENTAL SECTOR

While implementing the objectives of Aim 2 “Enhancing the Role of Communities and Non-governmental Organisations” of Priority 2 “Active and Solidary Society” of the National Progress Programme 2014–2020 and in accordance with the provisions of the Republic of Lithuania Law on Development of Non-governmental Organisations No. XII-717, adopted on 19 December 2013, the Ministry of Social Security and Labour is one of the institutions responsible for the formation, coordination and implementation of policy on NGO development.

Seeking to implement the activity goals set in the area of policy on NGO development, the Ministry of Social Security and Labour analyses the activities and formation processes of non-governmental and community organisations, promotes the formation of active society, analyses NGO activities, develops and implements measures to enhance NGOs and local communities.

6.1.1. COOPERATION BETWEEN THE PUBLIC AND NON-GOVERNMENTAL SECTORS

Cooperation between the public and non-governmental sectors has particularly intensified upon the establishment of the Council and upon the start of its second term of office. The Council, the term of office whereof is two years, consists of 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 of the Republic of Lithuania, the Ministry of Culture of the Republic of Lithuania, the Ministry of Social Security and Labour of the Republic of Lithuania, the Ministry of Education and Science of the Republic of Lithuania, the Ministry of Justice of the Republic of Lithuania, the Ministry of the Interior of the Republic of Lithuania, the Ministry of Agriculture of the Republic of Lithuania – and the Association of Local Authorities in Lithuania, and ten NGOs, who were delegated to the Council by consensus by national umbrella NGO associations. After the new composition of the Council was approved, the Action Plan of the Council 2017–2019 was also approved. Seeking to ensure NGO strengthening and financial sustainability, empower NGO activities while implementing monitoring of the legal and tax environment, and guarantee the transparency and publicity of the NGO sector, three working groups have been formed: NGO Financial Sustainability, NGO Empowerment, Monitoring of the Legal Activity Environment and NGO Transparency and Publicity.

Seeking more efficient cooperation between the non-governmental and public sectors when addressing the issues related to NGOs, the Council initiated consultations and discussions and organised meetings with

representatives of public institutions, for example, delegated a Council representative to a working group set up by the Ministry of Economy of the Republic of Lithuania regarding the drafting of the Republic of Lithuania Law on Social Business, also organised a discussion with the Ministry of Foreign Affairs of the Republic of Lithuania on the interpretation of recommendations of the Organisation for Economic Cooperation and Development to Lithuania and with the Chief Official Ethics Commission on the amendments to the Republic of Lithuania Law on Lobbying Activities, invited the representatives of the Public Procurement Office regarding the amendments to the Republic of Lithuania Law on Public Procurement, organised a meeting with the State Data Protection Inspectorate regarding the interpretation of indirect marketing restrictions applied to NGOs, etc.

6.1.2. FINANCIAL MEASURES FOR NON-GOVERNMENTAL ORGANISATIONS

The Action Plan for the Strengthening of Non-governmental Organisations and Community Activities 2017–2019 was approved by Order No. A1-99 of the Minister of Social Security and Labour of the Republic of Lithuania of 28 February 2017 “On the Approval of the Action Plan for the Strengthening of Non-governmental Organisations and Community Activities 2017–2019”. The Action Plan aims at creating the conditions for long-term NGO and community organisations development by enhancing their institutional capacities and raising public awareness of the NGO sector and voluntary activities, as well as at strengthening community activities. EUR 3 738 000 have been allocated for the measures of the Action Plan in 2017 (EUR 2 984 000 in 2016). The following objectives have been defined to reach the aim:

- to monitor, collect, evaluate and systematise data on the situation of the NGO sector and to submit recommendations to public authorities and the NGO sector;
- to improve the conditions for the development of NGO and community organisations, enhance their institutional capacities and community activities;
- to promote cooperation between the public and NGO sectors by providing public services, and raise public awareness of the NGO sector and voluntary activities;
- to improve legal regulation of NGOs by creating a favourable environment for the NGO sector, improving the conditions for its activities and ensuring financing.

The Action Plan for the Strengthening of Non-governmental Organisations and Community Activities particularly focuses on umbrella and national NGOs. NGOs are encouraged to join associations, more efficiently work with their members and enhance them. The Plan also aims at strengthening non-governmental organisations actively involved in public policy, provision of services and representing their target groups and members, which could assume bigger responsibility when searching for more diverse sources of financing in order to more effectively achieve set goals and establish financial independence. While implementing the Plan of the Government of the Republic of Lithuania, NGOs are encouraged to take over the provision of public services and are promoted to develop social business. Institutional support for the non-governmental sector is really necessary due to several important reasons: this support will ensure continuity and efficiency of the activities of these organisations until they create a niche for pursuing their economic activities or until the state budget funds and other funds in business enterprises become available for support programmes. Institutionally enhanced NGOs and associations uniting community organisations will more professionally represent their members, more efficiently participate in public policy, more successfully involve society in cooperation with public authorities, and more actively take part in decision-making on behalf of their members or concerned groups. A more effective participation of non-governmental organisations in international activities and a more professional work of NGOs that provide services should also be mentioned among the results. The measures of the Action Plan aim at implementing the policy of development of NGOs and community organisations by conducting the survey of the development of the non-

governmental sector, and financing the projects of institutional enhancement of NGOs and their associations, developing voluntary activities and social entrepreneurship.

6.1.3. COMMUNITY ORGANISATIONS

In 2016, measures that promote communitarianism on the national level were targeted at the strengthening (both financially and institutionally) of community organisations and providing them with an opportunity to prepare and implement projects. The Regulations for Organisation of the Tender for the Selection of Financing Projects of Strengthening Community Activities in 2016 were approved by Order No. A1-805 of the Minister of Social Security and Labour of the Republic of Lithuania of 28 December 2015 "On the Approval of the Regulations for Organisation of the Tender for the Selection of Financing Projects of Strengthening Community Activities in 2016 and Setting Up of the Commission for Project Selection", envisaging EUR 2.67 million for the selected projects. Financing was allocated to 362 projects of community organisations, targeted at promoting solidarity among community members, strengthening the regional and local identity of the community, carrying out social activities, reinforcing community cohesion, promoting residents' occupation and self-education, improving the quality of public spaces and environment, creating an environment conducive to community activities while cooperating with the public and private sectors, and strengthening the institutional aspect of communities.

After the analysis of the implementation of this measure and identification of certain drawbacks (for example, the funds were distributed unevenly among municipalities; allocated funds were insufficient for all municipalities) and after discussions with the representatives of community organisations and other partners, a decision was made to seek in 2017 that financing of the strengthening of community activities reaches all municipalities by promoting community organisations, being the entities established and managed by community members, to independently make decisions and implement activities that satisfy the needs of local communities. Therefore, Order No. A1-259 of the Minister of Social Security and Labour of 25 May 2017 "On the Approval of the Description of the Implementation of Measure 2.3 "To Support Community Activities in Municipalities" under the Action Plan for the Strengthening of Non-governmental Organisations and Community Activities 2017–2019" approved the Description of the Implementation of Measure 2.3 "To Support Community Activities in Municipalities" under the Action Plan for the Strengthening of Non-governmental Organisations and Community Activities 2017–2019 (hereinafter referred to as the "Measure"). EUR 2 630 000 have been allocated for its implementation in 2017. The Measure is aimed at promoting independence of communities of residential areas (their parts or several residential areas) by meeting their public needs, strengthening members' cohesion and mutual trust, as well as community activities, creating the conditions for the participation of community, religious and other NGOs in decision-making in order to meet the public needs of community members. The Measure is implemented by municipalities which are financed according to the information on the number of employed persons who pay an individual income tax in municipalities presented by the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania. Community organisations are involved in the enlarged conference of sub-elders which adopts a decision regarding the priority activities to be implemented and financed in the specific territory, which receives funding for the strengthening of community activities under this Measure, evaluates applications, passes a decision as to which organisation(s) will implement the project(s), and assesses the course of implementation of the project(s). The enlarged conference of sub-elders is formed from the sub-elders of that eldership (representatives elected by the community of the residential area or its part) and representatives delegated by community organisations functioning in the territory in charge of by that eldership, who have the decision-making right. In cases where elderships are not established, the director of a municipal administration determines, with regard to the needs of communities of residential areas or their parts, which sub-elders of residential areas or their parts constitute the conference of sub-elders used as the basis for the formation of an enlarged conference of sub-elders.

Taking into account local conditions and circumstances, representatives of NGOs and traditional religious communities functioning in the specific territory, in which an enlarged conference of sub-elders is formed, may take part in an enlarged conference of sub-elders in an advisory capacity.

The following activities meeting public needs are financed:

- social activities targeted at socially vulnerable community members and/or groups (organisation of charity campaigns, visiting elderly and other lonely persons who need help, organisation of self-support groups for persons suffering from addictions or other social problems and for their family members, organisation of events and other measures promoting involvement of socially excluded persons and groups in community life);
- occupation of children and youth (organisation of events, camps and other activities of meaningful leisure of children and youth promoting the development of personal and social competences);
- cultural and educational activities (organisation of teaching/learning measures that promote creativity, self-expression and education of local inhabitants, publishing of publications significant for the identity and cohesion of local communities).

6.1.4. DEVELOPMENT OF CHILD DAY CARE CENTRES

In 2016, while implementing the measure under the Action Plan on Child Welfare 2016–2018, aimed at developing child day care centres in municipalities by providing non-institutional day social care services to children and their families, the Ministry of Social Security and Labour financed 250 child day care centre projects with the state budget funds by tender. The total amount allocated for their implementation was EUR 3.2 million (EUR 0.5 million more than in 2015).

Bigger financing created the conditions to fund more child day care centres, i.e. 35 child day care centres more than in 2015 were financed, thus creating more favourable conditions for the development of centres and for their activities and the quality of provided services as well as ensuring continuous operation of these centres.

From mid-2016, all children were allowed to attend child day care centres, i.e. not only children from families at social risk and poor families, but also other children, thus meeting the need of their occupation, participation in sociocultural activities and other factors guaranteeing comprehensive child development. Thus, in 2016, bigger financing resulted in the provision of social and education services by child day care centres to a larger number of service recipients: as much as 8 per cent more children attended child day care centres in 2016 (in 2015, 6 825 children attended child day care centres according to the approved list of the participants of 2015 projects, as compared with 7 400 children in 2016).

Implementers of projects of child day care centre activities, who received financing for the implementation of projects by tender in 2016, were provided with additional funds for continuing these projects in 2017, i.e. financing was extended to 249 child day care centres, by allocating EUR 3.2 million.

In 2017, seeking to create the conditions for targeted development of child day care centres and their activities, the Ministry of Social Security and Labour financed 36 newly established child day care centres with the state budget funds by tender, allocating EUR 447 000. These funds are supposed to promote the establishment of new child day care centres, and an increasing number of children and their family members will be able to use their provided social care and education services, and allocated funds will create better conditions and open greater opportunities for the functioning of these new child day care centres (continuity envisaged for 2018 as well).

In 2017, the Ministry of Social Security and Labour allocated a total of EUR 3.6 million to 285 child day care centres which provide day social care and education services to both children from social risk and poor families and other children attending child day care centres as well as their family members. In 2017, child day care centres are envisaged to provide services to more than 8 000 children.

An 11 per cent increase in financing in 2017, as compared with 2016, is expected to result in the provision of non-institutional day social care and education services to more children and their family members in different municipalities, and allocated funds will create better conditions for the continuous projects of child day care centres and open greater opportunities for the functioning of new child day care centres in those areas where these social services were not provided before. Thus, the need for social services will be better met and the quality of the activities of child day care centres will be improved.

6.2. TOPICALITIES OF CHILD RIGHTS PROTECTION

6.2.1. IMPLEMENTATION OF THE ACTION PLAN ON TRANSITION FROM INSTITUTIONAL CARE TO FAMILY AND COMMUNITY-BASED SERVICES FOR PEOPLE WITH DISABILITIES AND CHILDREN DEPRIVED OF PARENTAL CARE 2014–2020

In 2014, the Ministry of Social Security and Labour together with social partners, heads of organisations uniting care institutions, representatives from education institutions and ministries drafted and approved the Action Plan on Transition from Institutional Care to Family and Community-Based Services for People with Disabilities and Children Deprived of Parental Care⁹⁷ (hereinafter referred to as the “Action Plan”).

Pursuant to the Action Plan, the system of provision of integrated services in the community will be established with a view to creating opportunities for every child and disabled person or their family (guardians, foster parents) 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 in a biological (or alternatively – adoptive parents' or guardians') family. The Plan is implemented together with the Operational Programme for European Union Structural Funds Investments 2014–2020 which establishes institutional care reorganisation as one of its measures. This measure provides for the development of services to the disabled and children deprived of parental care in a family and community.

The community organises and provides different forms and types of community-based, high quality social, health care, educational, cultural and other services, which guarantee a possibility for a person to live in a community and receive specialised assistance meeting individual or family needs and for a child – to grow up in a family environment. Community-based services also promote beneficiaries' independence, full involvement in a community and social inclusion. Community-based services include a family type community-based child care targeted at children deprived of parental care; supporting care for young persons aged 16–18 and students who have grown up in child care institutions and/or families facing various risk factors, children with intellectual or mental disabilities and their families; temporary respite services that provide an opportunity to family members

⁹⁷ Order No. A1-83 of the Minister of Social Security and Labour of 14 February 2014 “On the Approval of the Action Plan on Transition from Institutional Care to Family and Community-Based Services for People with Disabilities and Children Deprived of Parental Care 2014–2020”.

who take care of the disabled to have a temporary rest from care; day centres and other educational, psychological and legal aid services to a family.

Currently, transition from institutional care is implemented by carrying out pilot projects in separate regions. It will be gradual transition to the model with developed community-based services to children and the disabled, whereas institutional services will only be provided in cases of necessity of specialised services.

Reorganisation of institutional care covers all 10 Lithuanian regions (counties). Institutional care will be replaced by various quality community-based services and there are plans to reorganise all child social care institutions by 2020. A total of 98 child social care institutions have been currently operating in Lithuania.

6.2.2. SEARCH AND TRAINING OF GUARDIANS (FOSTER PARENTS) AND ADOPTIVE PARENTS

While implementing the Recommendations for the Provision of Services of the Search, Training, Selection, Consultation and Assistance to Guardians (Foster Parents) and Adoptive Parents (GIMK)⁹⁸, 21 institutions provided services to guardians (foster parents), adoptive parents, participants of social families and persons intending to become ones in 2015; 58 institutions – in 2016; and 65 institutions implementing GIMK recommendations – in the first quarter of 2017. In 2016, the continuous Tender for the Selection of Projects Targeted at the Provision of Services of the Search, Training, Selection, Consultation and Assistance to Guardians (Foster Parents) and Adoptive Parents in 2016–2018⁹⁹ (hereinafter referred to as the “Projects”) was held. It was organised by the Ministry of Social Security and Labour and it resulted in the co-funding of 38 GIMK projects, with the total allocated amount of EUR 185 000. In April–May 2017, the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour (hereinafter referred to as the “Service”) concluded continuous agreements regarding the implementation of GIMK projects financed with state budget funds. The 2017 Amendment to the Republic of Lithuania Law on Social Services¹⁰⁰ (hereinafter referred to as the “Law”) establishes that assistance of certified social workers and other specialists shall be constantly provided to families taking care of children, guardians (foster parents), adoptive parents and participants of social families or persons intending to become ones in every municipality as of 1 January 2016, aimed at ensuring comprehensive development and education of children under their supervision, guardianship (foster care) or adoption. While implementing the Law, every municipality shall ensure accessibility of services, provision of quality services and qualified assistance (hereinafter referred to as the “GIMK services”). In 2016, EUR 19 000 were allocated to each municipality for the provision of GIMK services, carried out as an independent municipal function. Pursuant to GIMK recommendations, these services may be provided in a municipality by two certified social workers holding certificates issued by the Service. In 2015, in order to have at least two certified social workers in all municipalities, the Service organised training for specialists wishing to become certified social workers and provide GIMK services. In the period from 2014 to 2016, the number of certified social workers who provide GIMK services almost tripled: at the end of 2014, these services were provided by 57 certified social workers; in 2015 – 79; in 2016 – 170; in the first quarter of 2017 – 162.

⁹⁸ Order No. BV-16 of the Director of the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour of 22 June 2011 “On the Approval of Recommendations for the Provision of Services of the Search, Training, Selection, Consultation and Assistance to Guardians (Foster Parents) and Adoptive Parents”.

⁹⁹ Order No. A1-251 of the Minister of Social Security and Labour of the Republic of Lithuania of 5 May 2016 regarding Order No. A1-61 of the Minister of Social Security and Labour of the Republic of Lithuania of 19 February 2013 “On the Approval of the Regulations for Organisation of the Tender for the Selection of Projects Targeted at the Provision of Services of the Search, Training, Selection, Consultation and Assistance to Guardians (Foster Parents) and Adoptive Parents in 2013–2018 and Setting Up of the Commission for the Evaluation of the Selection of Projects Targeted at the Provision of Services of the Search, Training, Selection, Consultation and Assistance to Guardians (Foster Parents) and Adoptive Parents”.

¹⁰⁰ Amendment to the Republic of Lithuania Law on Social Services adopted on 15 December 2015.

In 2015, orientation training according to GIMK recommendations was organised for 53 groups. Orientation training was attended by 599 persons (391 families), of whom 400 persons (287 families) wishing to become guardians (foster parents) and 199 persons (104 families) wishing to adopt. In the period from 2012 to 2016, 3 095 persons wishing to become guardians (foster parents) or adoptive parents were trained. In 2012–2016, state budget appropriations in the amount of EUR 812 000 were allocated for the provision of GIMK services.

In the first quarter of 2017, orientation training according to GIMK recommendations was organised for 54 groups. Orientation training according to GIMK recommendations was attended by 487 persons (337 families), of whom 364 persons (272 families) wishing to become guardians (foster parents), 123 persons (65 families) wishing to adopt (among all persons/families who attended the orientation training, 113 persons (89 families) wishing to become guardians (foster parents) were close relatives). In the first quarter of 2017, positive conclusions were issued with respect to 128 persons (95 families) wishing to become guardians (foster parents) or to adopt a child, of whom 103 persons (79 families) wishing to become guardians (foster parents) (among them, positive conclusions were issued to 34 persons (34 families) who were close relatives) and 25 persons (16 families) wishing to adopt a child (among them, positive conclusions were issued to 7 persons (7 families) wishing to adopt their spouse's child).

Institutions implementing GIMK recommendations provided continuous services (continuous training, mutual assistance groups, seminars, art therapy, etc.) to guardians (foster parents) or adoptive parents, persons wishing to become ones, as well as adopted children and children placed under guardianship (foster care). In 2015, continuous training and mutual assistance groups were attended by 463 persons more than in 2014.

In 2016, institutions implementing GIMK recommendations organised 504 continuous trainings, mutual assistance groups, seminars, lectures, art therapy sessions, etc., attended by 1 662 persons. In the first quarter of 2017, continuous training according to GIMK recommendations and mutual assistance groups were attended by 365 persons who also received other services.

In 2016, the families of future and current guardians (foster parents) and adoptive parents were provided with 13 684 consultation and information services; in 2015 – 5 232 services; in 2014 – 3 550 services. In 2016, as compared with 2014, the number of these services tripled. In the first quarter of 2017, the families of future and current guardians (foster parents) and adoptive parents were provided with 2 344 consultations (individual assistance to the person), 2 785 information (provision of general information) services and 387 intermediation and other services.

6.2.3. CHILD GUARDIANSHIP (FOSTER CARE)

Article 3.252(2) of the Civil Code of the Republic of Lithuania regulates three forms of guardianship (foster care): in a family, in a social family, in an institution. It should be noted that pursuant to the provisions of the Law Amending Articles 3.249, 3.253 and 3.261 of the Civil Code of the Republic of Lithuania, which took effect on 1 January 2017¹⁰¹, temporary child's guardianship (foster care) shall not last longer than twelve months; guardianship of a child under three years of age in a child care institution may be established in accordance with the procedure prescribed by legislation only in exceptional cases and shall not last longer than three months, except for cases where an institution authorised by the Government approves of a longer institutional child care upon the objective reasons stipulated in Article 3.261(2) of the Civil Code of the Republic of Lithuania. Having regard to the aims of reorganisation of institutional care established in the Action Plan, as well as to the abovementioned amendments to the Civil Code of the Republic of Lithuania, and seeking to ensure the best interests of the child as well as the right to living conditions corresponding to the child's physical, mental, spiritual, moral and social development,

¹⁰¹ Law Amending Articles 3.249, 3.253 and 3.261 of the Civil Code of the Republic of Lithuania, effective since 1 January 2017.

the aim is to raise a child deprived of parental care in a family environment and place the child under institutional care only as a last resort. However, although the number of children placed under institutional guardianship (foster care) has been declining each year, this number still remains high.

In the first quarter of 2017, the number of children deprived of parental care increased and reached 9 352 (4 793 boys and 4 559 girls), which is 27 children more than in the first quarter of 2016.

At the end of 2016, 9 106 children (4 672 boys and 4 434 girls) were deprived of parental care.

At the end of the first quarter of 2017, 5 614 children of all children placed under guardianship (foster care) were raised in the families of guardians (foster parents), 463 children – in social families, 3 275 children – in institutions.

In 2016, the majority of children (3 258) placed under guardianship (foster care) were older than 15 years.

In 2016, like in the previous years, the most frequent reason for the termination of temporary guardianship (foster care) was the return of the child to his/her biological family.

In 2016, the majority, i.e. 1 930 of 3 186 children placed under institutional guardianship (foster care) lived in municipal child care homes, and the smallest share, i.e. 2 of 3 186 children lived in other institutions (e.g. crisis centres, social services centres, etc.). It should be noted that the number of cases of temporary guardianship (foster care) at parents' request has been falling. In 2016, temporary guardianship (foster care) at parents' request was established for 1 356 children; in 2015 – 1 415 children.

6.2.4. PROVISION OF TOLL-FREE TELEPHONE ASSISTANCE TO CHILDREN

On 14 September 2009, the Service launched a toll-free helpline for children 116 111, which is common across the European Union. Its purpose is to enhance the protection of the rights of the child in Lithuania, increase information on social services, their dissemination and accessibility.

Starting with 14 February 2011, the calls of children and adults (calling to report about a child in need of assistance) to the toll-free line 116 111 have been primarily answered by volunteer consultants of non-governmental organisation Public Institution "Vaikų linija" (primary assistance) who, if assistance from other institutions or organisations is necessary, connect the callers upon their consent with the consultants of the Service's child helpline (secondary assistance) who organise the provision of further necessary assistance. The main function of the Service's child helpline is to refer the caller to the social partner who is closest to the child and can secure the child's best interests as well as provide the child with necessary services.

Primary assistance. In 2016, volunteer consultants from the Public Institution "Vaikų linija" answered 154 395 calls (primary assistance). It should be noted that the number of answered calls increased, as compared with 2015. According to the data of 2016, minors mainly talked about relations with their peers, psychosocial health, violence and abuse, relations with family members, and also touched upon topics related to sexuality, physical health and school.

Secondary assistance. In 2016, 348 calls were referred by "Vaikų linija" to the Child Helpline (CHL) (secondary assistance). It should be noted that a total of 571 conversations with CHL consultants were registered in 2016.

Other lines also have a possibility to refer calls to the CHL since the second half of 2013. In 2016, the consultants of "Jaunimo linija" referred 9 callers to the CHL (36 callers in 2015).

Children referred to the CHL talked about violence and abuse, relations with the family and other important adults, school and psychosocial health. It should be noted that more than one problem is discussed during a

call. The child does not necessarily name these problems, yet a consultant is able to identify deeper and older problems which are mainly the cause of the child's call.

Adults called to talk about issues related to violence and abuse: children's bullying, neglect as well as physical and psychological violence in education institutions and families, difficulties that children face when studying, the establishment of the child's place of residence, the establishment of the procedure of contacting the child if the parents live separately, etc.

The CHL mainly provided children with information, consultations, emotional support; consultants acted as intermediaries, initiating assistance to children and/or families by specialists of other institutions or organisations.

6.2.5. PREVENTION AND ASSISTANCE TO CHILD VICTIMS OF DIFFERENT FORMS OF VIOLENCE

The Seimas of the Republic of Lithuania adopted the amendment to the Republic of Lithuania Law on Fundamentals of Protection of the Rights of the Child¹⁰² (hereinafter referred to as the "Law") which defines violence against children as a direct or indirect intentional physical, psychological, sexual influence exerted on a child by an act or omission, disregard for the child's honour and dignity, or neglect resulting in the damage or danger to the child's life, health and development. The forms of violence against children are also defined. The Law defines child's neglect as one of the types of violence, i.e. constant deficit in meeting the child's basic physical, emotional and social needs or meeting them with negligence, thus causing damage or danger to the child's life, health and development. The Law also provides for the definition of physical punishment, i.e. any punishment when physical force is used to cause physical pain, even slight one, or to physically torture a child.

The Law provides for stricter liability of parents with respect to children: civil, administrative or criminal liability, established by laws, and prohibition of all forms of violence against children, including physical punishment, shall be applied to parents and other legal representatives of the child, who violate the child's rights, abuse their own rights (obligations), avoid or fail to fulfil their obligation to educate, teach, supervise, support the child, discipline the child by physical punishment or otherwise exert violence against the child.

The Support Centre for Child Victims of Sexual Abuse (hereinafter referred to as the "Centre") was opened in Vilnius on 3 June 2016. Lithuania currently guarantees the possibility to every child victim of sexual abuse to receive necessary integrated assistance in a child-conducive (friendly) environment. The Centre concentrates all services necessary for the child victim of sexual abuse and his/her family members in one place. The Centre provides integrated assistance to the child and his/her family members: psychological, social, legal, medical, also conducts the child's psychological evaluation, carries out the questioning, and medical examination.

In 2016, seeking smooth interinstitutional cooperation, the Guidelines on Provision of Integrated Assistance to Child Victims of Sexual Exploitation (hereinafter referred to as the "Guidelines") were drafted. The Guidelines aim at helping Lithuanian institutions responsible for the child's wellbeing, health, law enforcement and protection of rights, to more efficiently implement 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. Pursuant to the Guidelines, a child-conducive (friendly) environment is defined as a safe environment corresponding to the child's rights and interests, having evaluated the child's individual needs, age and having ensured communication corresponding to the child's maturity.

¹⁰² Amendment to the Republic of Lithuania Law on Fundamentals of Protection of the Rights of the Child adopted by the Seimas of the Republic of Lithuania.

Since the very start of its operation, the Centre organises training and has already trained 107 specialists of various fields (heads of institutions, social workers, social pedagogues, psychologists, child rights protection specialists and others) and has provided assistance to 123 children and 60 family members.

At the beginning of 2017, Lithuanian municipalities started establishing mobile groups for the provision of long-term assistance for child victims of sexual exploitation. Their purpose is to guarantee long-term integrated assistance for the child closer to the place of residence of the child and his/her family, organising it according to the recommendations for the provision of long-term integrated assistance presented by the Centre. In April 2017, 21 mobile assistance groups for child victims of sexual abuse functioned in Lithuania. Other municipalities undertake measures to have such mobile assistance groups in their territories in order to provide services closer to the child's place of residence.

Seeking to reduce the spread of violence against children, the Ministry of Social Security and Labour implemented measures of the Action Plan on Child Welfare 2016–2018. In 2016, a tender for the selection of projects targeted at organisation of the provision of integrated services to child victims of violence and victims (witnesses) of indirect domestic violence and their family members was organised for the purpose of supporting the activities of non-governmental organisations. 7 NGOs received co-funding for carrying out their activities. In 2016, qualified specialists working in these organisations provided integrated assistance to 844 children and 683 their families while implementing the projects. According to the data provided by the CRPO, 2 559 children potentially suffered from violence in 2016. (1 999 children in 2015).

6.2.6. ADOPTION

For over a decade, families have adopted about 100 children deprived of parental care each year, regardless of various economic, social factors and changes in life. In 2016, 80 families of citizens of the Republic of Lithuania (80 married couples), permanently residing in Lithuania, adopted 90 children deprived of parental care. In 2016, there were no single persons who adopted children deprived of parental care. In 2016, like in the previous years, the majority of adopted children were under 3 years of age and had various health disorders. However, in 2016 (as compared with 2015) the number of adopted children decreased, because fewer children under 3 years of age, who are mainly adopted by citizens of the Republic of Lithuania, were included in the Register of Children Subject to Adoption in 2016.

GIMK programme training (since 2008) significantly contributes to the fact that families become more open, have more courage and responsibility to take the steps related to children, their own needs and goals. Families which adopt for the second or third time become certain that the needs of the child deprived of parental care are the same as those of all children, i.e. to have a family and live happily in this family. According to the data of 31 December 2016, 1 557 children were included in the Register of Children Subject to Adoption, which is 97 children less than at the end of 2015.

In 2016, 154 families (individuals) were included in the Register of Persons Wishing to Adopt Children; in 2015 – 100 families (individuals).

The majority of families included in the Register of Persons Wishing to Adopt Children in 2014–2016 wished to adopt a child with minor or treatable and recoverable health disorders. 10 per cent of families (individuals) out of 154 families (individuals) included in the abovementioned register in 2016 wished to adopt healthy children (for comparison, as few as 6 per cent of families (individuals) out of 100 families (individuals) included in the register in 2015 wished to adopt healthy children). Since 2014, the expectations of potential adoptive parents with regard to adopted children's social background, the lifestyle of their biological parents (addictions, bad habits) and/or children's mental health disorders as well as intellectual capacity, have been more flexible. It should be noted

that the duration of receiving an offer to adopt a child depends on the expectations of potential adoptive parents for the child to be adopted (age, gender, health condition, the lifestyle and addictions of biological parents of the child, the child's mental health disorders as well as intellectual capacity, which child in a family, etc.) and their number. What children (age, health condition, parents' health condition, social background, etc.) are included in the Register of Children Subject to Adoption are also among the factors.

6.2.7. INTERNATIONAL ACTIVITIES IN THE AREA OF CHILD RIGHTS PROTECTION

In 2012–2016, the Ministry of Social Security and Labour pursued international commitments to implement the provisions of the Council of Europe Strategy for the Rights of the Child, the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse (hereinafter referred to as the "Lanzarote Convention"), as well as other commitments.

On 6 March 2017, the Council of Europe Committee on the Protection of Children against Sexual Exploitation and Sexual Abuse (hereinafter referred to as the "Lanzarote Committee") drafted and approved as a matter of urgency the Special Report on Protecting Children Affected by the Refugee Crisis from Sexual Exploitation and Sexual Abuse in the Countries of the Council of Europe. The report covers the implementation of the provisions of the Lanzarote Convention related to the prevention of children's sexual exploitation in the circle of trust, intervention and postvention by States Parties. The report has been drafted since 2016.

On 10–12 May 2017, the 18th Meeting of the Lanzarote Committee was held, focused on preparation for the second monitoring round of the States Parties to the Council of Europe and drafting of the second thematic monitoring round questionnaire "Criminal use of child self-generated sexual images and videos facilitated by information and communication technologies". Lithuania also actively contributes to its drafting process.

While implementing the provisions of the Council of Europe Strategy for the Rights of the Child, Lithuania aims to provide every child with the possibility to grow up in a family by developing accessibility of preventive and integrated services to the child and family and in case of a child deprived of parental care – proper conditions of guardianship (foster care) or adoption, which meet the best interests of the child and the need to live in a family environment and properly prepare for an independent life in a family and society. The European Strategy for the Rights of the Child 2016–2021, drafted by the Council of Europe Committee on the Rights of the Child and approved by the Committee of Ministers on 2 March 2016, provides for five priority areas to guarantee the rights of the child: 1. Equal opportunities for all children; 2. Participation of all children; 3. A life free from violence for all children; 4. Child-friendly justice for all children; 5. Rights of the child in the digital environment. It should be pointed out that the Strategy for the Rights of the Child 2016–2021 aims at making States Parties guarantee the protection of the rights of the child and form the best practice of the rights of the child. Seeking to ensure the implementation of this Strategy in Lithuania, a representative from our country participates in the Council of Europe Ad Hoc Committee for the Rights of the Child (CAHENF).

In 2016, with a particular focus on guaranteeing the rights of migrant children, the Council of Europe together with the CAHENF formed an expert group (CAHENF-Safeguards Drafting Group) which has been drafting recommendations for ensuring the guardianship of migrant children and age assessment procedures.

The Ministry of Social Security and Labour has a representative in the Expert Group for Cooperation on Children at Risk of the Council of the Baltic Sea States, comprised of 11 members from each Baltic Sea state. The aim of the Expert Group is to cooperate on the issues of children at risk in the Baltic Sea region. The priorities of the Expert Group mandate are: 1. Prevention, early intervention, parenting and family support; 2. Child-friendly justice; 3. The wellbeing and best interests of children in alternative care; 4. Protecting children from sexual abuse and sexual exploitation; 5. Preventing trafficking and exploitation of children, the best interests of children

in migration. Cooperation is based on regional cooperation in accordance with the Regional Cooperation Strategy 2018–2020. The Strategy envisages that while implementing the priority areas of the Expert Group the following international projects will be carried out: "Childhood without Abuse: Reduction of Physical Punishments in the Baltic Sea Region" aimed at promoting positive child disciplining methods; PROMISE II, the continuation of the PROMISE I project, aimed at the introduction of the Barnahus (Children's House) model in European countries; AudTrain – system based audit of alternative care for children; ProGuard aimed at the protection of the rights of migrant children.

In order to guarantee the rights of the child, the European Commission organises the work of a non-formal expert group for the protection of the rights of the child which considers the most relevant issues of the rights of the child. The group has been currently considering issues related to safeguarding the rights of migrant children. In November 2016, the 10th European Forum on the Rights of the Child, aimed at the protection of children in migration, as well as challenges and opportunities, was held in Brussels. The Forum was attended by about 300 participants from all European countries. The representatives from Italy and Greece were particularly interested in the solution of problems related to child refugees and unaccompanied minors. It should be noted that the following measures must be undertaken when solving the problems of migrant children: strengthening the implementation of safeguards for children's rights with respect to unaccompanied minors, seeking to create a common register of child refugees, enhancing integration measures in states, the guardianship system, and an individual approach towards each child.

6.2.8. 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 this provision of the Civil Code¹⁰³ and having evaluated the abovementioned circumstances, the Republic of Lithuania Law on Children's Maintenance Fund¹⁰⁴ 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 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 this law, children receiving no maintenance from their parents may receive an allowance in the amount of up to 1.5 BSB (basic social benefit), i.e. up to EUR 57 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 activities of the Children's Maintenance Fund (hereinafter referred to as the "Fund"), established on 1 January 2008, observe the provisions of 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.

As of the start of operation of the Fund, i.e. from 2008 to 2016, about 53 800 beneficiaries were registered. For comparison, in 2008–2011, over 35 000 applications were received; in 2012 – 5 099; in 2013 – 4 039; in 2014 – 3 673; in 2015 – 3 111; in 2016 – 2 681. On average 224 new beneficiaries apply to the Fund per month; over 23 000 children regularly receive benefits. Over EUR 14 million are allocated for their maintenance per year, while around EUR 0.5 million are recovered per year.

¹⁰³ Civil Code of the Republic of Lithuania.

¹⁰⁴ Republic of Lithuania Law on Children's Maintenance Fund.

In 2016, the administration of the Fund received 200 applications in relation to the procedure of implementation of Council Regulation (EC) No. 4/2009 of 18 December 2008 on jurisdiction, applicable law, recognition and enforcement of decisions and cooperation in matters relating to maintenance obligations in Lithuania.

Main indicators of the period 2008–2016

Year	Average annual number of beneficiaries of payments from the Children's Maintenance Fund	Amount of appropriations allocated for payments, including adjustments (EUR thous.)	Amount of appropriations used (EUR thous.)	Funds repaid by debtors on whose behalf payments were made (EUR thous.)	Ratio of the funds repaid by debtors on whose behalf payments were made and the amount of appropriations used (percentage)
2008	13 622	4 312	4 312	21	0.49
2009	19 388	12 828	9 685	32	0.33
2010	21 248	11 430	11 415	63	0.55
2011	21 637	14 118	12 347	184	1.49
2012	21 343	12 931	12 922	344	2.66
2013	23 304	14 078	14 061	362	2.57
2014	23 704	14 556	14 514	534	3.68
2015	23 377	14 767	14 676	548	3.73
2016	22 701	15 173	14 452	619	4.28
Total:		114 193	108 384	2 707	

Source: The 2016 Activity Report of the Children's Maintenance Fund approved by Order No. A1-36 of the Director of the Administration of the Children's Maintenance Fund under the Ministry of Social Security and Labour of 1 March 2017.

In order to return payments to the state budget, the administration of the Fund is entitled to recover payments made from the Children's Maintenance Fund from the debtor and insist on the 5 per cent annual interest. The administration of the Fund passes decisions regarding recovery of payments made from the Children's Maintenance Fund from the debtors. The decisions are enforcement orders enforced in accordance with the procedure established in the Civil Code of the Republic of Lithuania. In 2016, enforcement orders were passed regarding the recovery of debts in the total amount of EUR 2 214 000 from debtors. 1 172 decisions on debt recovery were drawn up.

The administration of the Fund is also entitled to initiate a pre-trial investigation into criminal liability of the debtor. It 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, publicly announces the lists of debtors who avoid their duties, and promotes cooperation between various institutions in this area. In 2016, 105 requests to launch a pre-trial investigation due to avoidance to pay child maintenance were drawn up and filed to law enforcement institutions.

In 2016, the administration of the Fund sent 5 responses and other procedural documents to courts examining the cases of bankruptcy of natural and legal persons.

6.3. 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 554 000 in Lithuania at the beginning of 2017. Youth policy is defined as the area of horizontal public policy covering the public policies of various sectors (social security and labour, health care, education and science, economy, etc.); therefore, it is important to pursue continuous constructive interdepartmental and cross-sectoral cooperation, involving the business sector and youth representatives.

During 2016–2017, while developing youth policy, focus was shifted from the strengthening of regional youth policy to the strengthening of national youth policy. In 2016–2017, the Action Plan 2017–2019 for the Implementation of the National Youth Policy Development Programme 2011–2019 was drafted and adopted. The Plan defines the main directions of youth policy for the coming three years. Both in 2016 and in 2017, the Ministry of Social Security and Labour allocated 100 per cent of funds for the position of municipal youth affairs coordinators. In 2016, EUR 800 000 were allocated; in 2017 – EUR 814 000.

The problem of integration of people not in employment, education or training (NEET) in social life and the labour market remains relevant, thus in 2016–2017 focus was shifted to the solution of this problem. Seeking to effectively implement the programme, more actors are involved, thus ensuring engagement of a bigger number of young people not in employment, education or training in the activities under the programme.

In 2016–2017, the implementation of the European Union education, training, youth and sports programme Erasmus+ in the area of youth continued. The EU programme Erasmus+ in the area of youth is coordinated by the Agency of International Youth Cooperation.

6.3.1. REGIONAL YOUTH POLICY

In 2016–2017, the Action Plan of Strengthening Regional Youth Policy was further implemented. In 2016, youth policy implementation in municipalities was strengthened with the aim of solving youth employment problems in regions, enhancing cooperation between business, employers, youth and local authorities with regard to the peculiarities of a municipality, boosting motivation of young people, and improving dissemination of information on the issues relevant to youth. The Ministry of Social Security and Labour organised a tender to finance projects targeted at the abovementioned aim. In 2016, 24 cooperation networks were established in municipalities. In 2016, 11 268 young people were directly involved in project organisation and implementation.

In 2016, the Department of Youth Affairs under the Ministry of Social Security and Labour (hereinafter referred to as the “Department of Youth Affairs”) conducted a survey of the measures of plans for the solution of youth problems in municipalities in 2016–2018 and identified tendencies. The survey is used for the planning of strategic documents on the local and national levels.

In 2016, two tenders were organised in relation to support for youth initiatives, focusing on the solution of young people’s problems, on the increase of their activeness and promotion of interinstitutional cooperation in order to solve youth employment problems in regions and enhance cooperation between business, youth and local authorities. In 2016, a total of 222 applications were received with respect to both tenders. 45 organisations that submitted applications to the tender of youth initiatives and 14 organisations that submitted applications to the tender of interinstitutional cooperation were financed. EUR 86 800 were allocated for both tenders.

In 2017, the tenders for the financing of projects related to youth initiatives and interinstitutional cooperation in the area of youth for 2017 were announced. A total of 240 applications were received with respect to both tenders. In 2017, 15 organisations that submitted applications to the tender of interinstitutional cooperation and 33 organisations that submitted applications to the tender of youth initiatives were financed.

6.3.2. NATIONAL YOUTH POLICY

In 2016, the implementation of the National Youth Policy Development Programme 2011–2019¹⁰⁵ continued in accordance with the Action Plan 2014–2016 for the Implementation of the National Youth Policy Development Programme 2011–2019¹⁰⁶. In 2017, the new Action Plan 2017–2019 for the Implementation of the National Youth Policy Development Programme 2011–2019¹⁰⁷ was adopted and approved. While implementing measures under this action plan, considerable attention was paid to youth involvement in social activities, promotion of youth entrepreneurship and employment, development of the forms of work with youth, improvement of the activities of open youth centres and spaces, and the aim to consolidate youth organisations, encourage young people to participate in social life, be active and aware Lithuanian citizens.

In order to further develop open and mobile work with youth as well as work with youth on the streets, the Action Plan 2017–2019 for the Implementation of the National Youth Policy Development Programme 2011–2019 included measures promoting to include as many actors as possible in the work with youth. Starting with 2018, there are plans to organise a tender for mobile work with youth and/or work with youth on the streets aimed at ensuring youth leisure occupation and social inclusion.

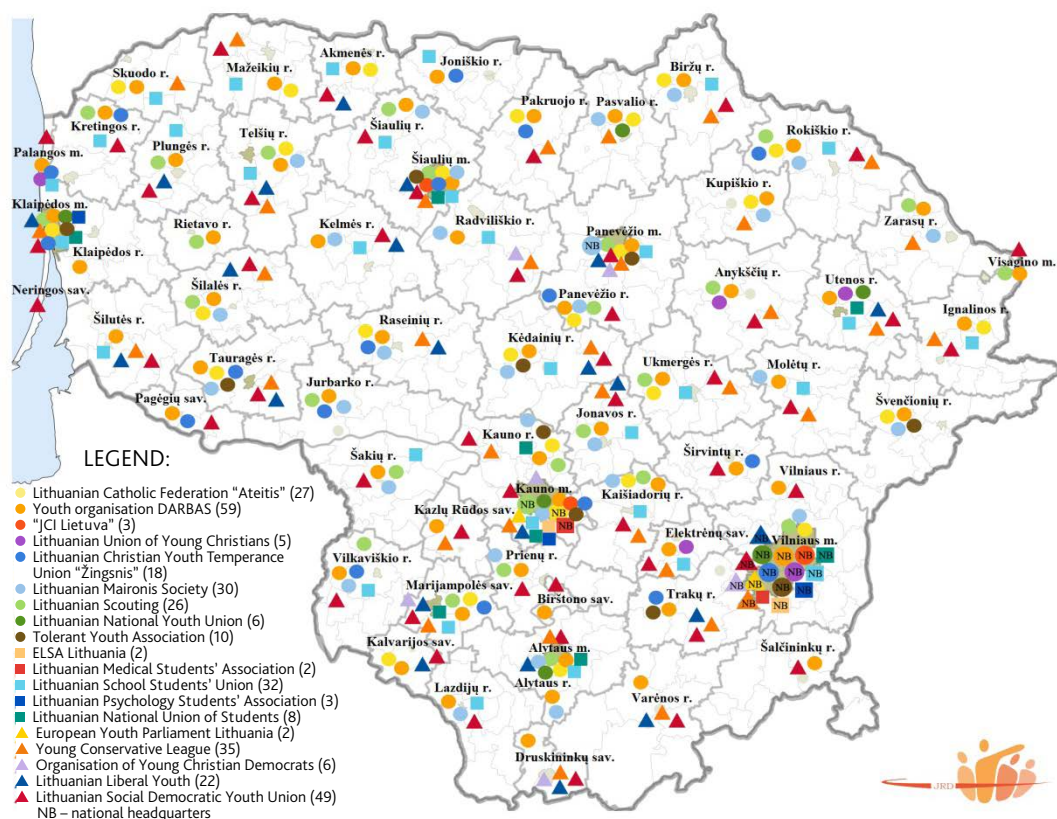
In March 2017, in order to enhance national youth organisations, a tender for financing of programmes targeted at enhancement of youth organisations in 2017–2018 was announced. Its purpose is to enhance youth organisations in order to ensure the quality and development of their activities, and to create conditions to develop the competences of their members and volunteers. In 2017, 10 national youth organisations and organisations working with youth were financed. A total of EUR 175 000 were allocated. National youth organisations that functioned in municipalities in 2016 are presented in Figure 6.3.2-1 below.

¹⁰⁵ Resolution No. 1715 of the Government of the Republic of Lithuania of 1 December 2010 "On the Approval of the National Youth Policy Development Programme 2011–2019".

¹⁰⁶ Order No. A1-660 of the Minister of Social Security and Labour of the Republic of Lithuania of 4 December 2013 "On the Approval of the Action Plan 2014–2016 for the Implementation of the National Youth Policy Development Programme 2011–2019".

¹⁰⁷ Order No. A1-181 of the Minister of Social Security and Labour of the Republic of Lithuania of 13 April 2017 "On the Approval of the Action Plan 2017–2019 for the Implementation of the National Youth Policy Development Programme 2011–2019".

ACTIVITIES OF NATIONAL YOUTH ORGANISATIONS IN MUNICIPALITIES IN 2016

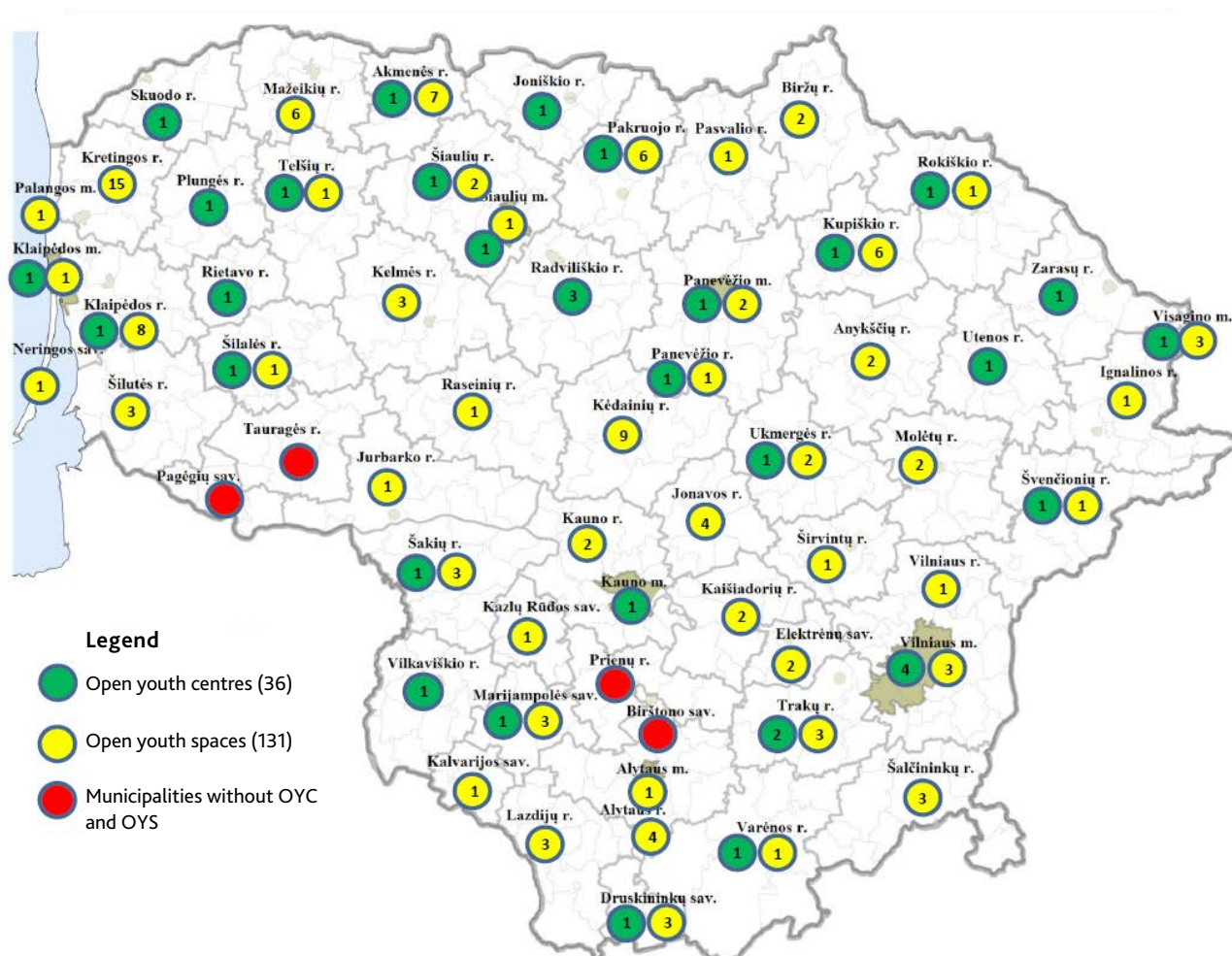


Data of the Department of Youth Affairs

Figure 6.3.2-1

According to the data of the Department of Youth Affairs of 12 June 2017, there are currently 36 open youth centres in 30 Lithuania's municipalities and 131 open youth spaces in 47 Lithuania's municipalities. Detail data on open youth centres and spaces functioning in Lithuania are presented in Figure 6.3.2-2 below.

OPEN YOUTH CENTRES AND OPEN YOUTH SPACES IN LITHUANIA AS OF 12 JUNE 2017

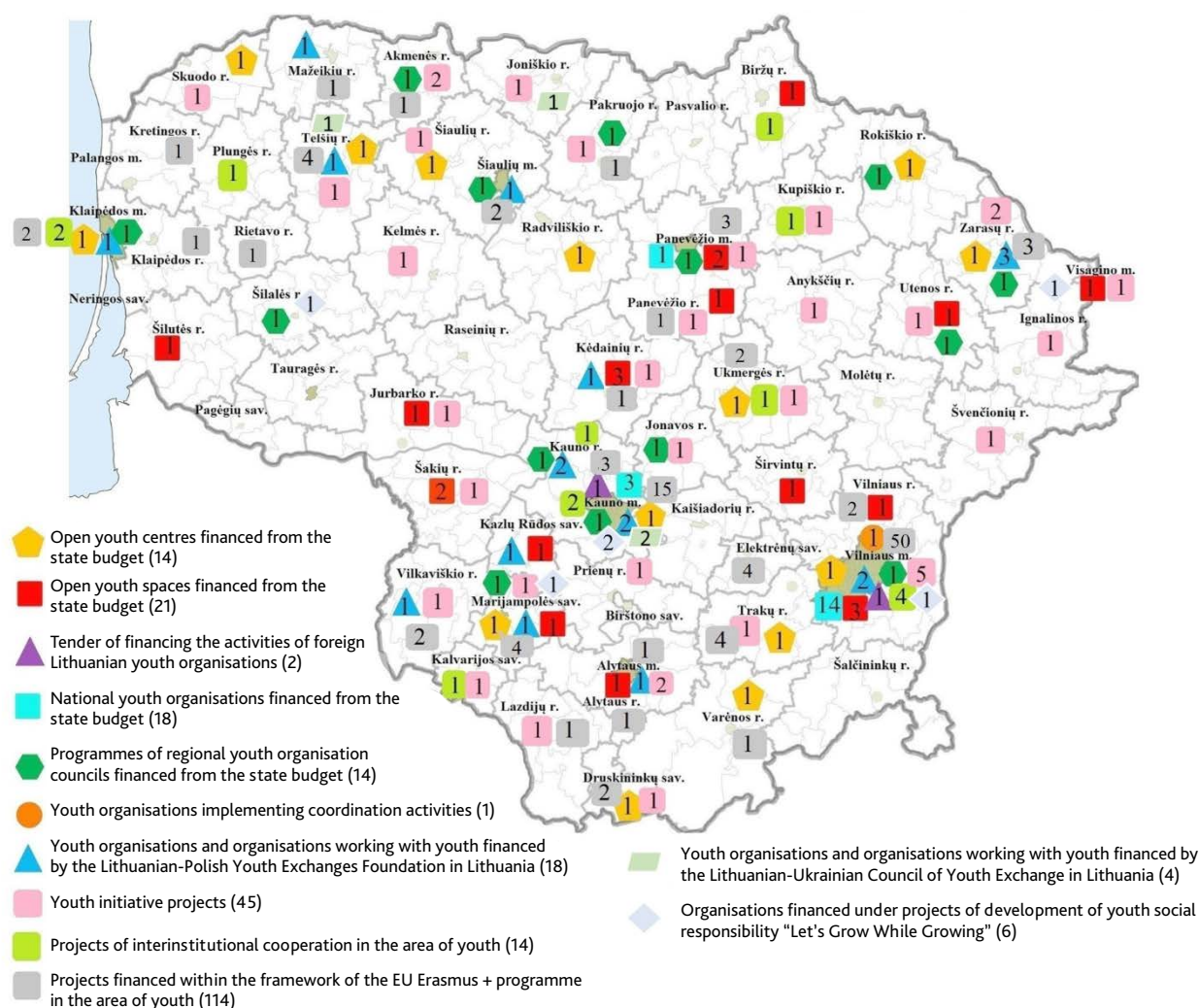


Data of the Department of Youth Affairs

Figure 6.3.2-2

In 2016, 210 youth organisations and organisations working with youth were financed by a tender. A detailed map of financed youth organisations and organisations working with youth is presented below.

MAP OF YOUTH ORGANISATIONS AND ORGANISATIONS WORKING WITH YOUTH FINANCED IN 2016



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

Figure 6.3.2-3

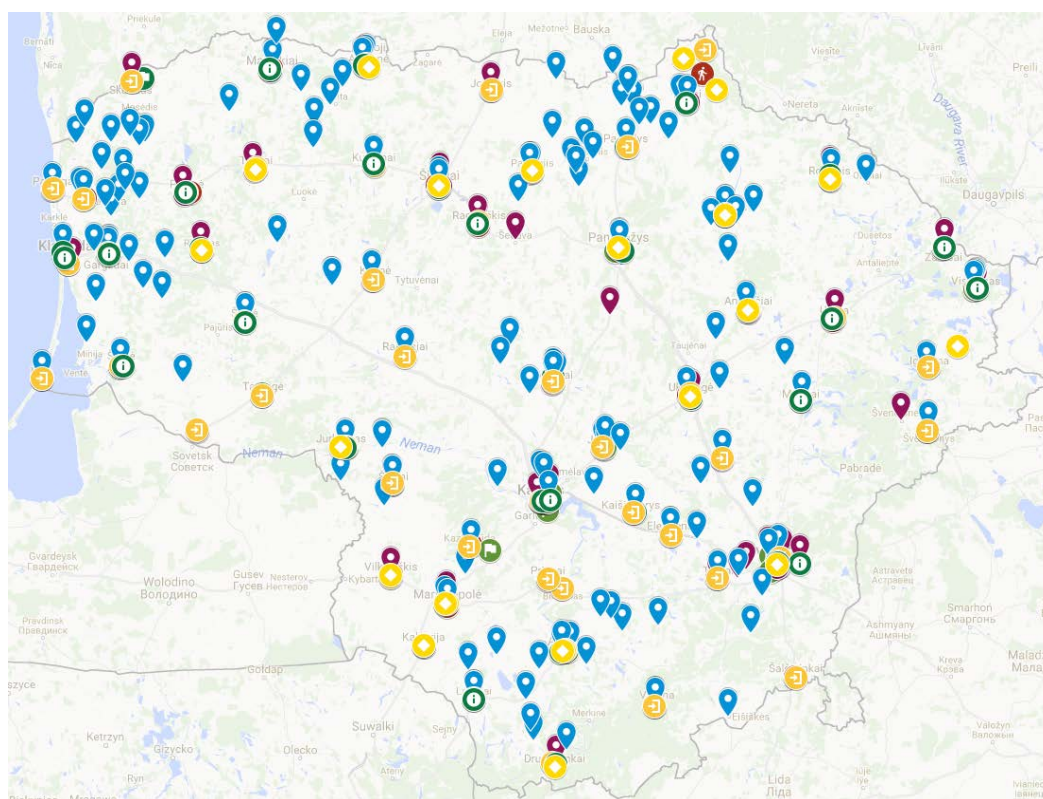
In 2016–2017, the activities of the Pool of Youth Researchers were developed, meetings were organised, joint events were attended, consultations about youth policy priorities were held while drafting and planning youth policy measures.

In 2017, a meeting on the possibilities to conduct a survey of youth problems was organised, and the representatives of the Pool of Youth Researchers were involved. An interinstitutional discussion was also organised, focusing on the issues of youth leaving Lithuania, arising threats and possible solutions of this problem. The representatives of the Pool of Youth Researchers, other ministries, the Migration Department, the Department of Youth Affairs, and the Department of Statistics were invited to this discussion. The aim was to enable members of the Pool of Youth Researchers to cooperate, exchange information, knowledge and experience, implement joint projects, also to ensure monitoring of the youth situation in Lithuania, data accumulation, provision of consultations and advice to youth policy-makers, as well as consultation of youth and youth representatives through the activities of the Pool of Youth Researchers. Cooperation of the Pool of Youth Researchers with other networks (including international ones) is encouraged. The Pool of Youth Researchers aims at researching youth as a separate part of society, covering all areas of youth policy. Since youth policy is considered to be an area of

horizontal public policy, the Pool of Youth Researchers may contribute through the research of very diverse areas of youth life: from education to national defence, etc.

In 2012, the "Create Lithuania" programme was launched. It provides young professionals with international experience with an opportunity to take part in and contribute to the creation of modern Lithuania. At the beginning of 2017, due to the fact that the network of institutions implementing youth policy is widely developed in Lithuania, the participants of "Create Lithuania" designed an interactive map of youth policy, illustrating the institutions that form and implement youth policy in Lithuania. This map is targeted at youth, organisations working with youth, representatives of the public, private and non-governmental sectors, in order to provide unified information on regional youth policy networks and promote a better understanding of youth policy in Lithuania. It should be noted that the map presents only the information related to youth policy coordinated by the Ministry of Social Security and Labour. The measures of other ministries or policy areas are not included, although youth-oriented measures are implemented in the areas of education and science, health care, crime prevention and others (e.g. secondary schools, universities, etc.). The map includes youth policy actors on the national level, youth affairs coordinators, regional youth organisation councils, youth organisations (national, with subsidiaries in regions), youth employment centres, youth guarantee initiatives, open youth centres, open youth spaces, youth information and consultation points, etc. The map is interactive in order to meet young people's needs to use interactive media appealing to a young person. The map can be viewed by clicking on this link: https://www.google.com/maps/d/viewer?mid=1dT4S3fKsbm8nEM1C9j2j3963TVM&hl=en_US&ll=55.15738606927996%2C24.388704051562513&z=8.

INTERACTIVE MAP OF YOUTH POLICY



Data of the Ministry of Social Security and Labour

Figure 6.3.2-4

6.3.3. IMPLEMENTATION OF THE YOUTH GUARANTEE

In 2016–2017, the implementation of the Youth Guarantee (YG) was continued in Lithuania. 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. The implementation of the Youth Guarantee project "Discover Yourself" is among key priorities in the area of enhancing youth employment in all country's municipalities.

One of the greatest challenges while implementing the project is to find young people not in employment, education or training who are not registered in the labour exchange (hereinafter referred to as "inactive young people") and provide services to them, with a view to integrating them in the labour market or the education system.

In 2016–2017, partner organisations of the "Discover Yourself" project employed local YG coordinators. Municipal youth affairs coordinators are also involved in the implementation of the YG. The functions of municipal youth affairs coordinators are established in the Description of the Procedure for Implementation of the Youth Guarantee¹⁰⁸, approved in 2014, 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, territorial labour exchange offices, educational institutions, social assistance, care and support organisations. Subsequently the youth affairs coordinator submits information on inactive young people in every municipality to the Department of Youth Affairs. In 2016–2017, seeking to obtain high quality relevant information, local YG coordinators created interdepartmental cooperation networks in their municipalities, covering a number of different institutions. The aim of these interdepartmental cooperation networks was to ensure smooth transition of inactive young people to the labour market and the education system. Before May 2017, 2 743 inactive young people began to participate in the project "Discover Yourself".

6.3.4. IMPLEMENTATION OF THE EU ERASMUS+ PROGRAMME IN THE AREA OF YOUTH

In 2014, the European Commission joined sports, youth and education programmes to create the Erasmus+ programme (2014–2020). Youth is distinguished as a separate project activity area of the Erasmus+ programme. The key goals of the Erasmus+ programme in the area of youth are the following:

- to improve the level of key competences and skills of young people, including those with fewer opportunities, as well as participation in democratic life in Europe and the labour market;
- to promote active citizenship, intercultural dialogue, social inclusion and solidarity;
- to improve the competences of young people and persons working with young people through non-formal education methods, strengthen the links between the youth sector and the labour market;
- to foster quality improvements in youth work, in particular through enhanced cooperation between organisations in the area of youth or other stakeholders;
- to complement youth policy reforms at local, regional and national level (knowledge- and evidence-based youth policy; recognition of non-formal and informal learning; dissemination of good practices);

¹⁰⁸ Order No. A1-416 of the Minister of Social Security and Labour of the Republic of Lithuania of 19 August 2014 "On the Approval of the Description of the Procedure for Implementation of the Youth Guarantee".

- to enhance international cooperation and learning mobility in the area of youth.

One of the measures to reach and implement the defined goals is youth exchange. Youth exchange is defined as meetings of groups of young people from different countries in order to carry out joint activities. Youth exchanges focus on the chosen problem (youth unemployment, healthy lifestyle, citizenship and others); learning takes place through application of informal education methods; cultural similarities and differences are identified. Young people's competences are also developed through informal learning methods during youth exchanges.



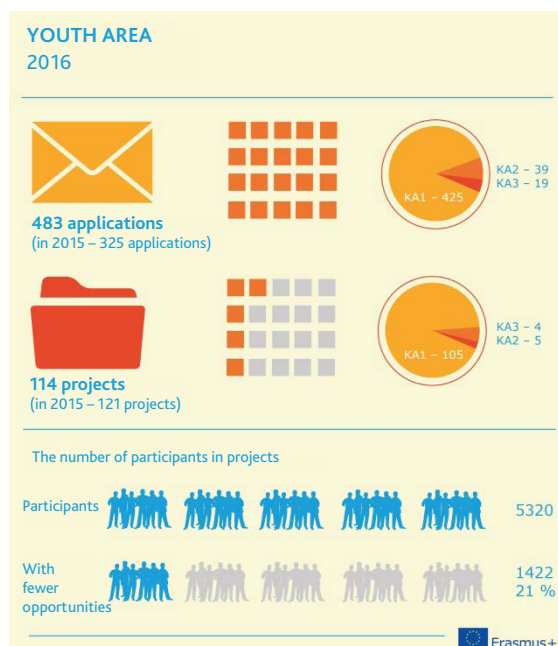
Data of the Agency of International Youth Cooperation

Figure 6.3.4-1

In 2016, while implementing the EU Erasmus+ programme in the area of youth, 483 applications were received. In 2016, 114 projects were financed and 46 events were organised and attended by about 4 489 participants. Over 5 000 persons were involved in activities through financed projects. 148 of them were persons with disabilities, and 1 274 were persons with fewer opportunities.

The results of the EU Erasmus+ programme in the area of youth in 2016

The results of the EU Erasmus+ programme in the area of youth in 2016



Data of the Education Exchanges Support Foundation

Figure 6.3.4-2

In 2016, financing of international strategic partnership projects in the area of youth under the Erasmus+ programme continued. The aim was to promote international cooperation and experience sharing among the representatives of various sectors: education, training, non-governmental and business. In 2016, 15 strategic partnership projects were financed, which means that the number of financed projects has increased by 5 times (in 2015, 3 strategic partnership projects were financed). While implementing the Erasmus+ programme in the area of youth in 2016, like in 2015, applications for structural dialogue projects were also received. A total of 8 structural dialogue projects were financed in 2016.

In 2016–2017, in order to increase awareness of the Erasmus+ programme in the area of youth, the Agency of International Youth Cooperation organised events which introduced Erasmus+ Youth Area. In 2016, 14 events were organised and attended by more than 2 000 participants.

It should be noted that in 2017, the Erasmus programme celebrates its 30th anniversary. Since this anniversary is significant not only for the programme, but also for the entire Europe, an event marking this 30th anniversary of Erasmus has been organised, targeted at the main youth policy actors, and the achievements of 30 years of the programme in the area of youth as well as project success stories and best practices have been presented. An institutional level discussion focused on the future of work with youth in Lithuania and interinstitutional cooperation has also been organised in the event.

The 2016, the list of organisations holding accreditation of the European Voluntary Service (EVS) was expanded. In 2016, 64 EVS accreditation applications to acquire the status of hosting, sending or coordinating organisation were received. Of them 50 organisations were approved. Accreditation also entitled working with international volunteers or creating conditions for Lithuanians to volunteer in other states and contribute to the activities of various organisations. In 2016, while implementing the programme, 119 foreign volunteers came to Lithuania, and 81 Lithuanian volunteers went to other European states.

Another activity supported by the EU Erasmus+ programme is the development of a structural dialogue with youth through the National Working Group. In Lithuania, the activities of the National Working Group are carried out by the Lithuanian Youth Council, the Ministry of Social Security and Labour, the Agency of International

Youth Cooperation, the Department of Youth Affairs and other partners. The activities of the National Working Group are carried out in cycles of 18 months. Cycle V of the National Working Group continued from 2016 until 1 July 2017 and focused on the creation of conditions for all young people to engage in a diverse, connected and inclusive Europe. The National Working Group has been purposefully working during cycle V in order to enhance visibility of the structural dialogue process among young people. Consultations with young people, held during this cycle, summarised and adopted recommendations, which were subsequently presented to the European Commission.

One of the activities supported under the EU Erasmus+ programme, co-financed from the state budget, is administration of the Eurodesk network. In 2016, 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. Eurodesk Lithuania provided information services all year round: announced news, posted video clips and articles on the national portal. Before 2017, 30 youth information points functioned in 27 Lithuanian cities. The main function of partners was consultation of young people and youth employees on the issues of Eurodesk mobility and opportunities as well as publicity and presentation of Eurodesk services, and organisation of information events. In 2016, regional representatives provided direct consultations to 1 714 young people and organised 171 events that were attended by 4 631 persons. Partners have been actively involved in the publicity of the Eurodesk programme: they organise information events related to the campaign of promoting mobility in summer and present mobility opportunities (voluntary activities, employment, studies). In 2016, the national portal posted 625 news, 48 young journalists' articles, 52 EurodeskTV video clips. The portal had 550 827 viewers.

6.3.5. 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, voluntary activities, develop the activities of open youth centres, 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. One of the priorities of youth policy is the development of mobile work and work with youth on the streets, as well as the development of open youth centres and open youth spaces in municipalities. 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 work with youth and improve the activities of institutions working in the area of youth.

6.4. FAMILY POLICY

The analysis of family policy draws attention to the fact that its implementation is a complex phenomenon, covering many areas of social policy. The measures of various areas of social policy contributing to better reconciliation of work and family life, e.g. social insurance measures encompassing maternity (paternity) benefits, cash social assistance measures (child benefits), and regulation of employment relations are the key elements of family policy. Measures, carried out while implementing the Action Plan of Integrated Services to Family 2016–

2020 and the Action Plan of Motivation of Elderly People and Promotion of Voluntary Activities 2016–2020, and financed with the European Union (EU) structural support funds significantly contribute to the implementation of family policy.

The implementation of these measures is discussed in the chapters of this Social Report that focus on social insurance, cash social assistance, the development of the labour market, and the usage of the EU structural support. This chapter gives an overview of the issues of cooperation with non-governmental organisations working in the area of family welfare, raising family self-esteem, and reduction of domestic violence, which are important while seeking greater family welfare.

In 2016, in order to conduct the Family Policy Analysis, the White Paper of Lithuanian Social Demographic Policy was drafted. It presents the guidelines for further development of demographic policy. The Institute of Human Geography and Demography of the Lithuanian Social Research Centre stated in the analysis that Lithuania has many reserves to ensure natural population turnover, usage whereof is related to greater introduction of flexible work forms, more efficient financial support to families, and a more effectively operating child care and education system. Economic, social and cultural participation of elderly people, promotion of generation solidarity and ensuring welfare of elderly people are pointed out as one of the strategic directions of social policy.

6.4.1. FINANCIAL MEASURES FOR NON-GOVERNMENTAL ORGANISATIONS

In 2016, the Ministry financed 103 projects of non-governmental organisations working in the area of family welfare. Organisations used EUR 303 200 for the implementation of projects and while implementing them worked in the priority areas stipulated in tender regulations (preparation for family and parenting, encouraging mutual assistance and responsibility of family members, formation of parenting skills, early prevention of family crises, provision of assistance in divorce crises), provided individual social and legal consultations, sessions of spiritual and psychological education for spouses, lectures for engaged couples, organised sessions of the development of parenting skills, meetings for families, prepared training material for parents expecting a child, etc.

Project implementers indicated that in 2016, 2 900 families, 360 engaged couples and 6 900 individuals took part in project activities. Over 2 600 different activities were organised, and they were attended by more than 14 500 persons (some people participated in several events organised by the same project implementer). The activities of non-governmental organisations representing elderly people were further supported. In 2016, in accordance with the Regulations for Support of the Activities of Non-governmental Organisations Representing Elderly People¹⁰⁹, six organisations received support. A total of EUR 69 000 were allocated for the projects implemented by these organisations. Project implementers carried out different activities relevant to elderly people: became involved in the activities of non-governmental organisations, into active social life through cultural events, and joined mutual assistance networks as well as networks for the strengthening of the relationship between generations. Activities were also carried out in the area of formation of a positive image of elderly people, promotion of active and healthy lifestyle of elderly people, and publishing. Over 600 different activities were organised while implementing financed projects.

¹⁰⁹ Order No. A-156 of the Minister of Social Security and Labour of the Republic of Lithuania of 25 March 2016 "On the Approval of the Regulations of the Tender for the Selection of Projects Supporting the Activities of Non-governmental Organisations Representing Elderly People in 2016 and Setting Up of the Commission for Evaluation and Selection of Projects".

6.4.2. ACTIVITIES RAISING FAMILY SELF-ESTEEM

President of the Republic of Lithuania congratulated mothers of many children and awarded the medal of the Order for Merits to Lithuania to mark the approaching Mother's Day. At this event which has become a tradition, state awards were given to 44 mothers who raised and brought up properly seven or more children from all over Lithuania.

It should be noted that the Seimas of the Republic of Lithuania adopted amendments to the Republic of Lithuania Law on State Awards, whereby mothers who gave birth to, raised and brought up properly five and more children shall also be awarded the medal of the Order for Merits to Lithuania as of 1 January 2018. The number of mothers who gave birth to, raised and brought up properly five and more children and who have been granted state pensions of the second degree in accordance with the Law on State Pensions is around 10 000. According to the currently effective legislation, this award is bestowed on the mothers who gave birth to, raised and brought up properly seven and more children.

In 2016, the festival of families and social families, entitled "One Family! One Heart!" was held. The event was attended by about 15 000 persons, including a great number of social families and children from child care homes and day care centres. Families were invited to take part in various competitions and events, and had an opportunity to listen to the concerts of various musicians. Children were provided with an opportunity to carry out different tests on their own in a science laboratory. The small ones enjoyed trampolines and swings, played various games, learned to make pinwheels, created a town of carton houses, competed in relay in the "Children's Garden", and elderly people also took part in various entertainment events, and even the chess championship was organised and other activities

6.4.3. REDUCTION OF DOMESTIC VIOLENCE

Domestic violence remains an important and painful problem of Lithuania's society. This is testified by a public opinion poll conducted in 2016, which showed the dynamics of domestic violence in 2014–2016. The findings of the poll reveal that the share of persons suffering from domestic violence remains significant: in 2014, 18.4 per cent of the respondents stated that they suffered from domestic violence, whereas in 2016, their share reached 29 per cent. This figure reveals the scope of domestic violence and its latent nature. However, this increase might also be related to an increasing focus on the problem of domestic violence in public space. This in turn may encourage the respondents of the poll to acknowledge experienced violence and seek assistance. The poll demonstrates that psychological and emotional violence remains the most frequent form of violence. The comparison of the findings of 2014 and 2016 shows an increase in the share of the respondents who claim to be suffering or have suffered physical violence. However, it should be noted that the visibility of organisations and institutions that provide assistance to victims of domestic violence has been increasing. The share of people aware of these organisations increased by 21.6 percentage points from 2014 to 2016. This shows that although domestic violence remains a latent phenomenon, an attitude that there are possibilities of assistance which may be used by victims has been reinforced in society.

The findings of polls, the scope of assistance provided to victims of domestic violence by the Network of Specialised Assistance Centres, functioning all over Lithuania, and painful cases of domestic violence analysed in public, search for effective measures in order to more efficiently help victims and carry out prevention of domestic violence.

In 2016, concerning the improvement of legislation, amendments to the Law on Protection against Domestic Violence were adopted, aimed at ensuring proper implementation of the provisions of Directive 2012/29/EU of

the European Parliament and of the Council of 25 October 2012 establishing minimum standards on the rights, support and protection of victims of crime, and replacing Council Framework Decision 2001/220/JHA (OL 2012 L 315, p. 57).

Having regard to the concepts provided in the Directive and seeking to ensure smooth application of the Law on Protection against Domestic Violence as well as interpretation of its provisions, the law has been supplemented by defining entities who are considered to be family members of a person who dies as a result of domestic violence so that they could receive specialised integrated assistance. Moreover, the concept of a victim of domestic violence has been specified providing that family members of a person who dies as a result of domestic violence shall have a possibility to receive specialised integrated assistance with regard to their needs and the scope of damage caused by a criminal act against the victim. The law has also been supplemented with provisions contributing to ensuring better protection of a victim of violence, better management of assistance, etc.

After the draft law was passed¹¹⁰, family members of a person who dies as a result of domestic violence have been provided with a possibility to receive free-of-charge specialised integrated assistance; furthermore, clearer regulation contributes to the improvement of quality of provided services and better interinstitutional cooperation.

It should be noted that in 2016, the Seimas of the Republic of Lithuania adopted a resolution "On Guaranteeing Protection against Domestic Violence"¹¹¹, whereby it presented recommendations to the Government of the Republic of Lithuania, the ministries and the Association of Local Authorities in Lithuania, with a view to ensuring a more effective prevention of domestic violence and comprehensive assistance to and protection of victims of violence, including children.

The network of specialised assistance centres continued its activities in the field of provision of assistance to victims of domestic violence. In 2016, assistance was provided to 10 500 persons (in 2015 – 10 600 persons); over EUR 600 000 were allocated for the activities of the network.

Seeking to improve the activities of specialised assistance centres, methodological guidelines for the employees of institutions and organisations that provide assistance to victims of domestic violence have been drafted. In 2016, team training for specialists working in Alytus, Marijampolė and Tauragė counties and providing assistance to victims of domestic violence was held, with more than 100 persons participating.

In 2016, different activities were carried out, targeted at prevention of domestic violence and reinforcement of society's intolerance of domestic violence.

A tender for the selection of projects¹¹² targeted at the campaign "16 Active Days against Violence" (25 November – 10 December 2016) was organised and funds were allocated to 52 projects¹¹³. Project implementers organised round table discussions, individual and group consultations, conferences, meetings, seminars, trainings, and lectures. These events focused on the analysis of specific situations related to domestic violence and searched for problem solutions. Project implementers also carried out the activities of prevention of domestic violence, i.e. organised exhibitions of drawings and photographs, film reviews, showed performances, held open door days, white ribbon campaigns, tours, excursions, a walking tour entitled "16 km for Women", publicised best practice examples and cooperated with other organisations. During preventive events and social campaigns,

¹¹⁰ Law Amending Articles 1, 2, 4, 5, 7, 8, 9 and Repealing Article 6 of the Republic of Lithuania Law on Protection against Domestic Violence No. XI-1425.

¹¹¹ Resolution No. XII-2629 of the Seimas of the Republic of Lithuania of 21 September 2016 "On Guaranteeing Protection against Domestic Violence".

¹¹² Order No. A1-572 of the Minister of Social Security and Labour of 21 October 2016 "On the Approval of the Regulations for Organisation of the Tender for the Selection of Projects Targeted at the Campaign "16 Active Days against Violence" (25 November – 10 December 2016) and Setting Up of the Commission for Evaluation of Projects".

¹¹³ Pursuant to Decree No. A3-194 of the Chancellor of the Ministry of Social Security and Labour of the Republic of Lithuania of 18 November 2016 "On Allocating Funds to Projects Targeted at the Campaign "16 Active Days against Violence" (25 November – 10 December 2016)".

they distributed leaflets, brochures, posters, publicised their projects through publications, participated in TV reportages and radio programmes. They also posted information notices, articles, video material, etc. on websites and social networks.

With a view to raising awareness of the possibilities of assistance to victims of domestic violence, publications about the activities of specialised assistance centres were released in mass media and a radio clip aimed at prevention of domestic violence was broadcasted.

While pursuing positive changes in the behaviour of perpetrators of domestic violence, the Prison Department under the Ministry of Justice of the Republic of Lithuania plays an important role. Imprisonment institutions implement special programmes of changing violent behaviour and carry out other activities that contribute to the reduction of domestic violence. In 2016, over 500 persons supervised by probation services participated in the programmes of changing violent behaviour; of them more than 300 persons accomplished these programmes.

The Ministry of Social Security and Labour organised a tender for projects and allocated EUR 23 000 from the state budget for the implementation of nine selected projects of non-governmental organisations.

Project implementers worked with perpetrators of domestic violence and carried out preventive activities: organised discussions, meetings, preventive excursions, seminars, implemented programmes of changing violent behaviour, and raised public awareness of conducted activities. In 2016, a total of 117 events were organised, which were attended by 718 persons. The total number of perpetrators of domestic violence who took part in projects in 2016 was 460.

7 | Social Protection Information System (SPIS)

Social Protection Information System (SPIS) is an information system operating under the cooperation agreements between the Ministry of Social Security and Labor and all municipalities in the country. The purpose of SPIS is to register and store the information on social assistance provided in municipalities in a uniform manner, furnish it to the Ministry, analyze such information by municipalities, types of assistance and beneficiaries, and also prevent getting support in several municipalities simultaneously.

Social assistance provided in municipalities, which is accounted and analyzed with the help of information system tools:

- Social benefits and compensations;
- Social assistance for schoolchildren;
- Social services;
- Activities performed in the field of protection of the rights of the child;
- Activities performed in identifying and meeting the special needs of persons with disabilities;
- Support to buy or to rent property.



Figure 7.1-1

Main components to ensure uniform registration, storage, and analysis of social assistance provided in municipalities:

1. Social Protection Information System (SPIS) is designated for storage of information on social assistance provided in municipalities as well as protection of the rights of the child and submission thereof to the Ministry of Social Security and Labor, also storage of such information by municipalities, the types of assistance and protection of the rights of the child, as well as beneficiaries, and prevention of getting support in several municipalities simultaneously. The System comprises subject-related subsystems, individual and family module, service management subsystem, administration subsystem, e-services portal, and integrated platform. SPIS enables:
 - Storing the information on any social assistance provided in the municipalities and protection of the rights of the child;
 - Managing the processes of provision, observation, planning, and assessment of social assistance for families applying the on-stop-shop principle;
 - Filing an application and such other necessary information in SPIS external portal (www.spis.lt) for receiving a desirable social assistance service (e.g. a lump-sum benefit for a newborn or adopted child, foster care (social welfare) allowance, social disability pension, etc.).

SPIS homepage

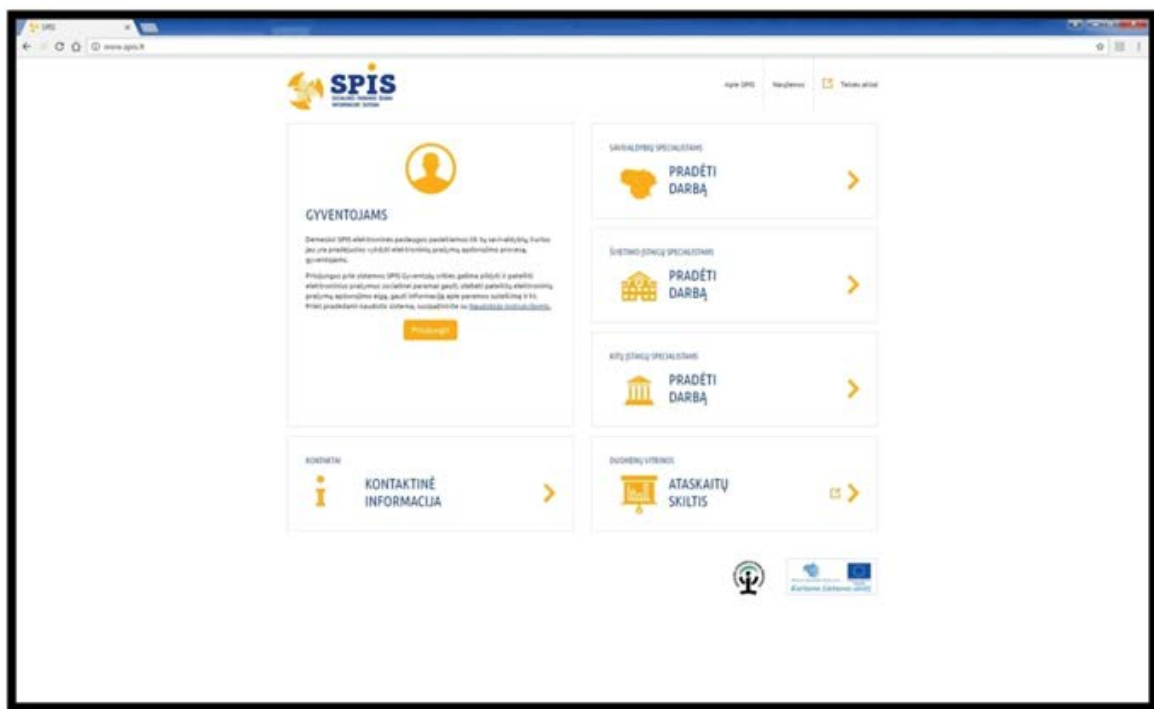


Figure 7.1-2

2. PARAMA social benefits accounting information system (hereinafter referred to as SIAIS PARAMA) is meant for the registration and performance of the accounting of social money grants and compensations. PARAMA SIAIS enables:
 - Filing payment documents of social money grants;
 - Filing accounting statements and statistical summary reports;
 - Exchange data with SPIS.

3. DataMart module of the Information System of Social Assistance for Families is designed for users to receive standardized reports filed under optional parameters (by sex, age, municipality, family type, etc.) in real time and via open Internet channels. DataMart module is available on <http://vitrinos.spis.lt:8080/>.

SPIS logical architecture

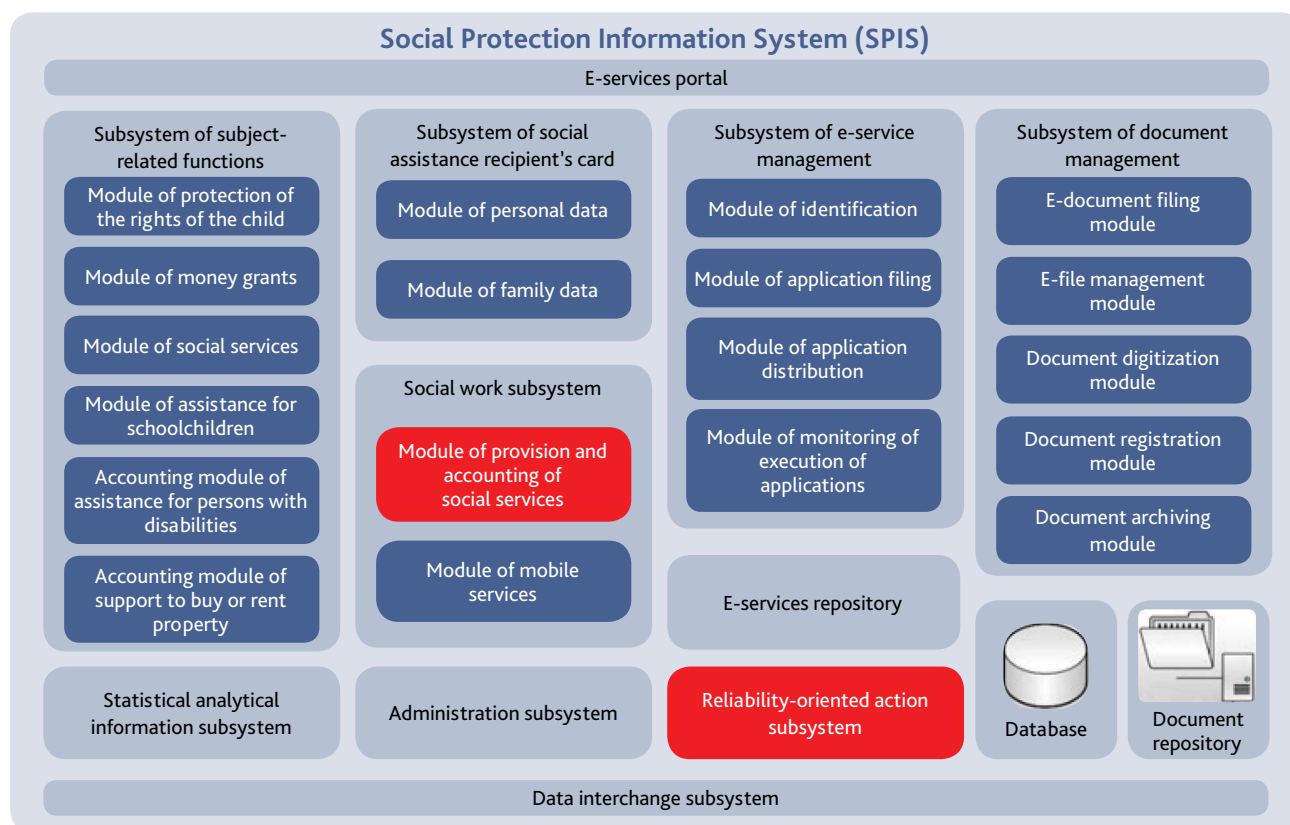


Figure 7.1-3

7.2. SPIS HISTORY

In carrying out nationwide planning and organization of social assistance, the assistance targets must be contextualized with the available resources and performance of this task requires continuous monitoring of provision and organization of social assistance in municipalities, data collection and analysis, as well as control of expendable resources. Successful development of social assistance system both at the country and municipality level required the development of common machinery of data collection and the exchange of information between the Ministry of Social Security and Labor and municipalities. Strategic Partnership Agreement (SPA), a project financed with the funds of the Republic of Lithuania and the World Bank (the International Bank for Reconstruction and Development), has been carried out in order to implement these targets. The implementation of the project commenced in 1997 and finalized in May of 2005, and as of 1 July 2005, municipalities started registering social assistance (money grants, social services, protection of the rights of the child) actions in a new Information System of Social Assistance for Families.

Although some tasks raised for the system are solved in parallel, the creation and development of SPIS may be divided into the following stages:

Stage 1: May 1997–May 2003	Building a concept of the Information System of Social Assistance. Making a list of social assistance indicators
Stage 2: March 2003–May 2005	Developing the application software
Stage 3: December 2004–January 2005	Procuring computer equipment for the municipal social welfare departments, centers, and municipal services of children's rights protection
Stage 4: January 2005–February 2005	Signing a Strategic Partnership Agreement between the Ministry of Social Security and Labor and municipalities
Stage 5: December 2004–March 2005	Installing computer equipment at the municipal social welfare departments, centers, and municipal services of children's rights protection. Computer equipment has been installed in all municipalities.
Stage 6: April–May 2005	Installing software and personnel training. 360 specialists of monetary support, social services, children's rights protection, and information technologies from all country's municipalities have been trained.
Stage 7: Start date of operation of SPIS – 1 July 2005	Data to the central database are provided since 1 July 2005.
Stage 8: October 2010–June 2013	Implementing the project – Developing the Electronic Services in the Social Protection Information System (SPIS). 26 electronic services have been developed.
Stage 9: May 2014–June 2015	Implementing the 2nd stage of the project – Developing the Electronic Services in the Social Protection Information System (SPIS). 26 electronic services have been upgraded and the system has been accommodated to the introduction of the euro and mobile devices.

7.3. SPIS TODAY

- All of 60 municipalities exchange data in real time.
- Over 70 types of social assistance are managed.
- The system is used by over 6000 users from 60 municipalities and employees of institutions thereof.
- The system is used by approximately 1400 schools.
- The system is used by the majority of elderships.
- 1.2 million documents are generated in the course of a year (49.1 % of electronic transactions).
- 3 217 249 individuals are registered in the central database of SPIS.
- 990 thousand applications for social assistance were registered in SPIS.
- 20 interfaces with other registers and information systems in Lithuania have been developed.

Social assistance may be granted to any Lithuanian resident (if such resident meets the criteria for granting specific type of assistance), therefore, potential recipients of social assistance are any and all Lithuanian residents.

Still this group of individuals can be constricted by taking into account the data on the number of individuals, who have received social assistance over the least year. There were approximately 600 thousand of such individuals in 2016; therefore, it is safe to say that this is a number of potential recipients of social assistance.

The residents of the Republic of Lithuania file hundreds of thousands of applications for social assistance every year. Every application filed corresponds one case of granting social assistance. More than 8 million applications were received over the last six years (see Figure 7.3-4). It is important to note that the number of applications for social assistance strongly correlates with the business cycle.

Interfaces with other registers and information systems

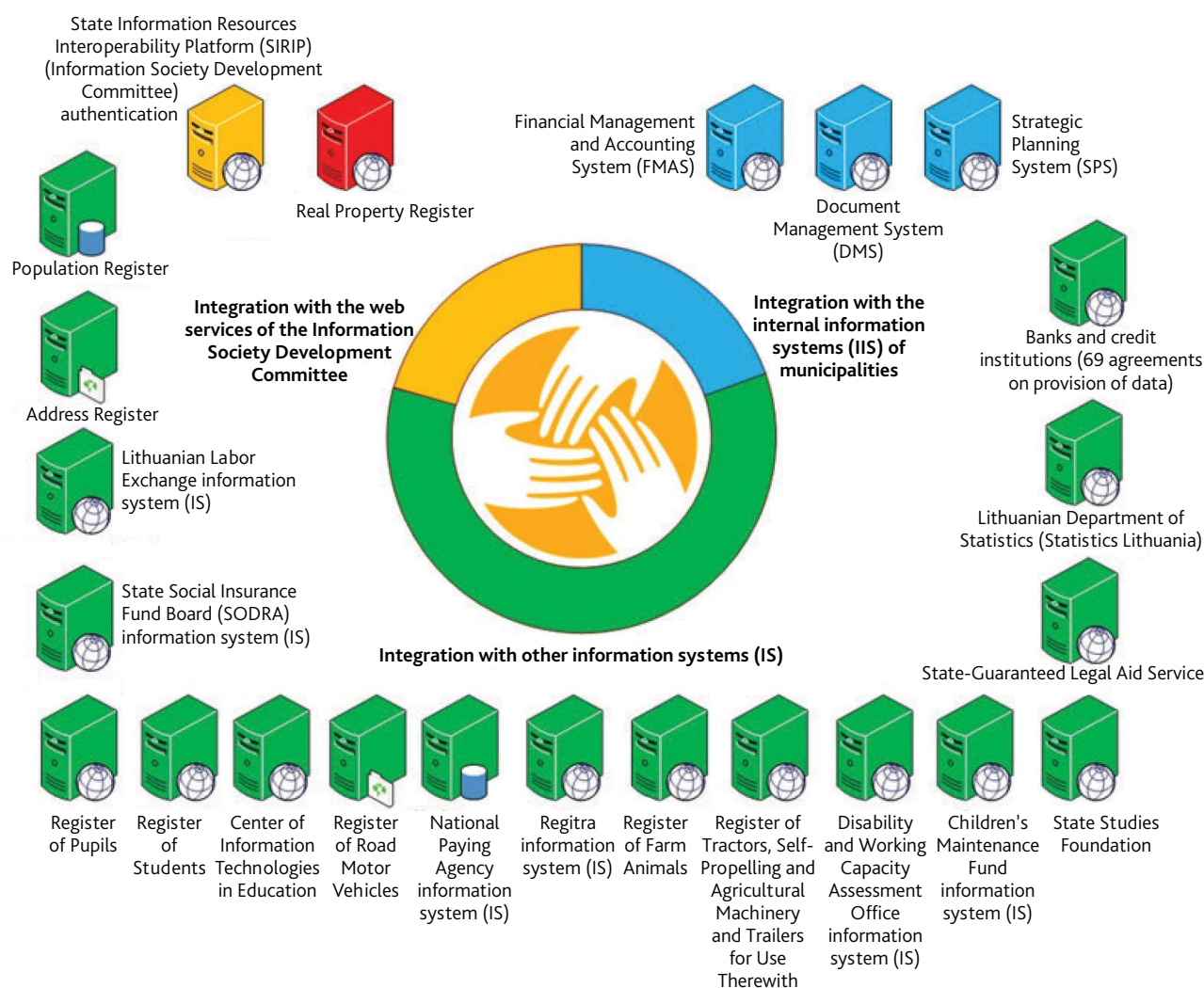
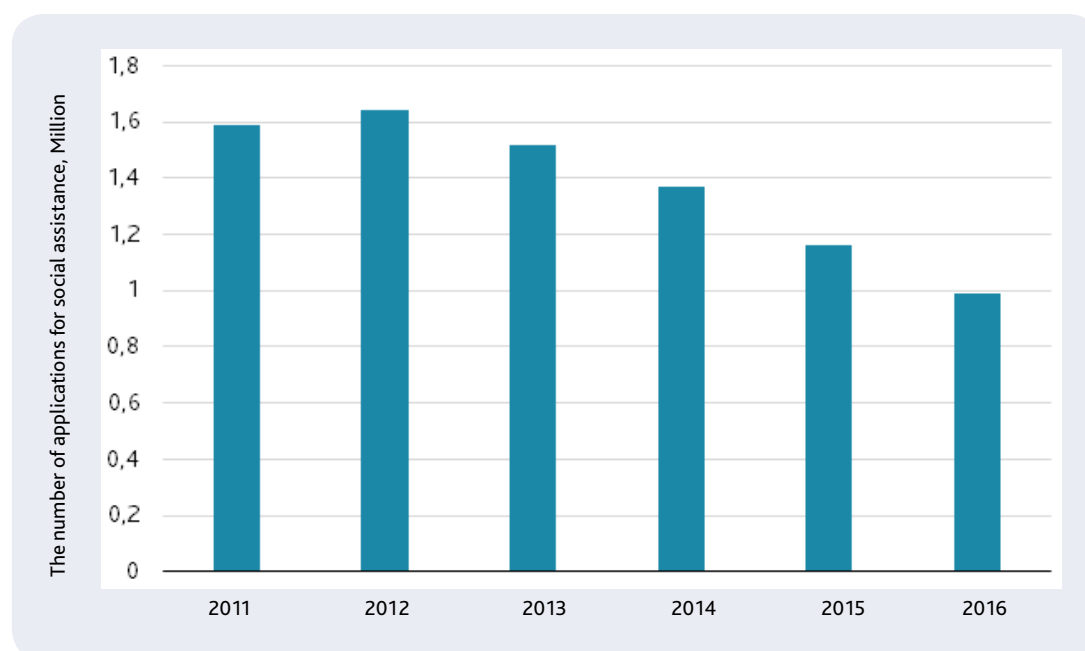


Figure 7.3-1

Statistics of applications for social assistance in 2011–2016



Source – SPIS

Figure 7.3-2

Granting of social assistance in the Republic of Lithuania is managed by municipalities. Municipal social welfare departments accept the applications for social assistance, assess the applicant's right to receive social assistance, and grant or supervise granting of social assistance. Social services are rendered not only by the employees of municipalities, but also by such other institutions, which hold a valid license of a provider of social services (social service centers, nursing homes, care homes, residential care homes, crisis centers, common lodging-houses, etc.).

Besides the municipality administrations, elderships also participate in rendering social assistance and social services. The employees of elderships have a right to accept the applications for social assistance and social services and later refer them to the municipality administrations, where the applications are handled in accordance with the procedure applicable in the municipality.

The State Child Rights Protection and Adoption Service as well as the Center of Technical Aid for Disabled People, which use SPIS e-services portal, are also involved in the process of granting social assistance. For both the State Child Rights Protection and Adoption Service and the Center of Technical Aid for Disabled People SPIS serves as one of the main work tools and the main source of data.

Various educational institutions and training establishments contribute to the support for pupils/students (over 700 of SPIS users). With the help of SPIS, the institutions, which provide free meal for pupils/students, furnish the municipality administrations with the reports on social assistance granted every month.

Granting of social assistance in Lithuania is governed by legal acts; however, every municipality determines the procedure to meet its needs on its own (detailed description of the principles for granting social assistance). Despite numerous legal acts governing the provision of social assistance, all fundamental stages can be represented in a general skeleton diagram.

7.4. THE PROCESS OF GRANTING SOCIAL ASSISTANCE

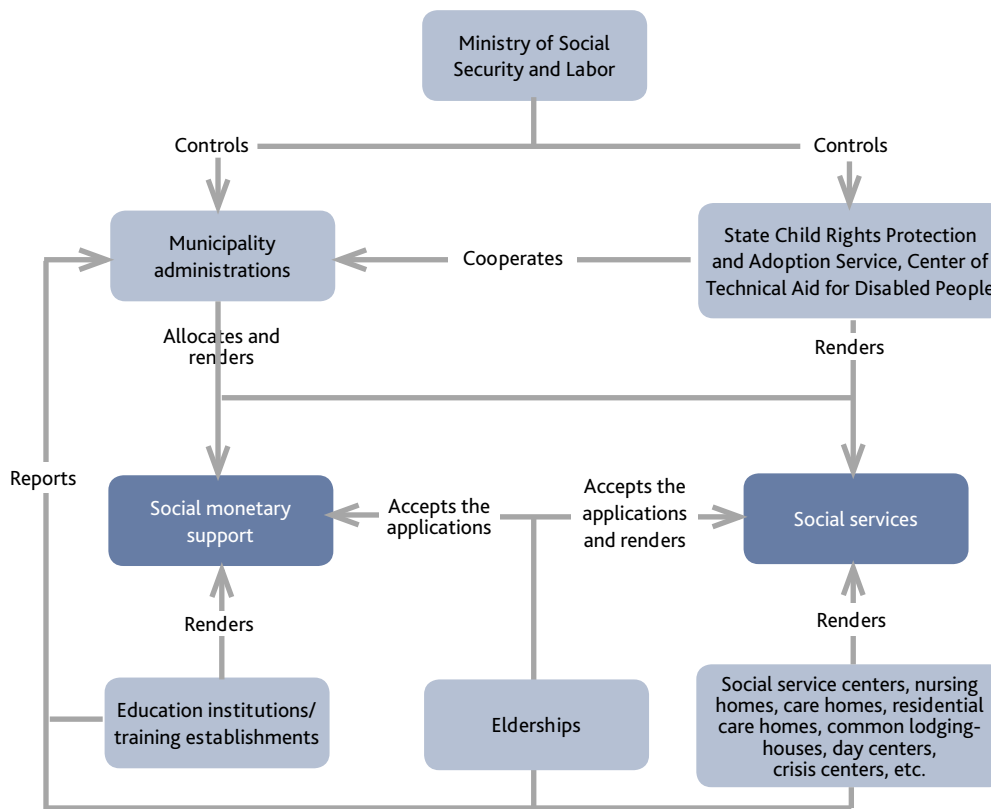


Figure 7.4-1

Filing an application. Where applying for any type of social assistance, a beneficiary shall file an application together with the documents substantiating the entitlement to the assistance. Now it can be done in the following ways:

1. *Electronically* using SPIS e-services portal. An individual, who signs in to this portal, can fill out and file an electronic application form. 26 e-services applications can be filed now. Since not all information required for the assessment of applications is available in a form of electronic data, in some cases a beneficiary needs to additionally file various documents in other than electronic way.
2. *In writing to directly responsible specialists of municipalities.* In this case, a beneficiary shall arrive at the municipality, prepare a paper application, and submit necessary annexes to the responsible specialist.
3. *In writing to responsible specialists of elderships.* In this case, in accepting the documents, the employees of elderships play the role of specialists of municipalities. However, they are not entitled to make decisions on granting social assistance, therefore, they must refer the accepted documents to the municipalities, where they will be handled. Such option has not been implemented in all country's elderships.
4. *Through mediation of social worker or such other provider of social services.* Social worker can help an applicant to prepare an application at home and then refer it to the municipality's specialists. This procedure is not governed by legal acts; however, it is applied in practice.
5. *By mail.* An application received this way together with the documents enclosed is handled in accordance with the same procedure, as in case of direct submission to the municipality's specialist.

Accepting an application. The applications received together with the documents enclosed are handled by the municipalities. Regardless of the application filing method, the documents received are registered in SIAIS Parama or using the Document Management System (DMS) of municipalities in the registers separate from such other institution's documents and filed in a beneficiary's file. E-application is printed together with relevant annexes (including the extracts of relevant registers and data of information systems) and also filed in a paper file.

Evaluating the entitlement to assistance. Responsible specialists of municipalities review the documents received and, with reference to the provisions of applicable legal acts, evaluate the service recipient's right to receive the service ordered. Given the lack of information, the municipality's specialist shall have a right to request the additional documents from the service recipient. Notice of missing documents shall be made to the service recipient in the same way as the application received, if it is not otherwise specified in the application by the service recipient. Ordering of social services additionally involves the assessment of the need for social services, during the course of which physical and social independence of an individual (family) is determined. With reference to the assessment data, a package of social services is assigned to a beneficiary.

Decision making. Following the evaluation of the applicant's entitlement to social assistance, a final decision on provision of assistance is prepared setting forth all relevant information identified during the course of assessment as well as conclusions. If an application is declined, the reasons for such rejection shall be specified in such document, and if an application is complied with – such document shall contain the information on the assistance to be provided. The procedure for appealing against the decision shall be specified as well. The decision on granting social assistance shall be approved by the municipality administration director (his deputy) or his authorized person. A signed document shall be registered and filed together with the application.

Giving an answer. Information on the decision made is provided to a beneficiary. Information on the decision made shall be provided in the same way as the application received or in a way specified in the beneficiary's application. A beneficiary may be furnished with the entire copy of the decision or just relevant information of the decision made.

Providing assistance. Monetary support is provided by the municipality administration as a single payment or periodic transfers of funds to a beneficiary. In case, if services are rendered not only by the employees of municipalities, an institution that renders services shall enter into a tripartite agreement with the municipality administration and beneficiary and furnish reports on services rendered to the municipality administration.

8 | Gender equality

Equality between women and men is one of the principal values recognised on both the international and European Union (hereinafter – the EU) level and a horizontal priority for all policy areas, which was also highlighted in the 2030 Agenda for Sustainable Development adopted in 2015 by the United Nations (hereinafter – the UN). In Lithuania, equal rights for women and men in all areas are guaranteed *de jure* by the Law on Equal Opportunities for Women and Men of the Republic of Lithuania (hereinafter – the Law). Programmes, measures and projects are consistently and systematically being implemented in order to solve problems related to equality between women and men. In the Seventeenth Programme of the Government of the Republic of Lithuania gender equality is considered as one of the major social problems, to handle which not only applied scientific research will be promoted, but also the need to review and amend legislation, if needed, will be stipulated to ensure the implementation of the principle of gender equality at all political levels.

8.1. THE LAW ON EQUAL OPPORTUNITIES FOR WOMEN AND MEN OF THE REPUBLIC OF LITHUANIA

The Law, adopted in 1998, is the principal national legal act which implements equal opportunities for all, irrespective of gender, enshrined in the Constitution of the Republic of Lithuania. In 2016, two amendments of the Law, prepared by the Ministry of Social Security and Labour, were adopted. Since 16 June 2016, the amendment ensuring more effective protection of persons against discrimination, more accurate compliance with the EU law and more adequate implementation of the decisions of the Court of Justice of the European Union came into force. The amendment of the Law clarified that discrimination includes also discrimination of women on the grounds of pregnancy and maternity, not only sexual but any kind of harassment at work was forbidden as well. The provisions of the Law were coordinated with the provisions of the Law on Approval, Entry into Force and Enforcement of the Code of Administrative Offences of the Republic of Lithuania.

In order to implement the measures of the action plan of the Seventeenth Programme of the Government of the Republic of Lithuania and the Concluding Observations of the United Nations for Lithuania¹¹⁴, a draft amendment of the Law, aimed at simplifying the procedure of adoption and implementation of temporary special measures, enshrined in the current Law, to help women to enter or return to the labour market and to promote gender equality *de facto* in such fields, as education, employment and participation in political and public life, is planned to be drawn by the second quarter of 2018.

¹¹⁴ The Concluding Observations of the Committee on the Elimination of Discrimination against Women of the United Nations regarding the fifth periodic report of Lithuania on the Convention on the Elimination of All Forms of Discrimination against Women (<http://www.socmin.lt/lt/moteru-ir-vyru-lygybe/ataskaitos-apie-es-jeqn.html>).

8.2. NATIONAL PROGRAMME ON EQUAL OPPORTUNITIES FOR WOMEN AND MEN AND IT'S ACTION PLAN

In 2016 the fourth National Programme on Equal Opportunities for Women and Men 2015–2021 (hereinafter – the Programme), aimed at ensuring consistent, complex and systematic dealing with the gender equality issues in all fields, as well as implementation of the Law, was being implemented. The Programme focuses on promotion of equal opportunities for women and men in employment and at work, balance of the number of women and men in decision making and holding top positions, development of the mechanisms for implementation of equal opportunities for women and men and fulfilment of the EU and international cooperation commitments. The majority of ministries, various national institutions, non-governmental organisations, social partners were involved in the implementation of the Programme.

During the implementation of the Programme in 2016, the projects of non-governmental organisations were supported, trainings for civil servants and social partners were organised, information campaigns, a competition of the most equal employer were held, activities of the female politicians' club were supported, functioning of the electronic network and information portal www.lygus.lt of women's organisations was ensured. During 2016, the number of the members of the electronic network increased up to 422. Electronic portal news was published on Facebook page of the Women's Issues Information Centre¹¹⁵: discussion on the importance of gender equality was promoted, relevant news (26 articles were published) was introduced, people were actively invited to respond to the apparent discrimination. The aforementioned Facebook page reached nearly half million users. The Ministry of Social Security and Labour together with partners organised events dedicated to promotion of women's leadership, women's entrepreneurship, gender pay gap. On 3 November 2016, the municipalities of Lithuania (Pasvalys district municipality, Alytus district municipality, Utena district municipality, Druskininkai municipality, Tauragė district municipality, Jonava district municipality) were awarded for gender equality promotion at the municipal level.

In 2016, the cooperation agreement between the Ministry of Social Security and Labour and the European Institute for Gender Equality (hereinafter – EIGE) was renewed and a joint event "Women and Poverty" was held on 15 December 2016, at which the EIGE report "Poverty, Gender and Intersecting Inequalities in the EU" was presented. The EU Council conclusions on Women and Poverty were prepared on the basis of the report (for more see: 8.3. EU and international commitments).

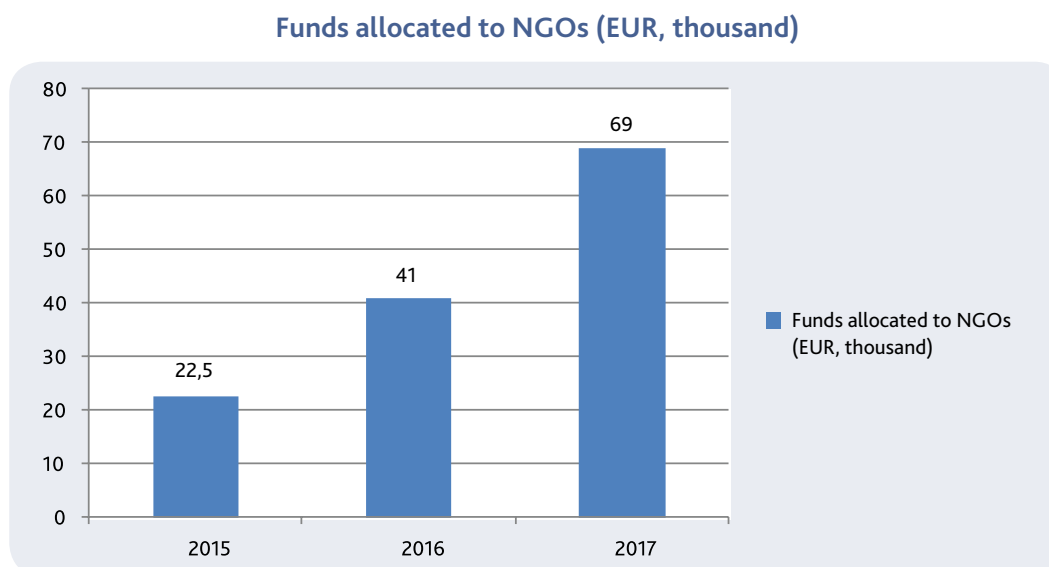
Implementing the measures of the Programme, in 2016 the Office of the Equal Opportunities Ombudsperson in cooperation with the Association of Local Authorities in Lithuania and Lithuanian Women's Lobby Organisation launched the implementation of the project "The Code of Success of a Municipality is Gender Equality" financed from the European Structural Funds. The purpose of the project is systematic reduction of gender inequalities in municipalities by raising awareness of the public sector subjects on gender equality issues and capacities to identify factors determining inequality/equality of women and men, developing and implementing targeted measures to ensure equal opportunities. The project is going to continue until December 2019.

Within the framework of the Programme, in 2016 various institutions organised trainings for civil servants, diplomats, officers, judges in order to enhance their capacities to work in the field of gender equality.

In 2017, implementing the measures of the Programme by tender, six non-governmental organisations working in the field of gender equality were financed, by allocating 69 000 EUR from the national budget. For comparison, 22 500 EUR were allocated in 2015, 41 000 EUR – in 2016 (Figure 8.2-1). With increasing financing, the number

¹¹⁵ <https://lt-lt.facebook.com/Moteru.informacijos.centras>.

of non-governmental organisations receiving support is also growing: in 2015 - 2n on-governmental organisations received financing, in 2016 – 3 , in 2017 – 6.



Data of the Ministry of Social Security and Labour

Figure 8.2-1

The Inter-Institutional Commission on Equal Opportunities of Women and Men (hereinafter – the Commission) within its competence coordinating the implementation of the principle of equal rights and opportunities for women and men in the activities of the state institutions and enterprises, in the second half of 2016 and first half of 2017 gathered in three meetings and two additional training sessions. At the meetings, the amendments of the Law, the implementation of the Action Plan of the Programme for 2015–2017 were discussed, the draft amendment of the statute of the Commission was considered, the strategy of the EU Gender Equality 2016–2019 was introduced, the recommendation of the Organisation for Economic Co-operation and Development (hereinafter – OECD) regarding gender equality in public life, the matters of the session of the UN Commission on the Status of Women and the side event were discussed, the report on the implementation of the Action Plan 2015–2017 of the Programme (hereinafter – the Action plan)¹¹⁶ for 2016 was considered, new EU initiatives in gender equality, etc. were discussed. To enhance the capacities of the Commission's members, in 2016 the Ministry of Social Security and Labour together with non-governmental organisations organised two training sessions, at which the international commitments of Lithuania in the field of gender equality, legal measures to fight violence against women, new challenges to gender equality were broader introduced to the members of the Commission. Statistics on the situation of women and men in Lithuania and impact assessment of legal regulation for gender equality were introduced to the members of the Commission.

In 2017, the Ministry of Social Security and Labour is going to develop a new Action Plan for the implementation of the Programme for 2018–2021.

¹¹⁶ <http://www.socmin.lt/lt/moteru-ir-vyru-lygybe/teises-aktai-lygybes-klausimais.html>.

8.3. EU AND INTERNATIONAL COMMITMENTS

The Seventeenth Programme of the Government of the Republic of Lithuania states that effective and consistent foreign policy of Lithuania is based on the principles of solidarity-based cooperation between democratic states, the rule of international law, respect to human rights and freedoms. Being a member of various international organisations, Lithuania has many commitments in the field of equal opportunities for women and men, therefore the country must ensure ongoing and active participation in international realities.

European Union

On 8 December 2016, the EU Council conclusions on Women and Poverty, based on the research of EIGE "Poverty, Gender and Intersecting Inequalities in the EU", were adopted. The research showed that households of single parents, families with three and more children, single elderly women and youth are exposed to the greatest risk of poverty, while single mothers are in less favourable situation than single fathers. Women tend to have part-time job or to work under temporary employment agreements four times more than men. Besides, the unemployment rate of working age women is nearly two times higher than that of men. Every fifth woman living in poverty is inactive on the labour market due to their responsibilities to family and care of family members. Therefore, the Member States are called to step up efforts to address the gender dimension of poverty in all policies and measures to reduce poverty and in their social inclusion strategies, to take measures to eliminate gender stereotypes and to challenge stereotypical assumptions about traditional gender roles, including with the view to combating segregation in education and employment, work-life balance etc. Women's at-risk-of-poverty or social exclusion rate in Lithuania is higher than the men's rate (it was 28.8 per cent and 25.5 per cent in 2014, respectively), the gender gap is among the highest rates in the European Union.

On 3 March 2017, the EU Council conclusions on Enhancing the Skills of Women and Men in the EU Labour Market based on the EIGE research "Upscaling Skills of Women and Men in Precarious Employment in the EU" were adopted. The Council conclusions recognise that despite the fact that women acquire higher qualifications and surpass men in terms of educational attainment, their work is undervalued, which contributes to pay and pension gap. Undervaluation of women's work is determined by stereotypes, unequal distribution of care responsibilities and family duties, segregation in education and labour market. Every second woman and every fourth man works in precarious jobs (low pay, involuntary part-time jobs, etc.). Half of low-qualified women (aged 16–64) are out of the labour market (inactive), as compared to 27 per cent of men. Older women, particularly those close to retirement, also face a higher risk of poverty. Considering all that, the Member States are called to prioritise elimination of obstacles for women and men to participate in the labour market by attaining the purpose set in Europe 2020 to reach the employment rate of 75 per cent of women and men of 20–64 years of age, focusing in particular on their skills, effective integration of gender aspect into the national policy of skills and labour market, promotion of women to participate in the fields of science, technology, engineering and mathematics (STEM), provide care leave for parents, including paternity leave, combat precarious employment etc. According to the Labour Force Survey data, in Lithuania in 2015, the employment rate of women aged 15–64 stood at 66.5 per cent, that of men – at 68 per cent. Employment rate of men with low educational attainment was higher than that of women (23.8 per cent and 14.8 per cent, respectively). The number of women working part-time was bigger than that of men (10.5 per cent and 6.1 per cent, respectively). Gender pay gap stood at 15.6 per cent in 2015. Although women in Lithuania acquire higher education comparing to men, women's paid work continues to be remunerated less well. In April 2017, the EU Council submitted a proposal regarding the Directive of the European Parliament and of the Council¹¹⁷ aimed at providing better access to agreements on the balance of work and life,

¹¹⁷ The Directive of the European Parliament and of the Council on Work-Life Balance for Parents and Carers repealing the Council Directive 2010/18/EU.

e.g. leave and agreements on flexible working conditions, and promoting men to take leave for family reasons and to use agreements on flexible working conditions.

United Nations

In the end of June 2016, Prof. Dalia Leinartė was re-elected for the second term in the UN Committee on the Elimination of Discrimination against Women (CEDAW). Until the successful end of the election, the Ministry of Social Security and Labour together with the Ministry of Foreign Affairs were implementing the action plan of publicity campaign of the Lithuanian candidate. In February 2017, Prof. D. Leinartė was elected chair of the CEDAW for the term of two years. During her presidency, Prof. D. Leinartė is planning to focus major attention on relations with various international organisations, such as International Labour Organization, World Health Organization, International Organization for Migration, etc.

In July 2016, Lithuania provided additional information requested by the CEDAW about the institutional mechanisms of gender equality and violence against women. By July 2018, Lithuania has to prepare a thorough report on the implementation of the UN Convention on the Elimination of All Forms of Discrimination against Women.

On 13–24 March 2016, the 61st session of the UN Commission on the Status of Women was held, the priority of which was based on economic empowerment of women in the changing world of work. Women's economic empowerment and economic independence are highly important components in order to achieve the goals of the Beijing Declaration and Platform for Action and the UN 2030 Agenda for Sustainable Development, in particular regarding gender equality and sustainable, inclusive and harmonious economic growth. Women's economic empowerment is a complex field covering many other themes: pay gap and social security gap, women's entrepreneurship, education, etc. When speaking at the 61st session, Vice-Minister of Social Security and Labour Eglė Radišauskienė emphasised that in order to transform the world of work for women it is essential to support their access to skills and training in science, technology, engineering and mathematics, digital literacy; strengthen women's leadership and participation in decision-making; strengthen and implement legal and policy frameworks across women's life cycle. That is exactly what Lithuania is doing. According to the UN data, pay gap between women and men stands at 24 per cent, and if no actions are implemented it will take over 70 years for this gap to decrease automatically. For this reason, these themes will remain to be priorities at the national level. The Vice-Minister of Social Security and Labour took part and made a speech at the side event of the 61st session "The Role of Female Parliamentarians in the Implementation of the "Women, Peace and Security" Agenda".

Organisation for Economic Co-operation and Development

In 2016, the Organisation for Economic Co-operation and Development submitted to Lithuania preliminary conclusions of public life review on gender equality in public life. It endorses the concluding observations of the CEDAW. The OECD recognises in its recommendations that promotion of gender diversity in decision-making of public administration is crucial in pursuit of integrated growth at all governmental levels. The OECD recommends the states to assume commitments at the governmental level to develop and implement gender equality strategy in public life, to integrate the gender aspect into all stages of budget cycle, to carry out assessment of legal impact on gender, to promote women to participate in politics, judicial activities, to raise awareness and accountability of public sector management. In the OECD Conclusions on the Enhancement of Gender Policy in Lithuania, the Programme and developed institutional mechanisms received positive feedback, although not sufficient human and financial resources are highlighted, high importance of inclusion of gender equality provisions into the strategic planning documents is emphasised.

The OECD recommendations are important in order to ensure integration of equal opportunities for women and men into all fields of public life.

The Asia–Europe Meeting (ASEM) Conference 'Economic empowerment of women: creating equal opportunities in the world of work'

On 25–26 May 2017, international ASEM¹¹⁸ conference was held in Vilnius, the concept, agenda and contents of which were developed and coordinated by the gender equality specialists of the Ministry of Social Security and Labour together with the partners. The goal of the conference was to initiate a dialogue between European and Asian countries on economic empowerment of women, to promote inclusion of women into the world of work, women's leadership and entrepreneurship, to discuss gender balance in decision-making. Minister of Social Security and Labour Linas Kukuraitis and Vice-Minister Eglė Radišauskienė introduced the Lithuanian experience in the field of equality for women and men, participated in bipartite meetings. High employment rate of women in Lithuania, the importance of reconciliation of professional and family life to be supported also by the new Labour Code of the Republic of Lithuania were emphasised. The event was attended by over 200 participants, including: politicians of ASEM member states, officers of gender equality institutions and experts from the remotest places of Asia: Japan, India, China, Singapore, etc. The conference was attended by the representatives of international organisations, including: Assistant Secretary General of the United Nations, Deputy Executive Director of UN Gender Equality and Women's Empowerment Organisation "UN Women" Lakshmi Puri (Figure 8.3-2), Principal Advisor on Gender of the European Union External Action Mara Marinaki, Deputy Secretary-General of the Organisation for Economic Co-operation and Development Mari Kiviniemi and others.

Vilnius Declaration on Cooperation in Economic Empowerment of Women was signed at the conference. By signing this declaration, the ASEM members agreed to initiate and develop a dialogue between Asia and Europe in the field of gender equality and in particular economic empowerment of women, to share good practice and experience in creating better conditions for gender equality in everyday life, politics and especially labour market. Indian delegation proposed organising the second ASEM conference.

On 25 May 2017, Minister of Social Security and Labour Linas Kukuraitis met Deputy Executive Director of UN Gender Equality and Women's Empowerment Organisation (UN WOMEN) Lakshmi Puri.



Data of the Ministry of Social Security and Labour

Figure 8.3-2

¹¹⁸ ASEM is an informal process of a dialogue and cooperation established on the initiative of Singapore at the first ASEM summit in Bangkok in 1996 and comprising 53 partners from Europe and Asia (European group consists of 31 and Asian group of 22 partners). Lithuania joined the ASEM in 2004.

9 | Use of investment of EU funds

9.1. INVESTMENT SUPPORT OF EU FUNDS

9.1.1. GENERAL INFORMATION ON THE INVESTMENT OF EU FUNDING OF 2014–2020 AS OF 1 MAY 2017

Throughout the period of 2014–2020, the Ministry of Social Security and Labour (hereinafter – "the Ministry") remains responsible for the implementation of measures falling under priority 7 "Promotion of high quality employment and participation in the labour market" (hereinafter – "Priority 7") and priority 8, "Promoting social inclusion and combating poverty" (hereinafter – "Priority 8") of the Operational Programme for the European Union Funds Investments in 2014–2020 (hereinafter – "OP 2014–2020") in Lithuania. A total of EUR 564 million from the EU funds is allocated for implementation of the said measures in the period of 2014–2020 (including funding of the European Social Fund (hereinafter – "ESF") of EUR 460.4 million, and funding of the European Regional Development Fund (hereinafter – "ERDF") of EUR 103.6 million. Co-funding amounts to another EUR 93 million. Both priorities of the OP 2014–2020 provide for implementation of 27 measures, including 4 measures to be funded with ERDF funding (for development of infrastructure), and 23 measures, with ESF funding.

When it comes to planning of investment from EU funds in the period of 2014–2020, the Ministry relies on the following priorities: improved employment of the unemployed (particularly long-term and unskilled ones), and the disabled; long-term integration of youth, primarily unemployed and not in education, into the labour market, based on the Youth Guarantee Initiative (hereinafter – "YGI"); combating poverty and social exclusion; improved access to social housing for most vulnerable groups of residents; development of services for families and improved access and quality of community-based services, involving transition from institutional care to community-based services.

State of investment of EU funding in 2014–2020 (as of 1 may 2017)

Stages	Implementation stages of the measures	EU funding / number of measures
	Total number of measures planned:	27
	Total EU funding available:	EUR 564 million
I	Implementation plans of the measures	
	Number of measures approved	24
	Total EU funding under approved measures	EUR 528.4 million
	Percentage of total EU funding	93.6%
II	Descriptions of project funding conditions (DPFC)	
	Number of measures with approved DPFC	20
	EU funding based on approved DPFC	EUR 376.7 million
	Percentage of total EU funding	66.8%
III	Calls published, and lists of State and regional projects finalised	
	Number of measures	19
	EU funding designated for calls	EUR 323.6 million
	Percentage of total EU funding	57.4%
IV	Decisions taken on allocation of funding	
	Total EU funding under decisions (signed agreements)	EUR 286.2 million
	Percentage of total EU funding	50.7%
V	EU funds paid out	
	Total	EUR 135.6 million
	Percentage of total EU funding	24%
VI	EU funds to be declared to the EC	
	Total	EUR 100 million
	Percentage of total EU funding	17.7 %

Data of the Ministry of Social Security and Labour

Table 9.1.1-1

Further details on the funding available by the EU structural funds in Lithuania are available at www.esinvesticijos.lt.

9.1.2. MEASURES AND PROJECTS CURRENTLY IMPLEMENTED UNDER PRIORITY 7 OF THE OP 2014–2020

Measure No. 07.3.1-EFA-V-401 "Integration of the Unemployed into the Labour Market"

Purpose of the measure: granting or improvement of professional qualification and competencies of the unemployed, development of practical working skills, promotion of their territorial mobility, and improvement of motivation. Priority is given to the long-term, unskilled unemployed, those with long unemployment history, and the elderly.

Budget of the measure: EUR 160.7 million, including ESF funding of EUR 124,00 million and the funding of the State budget of EUR 36.7 million.

Expected results: involvement of 85,000 unemployed in the activities of the projects funded is expected, including at least 30,000 unemployed over 54 years.

Implementation progress of the measure: in 2014, the Lithuanian Labour Exchange has launched 4 projects, with EUR 89 million allocated from both the ESF and the State budget. 45,000 unemployed are expected to participate in the 3–4 year-long projects. The unemployed are referred to the following activities: vocational training (both formal and informal), subsidised employment, acquisition of working skills, and support for territorial mobility. Since 2014, the projects under the measure have reached almost 30,000 unemployed. The projects have so far, by 1 May 2017, used up over EUR 35.8 million.

Measure No. 07.3.1-ESFA-V-402 "Professional Rehabilitation of the Disabled"

Purpose of the measure: improved employment of the disabled based on professional rehabilitation.

Budget of the measure: ESF funding of EUR 17 million.

Expected results: approx. 5,000 disabled are expected to benefit from services of professional rehabilitation.

Implementation progress of the measure: in Q1 2015, ESF project "Support for the disabled" was launched, mainly targeted at improved employment of the disabled through services of professional rehabilitation as follows: restoration of person's capacity to work, vocational competency and ability to get involved into the labour market using educational, social, psychological, rehabilitation and other impact measures. Programme (cycle) of professional rehabilitation includes assessment of professional skills, vocational guidance and consulting, restoration of professional skills or development of new ones, assistance in finding employment, support at workplace. In the period from Q1 2015 to 1 May 2017, over 1,200 disabled have been referred to the professional rehabilitation programme, with over EUR 4.3 million used for that purpose. 50% of the disabled who have completed the professional rehabilitation programme found employment.

Measure No. 07.3.1-IVG-T-410 "Support for Employment"

Purpose of the measure: Under this measure, financial incentives are planned to be provided to employers (by partly compensating employees' wages) for employing persons facing difficulties on the labour market, i.e.: youth under 29 and older people who are over 54.

Budget of the measure: ESF funding of EUR 40.5 million.

Expected results: 35,000 individuals of the target groups are expected to benefit from the subsidies.

Implementation progress of the measure: a call was launched in Q4 2016. By 1 April 2017, 1,122 positive decisions were taken to provide subsidies for employment of people falling within the target groups, with a total allocation of EUR 1.77 million. In Q1 2017, the first payments to the benefit of employers took place. EUR 24,000 was paid out.

Measure No. 07.3.2-ESFA-V-403 "Building of Administrative Capacity of the Lithuanian Labour Exchange"

Purpose of the measure: improved efficiency of the Lithuanian Labour Exchange, with greater focus on the outcomes.

Budget of the measure: ESF funding of EUR 2.3 million.

Expected results: 18,000 employees of the Lithuanian Labour Exchange are expected to take part in the ESF activities; a model of implementation of YGI shall be developed and put in use; a system of monitoring and assessment of active labour market policy measures and sustainable employment shall be developed and implemented.

Implementation progress of the measure: In 2015, 2 projects were launched: "Creation of YGI Monitoring System" and "Improvement of Operational Efficiency of the Lithuanian Labour Exchange and Territorial Labour Exchange Offices, Development of Innovative Services", providing funding for activities as development of special capacities of the Lithuanian Labour Exchange's staff; creation of new services and improvement of already existing ones, with particular focus on individualised approach enabling the staff to assess every applicant situation better and to offer the optimum package of services; monitoring of implementation of labour market policy measures, assessment and improvement of their adequacy and efficiency, other measures improving the quality of the activities and services of the institution; implementation of monitoring system of implementation of the YGI; and assurance of EURES operation in Lithuania. In course of the projects, YGI monitoring system was created in 2016 (and is now operational), a number of EURES¹¹⁹ activities are conducted, and implementation of ISO¹²⁰ standard in the system of the Lithuanian Labour Exchange is under way.

Measure No. 07.3.3-FM-F-424 "Promotion of Entrepreneurship 2014–2020"

Purpose of the measure: along with consulting of business-starts-up on matters of drafting and implementation of business plan, as well as on individual guarantees, micro loans should be provided (maximum loan available of EUR 25,000), with focus placed on groups of individuals facing difficulties on the labour market or when starting-up a business, including persons under 29 year, the disabled, persons over 54 year, the unemployed, women, and those creating "green"¹²¹ jobs.

Budget of the measure: ESF funding of EUR 24.5 million.

Expected results: at least 1,000 loans should be provided.

Implementation progress of the measure: in order to promote self-employment of local population and offer support for those just starting their own business, the Ministry of Social Security and Labour, the Ministry of Finance and Investicijų ir verslo garantijos UAB ("INVEGA") have signed a tripartite agreement which was served for establishment of Entrepreneurship Promotion Fund 2014–2020, funded by the European Social Fund" ((hereinafter – "Entrepreneurship Promotion Fund") at the end of 2015. The Entrepreneurship Promotion Fund was set up when implementing the financial measure "Promotion of Entrepreneurship 2014–2020". The loans are provided through a financial intermediary, i. e. a consortium of 42 Credit Unions, represented by the Lithuanian Central Credit Union. 62 loan agreements were signed in Q1 2017, and 46 loans issued to the value of EUR 630,346. 34 economic entities, loan beneficiaries belong to the priority group.

Measure No. 07.3.3-IVG-T-428 "Subsidies for Business Start-up"

Purpose of the measure: creation of additional financial incentives for loan borrowers of the Entrepreneurship Promotion Fund to facilitate their foothold in the market at the initial independent activity stage, to promote creation of the new jobs and preservation of existing ones. Under this measure the Entrepreneurship Promotion Fund shall provide grants to the loan borrowers to secure partial reimbursement of remuneration of staff.

Budget of the measure: ESF funding of EUR 16 million.

Expected results: 700 loan borrowers are expected to benefit from grants covering the interest in the course of implementation of the measure.

Implementation progress of the measure: call to take applications is expected in Q3 2017.

¹¹⁹ EURES (European Employment Services) refers to a network of cooperation with purpose to insure free movement of workers within the Member States of the European Union and European Economic Area, and Switzerland.

¹²⁰ Standards of quality management systems by the International Organization for Standardization.

¹²¹ "Green job" refers to any vocational activity serving to protect the environment and combat the climate change, including saving of energy and raw materials, promoting renewable energy, reducing waste and pollution, or protecting biodiversity and ecosystems.

Measure No. 07.3.4-ESFA-V-425 "Promotion of Equality of Men and Women"

Purpose of the measure: Promotion of equality of men and women on level of local municipality.

Budget of the measure: ESF funding of EUR 724,000.

Expected results: 2,500 individuals are expected to take part in the project-based activities relying on the measure (at the events promoting equality of men and women, and combating discrimination on the labour market).

Implementation progress of the measure:

The measure is used to implement one project "Key to Success of a Municipality – Gender Equality". The project is implemented by the Office of the Equal Opportunities Ombudsperson together with two partners: the Association of Local Authorities of Lithuania and the Lithuanian Women Lobbying Organisation. The project task – systematic try to combat the differences in status of men and women in municipalities through raising awareness of entities of public sector on matters of gender equality, abilities to recognise factors behind equality / inequality of men and women, to develop and implement targeted measures to secure equal opportunities. The project runs for 3 years (December 2016 to December 2019) and include the following activities: development of an e-map relying on indicators selected in order to represent the equality of men and women *de facto* throughout Lithuanian municipalities, design of practical guidelines on targeted measures to be included in the strategic development plans and / or strategic action plans of municipalities, implement the same guidelines and monitor implementation of the guidelines and their impact on municipal level, i.e. the activity includes guidelines addressed to municipalities, trainings at municipalities, implementation of monitoring methodology and organisation of campaign for awareness raising. Drafting of the documents of public procurement is now in progress, and an article has already appeared in the press.

Measure 07.3.4-ESFA-V-426 "Combating Discrimination"

Purpose of the measure: systematic improvement of awareness of business, public sector, and the public on matters of equal opportunities, combating discrimination on the labour market on grounds listed in the Law on Equal Opportunities.

Budget of the measure: ESF funding of EUR 724,000.

Expected results: approximately 2,500 people are expected to get involved in the activities of the projects funded under the measure, i.e. events promoting equality of men and women and combating discrimination on the labour market.

Implementation progress of the measure: 2 projects will be implemented in course of the measure. Eligible target group of the projects includes representatives of non-governmental and public sector, employers and employees.

The Office of the Equal Opportunities Ombudsperson, joined by two partners: the Human Rights Monitoring Institute, public organisation, and the Lithuanian Gay League, is now conducting a 3-year project (April 2017 to April 2020) "Change in Business, Public Sector, and the Society – New Standards to Combat Discrimination". EUR 412,000 was allocated for the project from the ESF funding. The second project targeted for promotion of a better representation of national minorities in the labour market will be implemented by the Department of National Minorities under the Government of the Republic of Lithuania. Estimated funding of the project includes up to EUR 312,000 from the ESF funding.

Measure No. 07.4.1-ESFA-V-414 "Improvement of Youth Employment"

Purpose of the measure: reduction of the number of young people not in education, employment or training 15–29 year old.

Budget of the measure: EUR 63.56 million from the Youth Employment Initiative (hereinafter – "YEI") and the European Social Fund, and EUR 5.6 million from the State budget funds.

Expected results: all young people who failed to join labour market on their own, within 4 months after school leaving or job loss would receive quality job offer, or would be provided with continued learning possibilities; at least 35,000 such young people should be involved in the project activities by the end of 2018.

Implementation progress of the measure: starting with Q4 2015, two projects are funded by the measure: "Atrask save" ("Discover yourself") and "Naujas startas" ("New Start"). During the implementation of the projects under this measure, over EUR 10 million have been used for the project activities by 1 April 2017, and over 12,000 young people got involved in the project activities. From 2019, further implementation of the measure will be funded from ESF (EUR 17.54 million) and state budget (EUR 3.1 million), additionally including another 10 000 young people. Project implementation involves funding of early intervention and youth activation services (primary intervention) as well as measures promoting integration into the labour market (secondary intervention). Primary intervention activities include measures developing additional skills and competences (improvement of entrepreneurship, project management, information technology knowledge, etc.), psychological social rehabilitation measures, services of minimum supervision, assistance in learning about oneself, development of social and life skills, motivation, information about young person's possibilities, intermediation with educational institutions, organisation of voluntary activities, training during volunteering, mentoring services during volunteering, and other activities according to individual action plans. Secondary intervention measures include vocational training of unemployed, support to acquisition of working skills, subsidised employment, job rotation, territorial mobility, voluntary practical training, acquisition of working skills under bilateral agreement on acquisition of working skills, and other activities according to individual action plans.

9.1.4. MEASURES AND PROJECTS CURRENTLY IMPLEMENTED UNDER PRIORITY 7 OF THE OP 2014–2020

Measure No. 08.1.1-CPVA-R-407 "Development of the Social Services Infrastructure"

Purpose of the measure: improved access to social services within the community, reduction of regional differences through development of the social services infrastructure for the elderly, socially vulnerable groups (disabled (excluding people with mental and / or psychic disability), and individuals exposed to social risk) and their families.

Budget of the measure: EUR 17.2 million of the ERDF funding and EUR 1 million of the State budget funding. Local municipalities are required to contribute at least EUR 2 million to the implementation of the measure.

Expected results: 948 individuals are expected to benefit directly from investment into social services infrastructure; institutions benefiting from investment should offer 537 places for beneficiaries of social services; investment should reach 26 objects of social services infrastructure.

Implementation progress of the measure: by the end of May 2017, decisions were taken on funding of 42 projects, with a total of EUR 10.8 million of EU funding and EUR 0.43 million of the State budget funding. The said projects include 26 projects targeting the elderly and / or the disabled, 11 projects targeting people exposed

to social risk, and 5 projects targeting all mentioned target groups. The measure provides the funding for the following purposes: 1) modernisation and development of infrastructure of social care homes for elderly people in community; 2) development of non-stationary and community-based social services infrastructure (e. g. independent or group residential homes, hostels, day care centres, psychosocial help or social rehabilitation institutions) for vulnerable groups and families not covered by the process of reorganisation of social care home for people with mental and / or intellectual disabilities and children without parental care. Besides, the list of activities supported under the measure includes also establishment of institutions which would provide innovative social services.

Measure No. 08.1.2-CPVA-R-408 "Development of the Social Housing Fund"

Purpose of the measure: increased fund of the municipal social housing, in order to improve access to housing for individuals and families eligible to lease of social housing.

Budget of the measure: EUR 49.9 million of the EU funding is allocated for implementation of the measure (funding by the European Regional Development Fund), while local municipalities are required to contribute at least EUR 8.8 million to the implementation of the measure.

Expected results: 1,668 units of social housing should be purchased, reconstructed, or built during implementation of the measure (including 170 housing units to be adjusted to the disabled).

Implementation progress of the measure: in 2016, the funding was allocated for projects of 57 municipalities (total allocated funding of EUR 40.8 million of EU funding).

Measure No. 08.3.1-ESFA-V-411 "Social Integration of People Addicted to Psychoactive Substances"

Purpose of the measure: support to people with addiction to psychoactive substances in integration into the labour market in order to prevent their social exclusion.

Budget of the measure: ESF funding of 8.7 million.

Expected results: 1,600 people with addiction to psychoactive substances are expected to benefit from services of psychological and social rehabilitation. 40% of the clients are expected to start looking for employment or training, including self-employment.

Implementation progress of the measure: the measure includes one project "Social Integration of People Addicted to Psychoactive Substances" running from January 2016 to December 2020. The project is implemented by the Drug, Tobacco and Alcohol Control Department together with 13 partners, i.e. bodies offering services of psychological and social rehabilitation. The project includes psychological and social rehabilitation of people with addiction to psychoactive substances and takes the form of short term social care services. 517 persons with addiction to psychoactive substances got involved in the project activities since the launch of the project until the end of Q1 2017, including 19.54% of clients who have started looking for employment or training upon completion of the activities, with EUR 2.2 million funding of ESF used in the process.

Measure No. 08.3.1 –ESFA-V-412 "Social Integration of Roma"

Purpose of the measure: services of integration of Roma into the labour market in order to prevent their social exclusion.

Budget of the measure: ESF funding of EUR 868,000.

Expected results: 300 people are expected to benefit from services of social rehabilitation, i.e. to get involved in the project activities, including 40% of the clients are expected to start looking for employment or training, including self-employment.

Implementation progress of the measure: the measure includes one project "Work together with Roma – new opportunities and challenges at work". The project is implemented by the Roma Public Centre, public organisation, together with 5 partners, including Lithuanian Roma society "*Čigonų laužas*", division of Šalčininkai district of Lithuanian Roma society "*Čigonų laužas*", Lithuanian Roma Community, Roma Integration Home, and the Roma Integration Centre. The project will last for 4 years (July 2016 to July 2020) and will involve largest Roma communities based in Vilnius city and districts of Vilnius, Jonava, Panevėžys, Šalčininkai, Šiauliai and Varėna. 205 persons were involved in the project activities from Q3 2016 to Q2 2017. Activities funded under the project include individual and group motivation of Roma people, assessment of person's needs, development, maintenance and restoration of their social and working skills, sociocultural services, professional guidance, information, consulting, assessment, restoration of professional skills or development of new ones, development of general skills (e. g. digital literacy, languages, entrepreneurship), vocational training, development of practical working skills at work, intermediation and other help in finding employment and during employment.

Measure No. 08.3.1-ESFA-K-413 "Integration of Socially-excluded Persons into the Labour Market"

Purpose of the measure: services of social integration in order to facilitate integration of people suffering from social exclusion into the labour market and society.

Budget of the measure: EUR 31.3 million, including ESF funding of EUR 24.9 million.

Expected results: the funds of the measure are expected to benefit 12,100 people suffering from social exclusion.

Implementation progress of the measure: under this measure, the following services for persons suffering from social exclusion are financed: individual or group motivation, assessment of person's needs, development, maintenance and restoration of social and working skills; professional guidance, information, consulting; development of general skills (e. g. digital literacy, languages, entrepreneurship); vocational training; development of practical working skills at work, intermediation and other help in finding employment and during employment; and enhancement of capacities of staff implementing the project. The projects will be implemented by non-governmental organisations with the help of public legal entities. A call for applications under the measure should be published in July 2017.

Measure No. 08.3.2-ESFA-K-415 "54+"

Purpose of the measure: development of favourable environment for the elderly to get involved in voluntary activities and stay active in the labour market longer.

Budget of the measure: ESF funding of EUR 6 million.

Expected results: 8,000 persons over 54 years are expected to take part in the ESF activities intended for active aging, including 4,000 people to take part in training of basic skills.

Implementation progress of the measure: the following activities benefit from support of the measure: carrying out of voluntary activities, development of general skills, motivation, individual work, assessment of their needs and opportunities, information, consulting, psychological help, organisation of educational activities and dissemination of information in order to promote potential of older persons, motivation with the task to involve them in social life, shaping of positive opinion of society and employers about older persons. A call for applications under the measure should be published in June 2017.

Measure No. 08.4.1-ESFA-V-405 "Reorganisation of Institutionalised Care"

Purpose of the measure: development of environment for efficient and sustainable transition from institutionalised care to the system of family- and community-based services.

Budget of the measure: for implementation of the measure in stage 1 was allocated EU funding of EUR 6.5 million.

Expected results: 2,000 families are expected to benefit from social services during the implementation of the measure; 2,700 persons will be subject to personalised plans on transition from institutionalised care to family- and community-based services; and 5,000 staff of social services will attend activities on skills improvement.

Implementation progress of the measure: the measure includes one project "Development of environment for smooth transition from institutionalised care to the system of family – and community-based services in Lithuania", with respective agreement signed on 3 November 2015. The project is implemented by the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour together with the partner, the Department for the Affairs of Disabled under the Ministry of Social Security and Labour. In stage 1, methodologies of establishment of individual needs of persons of target groups residing in foster care institutions, guidelines on personalised plans, methodologies on motivation and assessment of skills of staff were developed, professionals on training and consulting of guardians and foster parent were trained on dealing with relatives planning to take care of their close ones, along with a number of trainings intended for staff engaged in the field of reorganisation, as well as leaders of regions, municipalities and local communities, etc. In the course of the project, 61 staff of the social service system attended skills improvement activities from Q4 2015 to Q2 2017 (project agreements refer to 4,000 persons).

Measure No. 08.4.1-ESFA-V-416 "Integrated Services for the Family"

Purpose of the measure: development of environment for families to benefit from integrated services, ensuring access to the services closer to place of residence in order to empower families to deal with difficulties and crisis, and to help the families to balance their family and employment duties.

Budget of the measure: EUR 21.16 million, including EU funding of EUR 19.16 million.

Expected results: 15,000 families are expected to benefit from social services throughout the period of the measure.

Implementation progress of the measure: in the period of Q3 2016 to Q2 2017, 41 projects were included in the lists of State projects (EUR 14 million), including 17 projects covered by the funding decisions (at EUR 4.3 million), with agreements signed and project activities underway. 400 persons (families) already benefit from services for the families. Projects offer funding for activities such as organisation and coordination of services for families; offering of services for families, including training on positive parenting, psychosocial assistance, development of family skills and sociocultural services, mediation services and child care services. Projects under the measure are implemented by municipal administrations (a total of 60) together with their partners in the form of non-governmental organisations (hereinafter – "NGO"). NGO are required to provide at least 75% of the total services included in the projects. The duty of municipal administrations is to ensure that coordination, information and consulting on integrated family services takes place on one-stop-shop basis at community family centres. Targets of project implementation include integrated family services provided to 15,000 persons, development of integrated family services on municipality level, and improved access and quality of the services. The projects are expected to last up to 48 months.

Measure No. 08.4.1-ESFA-V-418 "Integral Support at Home"

Purpose of the measure: development and expansion of qualitative integral support (including social care and nursing) at home to the disabled children, the disabled of working age, the elderly people and consulting services (on caring and nursing at home) to family members looking after children with disabilities, persons of working age with disabilities or elderly people.

Budget of the measure: EU funding of EUR 16.35 million.

Expected results: 2,000 families are expected to benefit from the social services during the period of the measure.

Implementation progress of the measure: the measure provides for implementation of 61 projects across 59 municipalities. 2,250 persons are expected to benefit from services of integrated support (including social care and nursing) when implementing the projects under the measure. The projects include consulting services (on caring and nursing of the disabled at home) to family members taking care of children with disability, disabled of working age or elderly persons; training for staff, volunteers and community members are involved in the project activities, besides events for improved access and quality of integral support at home are organised. The project duration is up to 45 months. 1,370 persons now benefit from integral support services.

Measure No. 08.4.1-ESFA-V-421 "Improvement of the System of Social Services"

Purpose of the measure: improvement of quality of social services through implementation of social services quality management (EQUASS) system at the social care institutions. The measure provides for implementation of *Assurance*, social services quality management (EQUASS) system at the institutions of social services.

Budget of the measure: ESF funding of EUR 1.5 million.

Expected results: 120 institutions are expected to get involved in the EQUASS implementation process over the next 5 years during project implementation, and shall improve quality of their services, qualification of their staff and will be given an opportunity to acquire EQUASS quality system certificate for a period of 3 years.

Implementation progress of the measure: the measure provides funding for a project implemented by Valakupiai Rehabilitation Centre, public institution, since March 2017. The project is designed for public and municipal institutions, budgetary institutions and non-governmental organisations providing social services in Lithuania. Valakupiai Rehabilitation Centre, public institution, seeks to improve social services throughout Lithuania and is implementing the project in 2 stages: preliminary (including selection and training of institutions, consultants, auditors, coordinators, dissemination of information, etc.) and implementation of quality assurance system (including assessment of quality of services provided, improvement of quality, consulting, performance of auditing, impact assessment, etc.).

Measure No. 08.5.1-ESFA-V-406 "Support for the Disabled at Social Enterprises"

Purpose of the measure: encouragement of social enterprises to increase employment of the disabled, unable to compete in the labour market on equal terms, preserve their jobs, support newly employed disabled, improve their social integration and combat social exclusion, as well as to help the disabled to perform their job functions with a help of assistance.

Budget of the measure: ESF funding of EUR 35.33 million.

Expected results: 14,251 staff of social enterprises is expected to benefit from the ESF subsidies.

Implementation progress of the measure: the measure provides funding for support of employment of the disabled in social enterprises through subsidised part of remuneration and state social insurance contributions, employment of an assistant (sign interpreter), and subsidised costs related to any aid necessary for the disabled to conduct his / her job functions. The measure supports 2 projects in the period of 2014 to 2017, with over 7,400 disabled involved and 76% of these successfully retaining their jobs.

Measure No. 08.5.1-ESFA-V-423 "Promotion of Social Responsibility and Social Dialogue"

Purpose of the measure: development and improvement of social dialogue, through development of social partnership skills of social partners (i. e. employers and trade unions), improvement of quality of resolution of individual and collective labour disputes, information and education of the society on the matters of employment regulations, promoting implementation of the principles of equality of men and women and non-discrimination, and seeking to develop a functioning system of social responsibility to encourage enterprises to respect principles of social responsibility in their activities.

Budget of the measure: ESF funding of EUR 3.8 million.

Expected results: training funded by the ESF is expected to involve 4,100 persons and 50 enterprises are expected to compile and publish their reports on social responsibility.

Implementation progress of the measure: 2 projects funded by the measure are expected to involve approximately 7,000 participants. In Q1 2017, the decision was taken to allocate the funding for the project "Cooperation Model of Trade Unions and Employers in Development of Social Dialogue" run by the State Labour Inspectorate under the Ministry of Social Security and Labour.

9.2. OTHER EU SUPPORT

9.2.1. PROGRAMME OF ASYLUM, MIGRATION, AND INTEGRATION FUND 2014–2020

The purpose of the Asylum, Migration and Integration Fund (hereinafter –"AMIF") is to contribute to efficient control of migration flows within the EU which is a part of an area of freedom, security, and justice, respecting a common policy on asylum, subsidiary protection, temporary protection and the common migration policy.

For the period of 2014–2020, the European Commission has allocated EUR 8.1 million for the implementation of the AMIF programme in Lithuania. Lithuania is required to contribute 25% in terms of national funding (i.e. EUR 2.7 million). In 2015–2016, the European Commission has additionally allocated EUR 6.76 million for transfer of foreigners from Greece, Italy and for resettlement and legal admission from Turkey to Lithuania.

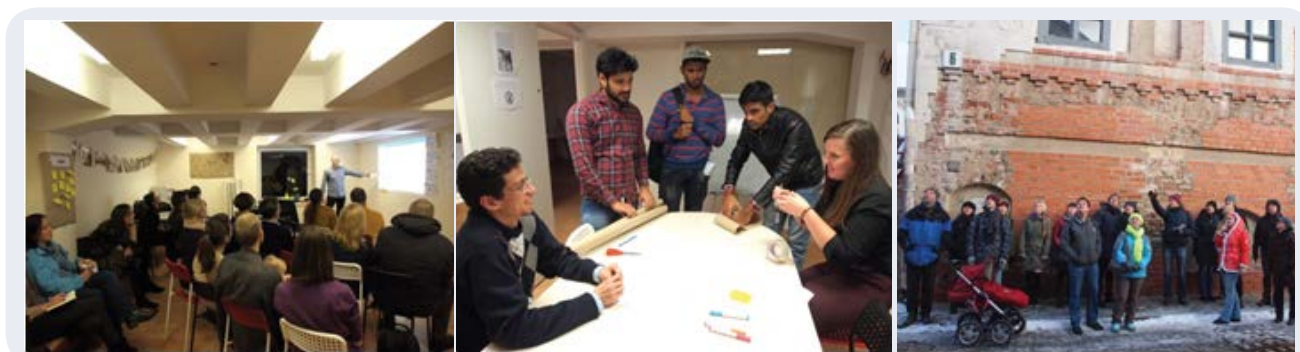
In the period of 2014–2020, the AMIF funding in Lithuania was allocated to the following areas:

- Improvement of the Common EU Asylum System;
- Integration of third-country nationals and support of legal migration;
- Arrangement of return procedures of third-country nationals;
- Arrangement of transfer and integration of third-country nationals.

AMIF funding is used for projects where the target group is third-country nationals or stateless persons who have applied for asylum in Lithuania, foreigners granted asylum, third country nationals legally residing in Lithuania (holding residence permits), third-country nationals who have chosen to make use of voluntary return to their country of origin, or those who are the subject to enforced return measures.

In the AMIF projects implemented in the period of 2015 to Q1 2017, 3,231 third-country nationals participated. 3 foreigner integration centres were established in Vilnius, Kaunas and Klaipėda in 2016, offering a range of services for the target group along with training and other support. In the second half of Q4 of 2016 a strategic document on policy of integration of foreigners granted asylum was drafted. In 2016–2017, conditions of reception of asylum seekers were monitored, forced and voluntary return of third-country nationals was organized and transfer of foreigners to Lithuania was carried out (231 third-country nationals were relocated to Lithuania from Greece and Italy, and 25 third-country nationals were resettled from Turkey).

Community Integration Centre in Vilnius, a project implemented by Caritas of Vilnius Archdiocese



Caritas of Vilnius Archdiocese

Fig. 9.2.1-1

GENERAL INFORMATION ON THE IMPLEMENTATION PROGRESS OF AMIF PROGRAMME 2014–2020 1 MAY 2017

Stages for implementation of AMIF actions and special cases	EU funding	EU funding (special cases)
Total DPFC	46	4
Total funding allocated	EUR 8.1 million	EUR 6.76 million
	DPFC approved	
Number of DPFC approved	21	4
Total DPFC funding approved	EUR 4.04 million	EUR 4.38 million
Percentage of total funding allocated	50%	93%
	Grant agreements signed	
Number of grant agreements signed	19	4
Total value of grant agreements signed	EUR 3.42 million	EUR 4.38 million
Percentage of total funding	42.2%	92.80%
	EU funding paid out	
Total EU funding paid out	EUR 1.39 million	EUR 0.95 million
Percentage of total funding	17.13%	20.13%

Data of the Ministry of Social Security and Labour

Table 9.2.1-2

Further details on the AMIF funding in Lithuania are available at: <http://esf.socmin.lt/index.php?-41964918>

9.2.2. FUND FOR EUROPEAN AID TO THE MOST DEPRIVED

In the period of 2014–2020, the purpose of the Fund for European Aid to the Most Deprived (hereinafter – "the Fund") is to offer non-financial aid to the most deprived in the form of most necessary foodstuffs, items of personal hygiene, etc.

Financial assistance of EUR 90.8 million, including EUR 77.2 million EU funds, was allocated for the Fund's programming period of 2014–2020. The average annual amount of financial assistance for foodstuffs is EUR 12.5 million, including 15 per cent co-funding.

The Fund supports acquisition of food and hygienic products. Since 2018, most deprived residents in Lithuania should be provided with items of personal hygiene, such as soap, shampoo, detergents, etc.

Aid of the Fund in Lithuania is available to those whose average monthly income does not exceed 1.5 of the State Supported Income approved by the Government of the Republic of Lithuania per month (hereinafter – "SSI"). Given objective reasons, the support can be granted in the manner provided by the municipal administration also in other cases (such as personal disability, loss of a family provider, family with many children, etc.), when income of persons staying in the same household exceed 1.5 SSI, but is less than 2 SSI per family member (or an individual living on his / her own) per month. When total monthly income of people residing in the same household exceeds 1.5 SSI per member, but is less than 2 SSI per family member (or an individual living on his / her own), support is also available on personal request to seekers of asylum transferred to the territory of the Republic of Lithuania, as well as those granted asylum in the Republic of Lithuania.

In the period of 2014–2015, 2 projects financed by ESF were completed.

In 2016, the project "Food Support III" was completed (with value of products purchased at EUR 9.5 million). In 2016, the aid of the Fund in the form of food packages reached almost 220,000 individual aid beneficiaries across Lithuania. In 2016, the following basic products were offered on distribution: oil, pasta, peas, sugar, preserved kidney beans, meat preserves, biscuits, quick-cooking oat and wheat porridge, buckwheat, rice, corn flakes, barley groats, a range of cereal groats, and sweetened condensed milk. A total of 5,422 tons of foodstuffs was distributed.

The European Social Fund Agency, as project promoter, has launched the project "Food Support IV" in 2017 (with value of products purchased at EUR 7.9 million by the end of January 2017). In course of the project, the following products were offered on distribution: flour, sugar, pasta, buckwheat, rice, meat preserves, chicken preserves, fish preserves, preserved kidney beans, preserved peas, sweetened condensed milk, corn flakes, oat biscuits, oat porridge, oil, preserved soup, and three cereal groats. Estimated number of individual aid beneficiaries in 2017 is up to 250,000.

Further details on the funding of the Fund in Lithuania are available at: <http://www.socmin.lt/lt/es-parama/europos-pagalbos-fondas.html> or www.priimk.lt.



Data of the Ministry of Social Security and Labour

Fig. 9.2.2-1

10 | International cooperation

10.1. ACTIVITIES RELATED TO THE MEMBERSHIP IN THE EUROPEAN UNION

As the European economy is gradually recovering following the economic crisis, the European institutions are increasingly focusing on the social consequences of the economic crisis and its impact on the employment in the European Union (hereinafter – the EU) Member States. The pursuit of a more inclusive and fairer Union is one of the key priorities of this European Commission (hereinafter – the Commission). The 2016 Annual Growth Survey, in which the Commission summarises the economic and social situation in Europe and sets out the priorities that EU Member States need to focus on, highlights the following labour market and social issues: supporting employment, creating quality jobs, developing effective education and training systems, improving the adequacy and coverage of income support schemes to avoid social exclusion. The report shows positive employment trends, as the recovery of the economy is expected to help achieve the 75% employment rate target in the 20-64 age group, set by Europe 2020 strategy, since the employment rate in 2016 was 71.1 %. However, the risk of poverty or social exclusion in the EU remains the same as in 2008 and in 2015 amounted to 23.7% of the total population, while income inequality settled down at a historically high level. After assessing these and other challenges facing EU Member States, the Commission calls for more efforts to implement the three elements of the triangle of economic policy values: promoting investments, implementing structural reforms and ensuring responsible fiscal policies.

In its 2017 country report for Lithuania, the Commission states that the labour market situation in Lithuania continues to improve, while pay and minimum monthly wages are rising rapidly. However, it is emphasised that improved economic and employment indicators have not helped reduce poverty in the country, while income inequalities have risen sharply. It is noted that the level of poverty or social exclusion in Lithuania increased from 27.3% to 29.3% in 2015. Another highlight is the decreasing number of working-age population in the country. These social and labour market challenges are reflected in the Country specific Recommendations made by the Commission. The 2016 Country Specific Recommendations for Lithuanian social and employment issues emphasise the need to implement reforms that promote competitiveness, create new jobs and improve the quality of work, increase social justice, convergence and resilience based on effective social dialogue. In the 2017 Country Specific Recommendations, the Commission calls on Lithuania to apply effective active labour market policy measures and to increase the adequacy of the social safety net. It also highlights the need to address the medium term fiscal sustainability challenge related to pensions, apply effective active labour market policy measures, promote adult learning and address skills shortages. Lithuania assesses the Commission proposals, provides its insights in the Annual Growth Survey, summarises the most important ongoing and planned structural reforms of social and employment policies and presents all of them in the National Reform Programme.

10.1.1. MAJOR EVENTS IN EUROPEAN POLICY IN 2016-2017

The high social exclusion in the EU that was highlighted in the recent years revealed a close link between economic, employment and social policies and the need for a better coordination of these areas. For this reason, the Commission political agenda has strengthened the employment and social dimension. A number of new Commission initiatives came out in 2016-2017, such as the European Pillar of Social Rights, seeking to address gaps in legislation, establishing common principles and benchmarks for improved convergence of employment and social policies in the euro area countries, and the EU Solidarity Corps initiative, which aims to increase youth employment. During the Slovak, Maltese and Estonian Presidency of the Council of the EU, much attention was devoted to creating a more stable and growing economy in Europe and strengthening the Union's role. The discussions on the future of the EU intensified after the United Kingdom's historic referendum held on 23rd June 2016, in which 52% of the country's population voted for its withdrawal from the EU.

10.1.1.1. EUROPEAN PILLAR OF SOCIAL RIGHTS

"We have to step up the work for a fair and truly pan-European labour market. As part of these efforts, I will want to develop a European Pillar of Social Rights, which takes account of the changing realities of Europe's societies and the world of work and which can serve as a compass for the renewed convergence within the euro area. The European Pillar of Social Rights should complement what we have already jointly achieved when it comes to the protection of workers in the EU. I believe we do well to start with this initiative within the euro area, while allowing other EU Member States to join in if they want to do so".

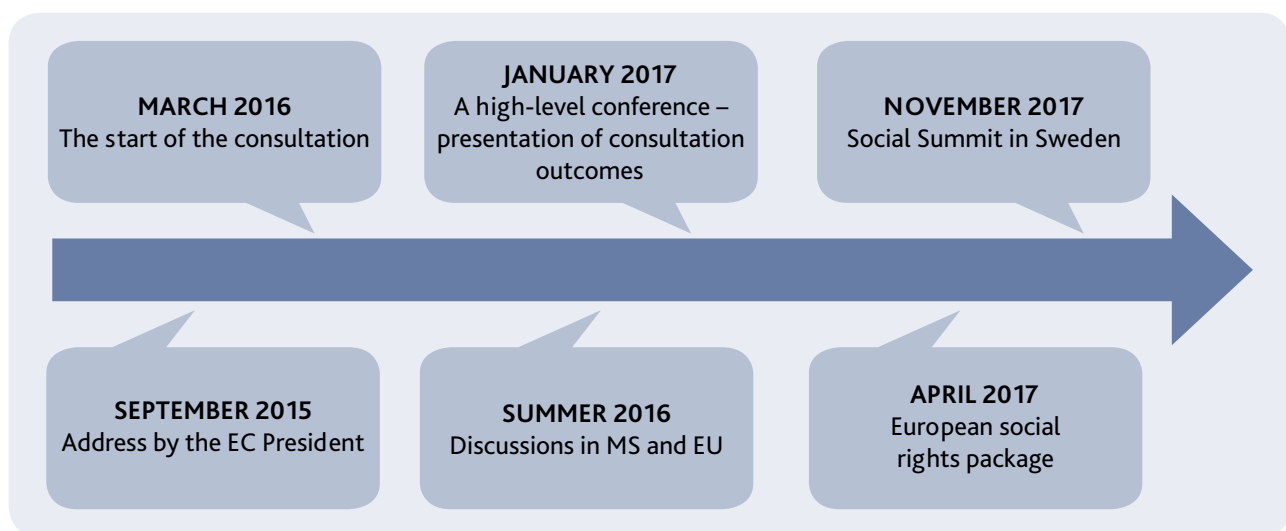
Jean-Claude Juncker, President of the Commission, a statement on the situation of the Union
European Parliament, 9th September 2015

The European Commission President Jean-Claude Juncker first introduced the idea of the European Pillar of Social Rights in his speech on 9th September 2015 about the situation of the Union, which calls to take into account the current and nearest future realities of employment and social policy. Despite the recently improved economic and social conditions throughout Europe, the consequences of the crisis of the last decade still remain and are felt in many areas from long-term and youth unemployment to the threat of poverty in many parts of Europe; therefore, the European Pillar of Social Rights aims to tackle these problems that have emerged in Europe, namely unemployment, poverty and a high level of social exclusion, and to help address the issues related to the changing nature of work, demographic changes and the economic challenges facing the euro area. Creating a more inclusive and fairer Union is one of the key priorities of this Commission, which is why the European Pillar of Social Rights initiative is aimed at raising the awareness of employment and social aspects and contributing to better adjusting the European social model to the challenges of the 21st century. This initiative is intended for the Member States of the euro area but all other Member States can contribute to it voluntarily.

On 8th March 2016, the Commission presented the first outline for the European Pillar of Social Rights, setting out 20 principles and rights that should become a reference framework for employment and social policy at the national and the European levels. The principles can be divided into three main groups: equal opportunities and access to employment, fair working conditions and social protection and inclusion. Based on these principles, wide-scale public consultations in all EU Member States, including Lithuania, were held before the end of the year. The consultations were attended by specialists from institutions, social partners, the academia and members of the public of all the Member States.

Having assessed the results of almost a year of public consultations, on 26th April 2017 the EC published an updated package of the European Pillar of Social Rights, which includes the aforementioned principles and rights

as well as various legislative and non-legislative initiatives related to work-life balance, information of employees, access to social protection, and working time, and sets out the social scoreboard designed to monitor the trends and outcomes of each Member State. The focus is on ensuring the implementation of already established rights, evaluating how they are implemented, adapting to current realities. The mandates of the Union set out in the treaties are not extended, meaning that the implementation of the Pillar of Social Rights will be within the limits of these mandates and will not affect the right of the Member States to define the basic principles of their social security systems and should not influence their financial equilibrium. The European Pillar of Social Rights sets out specific principles and rights that will be further developed at the EU and the national levels. Member States are themselves responsible for implementing these principles and rights. Thus, national funding must form the largest share, which is why the existing instruments will continue to be applied at the EU level, such as the European Social Fund, the European Structural and Investment Funds, the Youth Employment Initiative, the European Globalisation Fund, the Fund for European Aid to the Most Deprived, the Programme for Employment and Social Innovation.



The development of the European Pillar of Social Rights

Fig. 10.1.1.1.-1

10.1.1.2. THE SOCIAL DIMENSION OF THE FUTURE OF THE EUROPEAN UNION

On 26th April 2017, in response to the White Paper on the Future of Europe published in March, the Commission issued a reflection paper on the social dimension of Europe, which introduces three European scenarios and, at the same time, invites the Member States to debate the role of the EU in the social policy. The reflection paper states that the European social policy is changing very rapidly and in the future, all EU-27 Member States will face the same challenges and opportunities. It is estimated that in 2030, Europeans will be the world's oldest people in terms of the median age of the population and there will only be two people of working age for each person of retirement age (cf.: in 2008, there were four people of working age for each person of retirement age). There is a significant need in Europe to adapt to newly emerging forms of work as the number of part-time employees is increasing, people are changing jobs more often, older employees are staying in the labour market much longer, new forms of work, for which educational systems do not yet have programmes, are emerging. There is also a need for proper modernisation of social protection and lifelong learning systems. All of this prompts the search for solutions at the European level. Hence, in response to these realities, the Commission presented three scenarios for Europe on how the EU social policy could be pursued in the future:

1. Limit the social dimension to free movement. It would only mean keeping rules to promote cross-border movements of people. However, there would no longer be EU minimum standards on the protection of workers and their health, safety and working and rest time. Social dialogue at the EU level would only take place in those sectors and on those issues that are related to the single market, while the exchange of best practices would no longer be supported by the EU.
2. Those who want to do more could do more in the social field. It would be possible to use the enhanced cooperation instrument already provided for in the Treaty, under which a group of at least nine countries (only if the EU-27 Member States agree to it) could adopt legal acts that bind only the countries that take part.
3. The EU-27 could deepen the social dimension together. Legislation would not only set the minimum standards but also, in some areas, would fully harmonise the rights of all citizens of the Union, introducing binding benchmarks for key parameters and developing new and more frequent European initiatives.

Sweden will host a social summit on 17th November 2017. It will be another opportunity to intensify the actions, taking into account the wider debate on the European social dimension.

10.1.1.3. EUROPEAN COMMISSION INITIATIVES RELATING TO YOUTH POLICY

In recent years, the Commission has focused on new youth initiatives. One of them – the new European Solidarity Corps initiative, announced by the Commission at the end of 2016, which aims to strengthen the cohesion, foster solidarity in the European society and see the first 100,000 young Europeans join the European Solidarity Corps by 2020. This initiative will enable young people between the ages of 18 and 30 to take part in various forms of solidarity: volunteering or working in their own country or abroad, thereby helping implement projects that benefit European communities and citizens. It is foreseen that the activities of the European Solidarity Corps may relate to services of general interest and include education, youth activities, health protection, social integration and integration into the labour market, support by supplying food and non-food products, housing construction, renovation and management, admission of migrants and refugees, post-conflict reconciliation or environmental protection.

The activities of the European Solidarity Corps fall within two closely related areas: volunteering and professional activities. Volunteering projects will strengthen and expand the existing European Voluntary Service programme funded by the Erasmus + programme. On the legal basis of the relevant programmes, the European Solidarity Corps will support young people who will volunteer in their own country or abroad for 2 to 12 months. Young people will be given the opportunity of work, educational or industrial practice in various sectors in their occupational field through solidarity activities in their own or another country. Work on occupational projects can last between 2 and 12 months and be performed full-time or part-time. The European Solidarity Corps will be set up gradually, in close cooperation with all stakeholders. In the first phase, young people wishing to join the European Solidarity Corps will be able to do so by registering on the European Youth Portal. In the second phase, taking account of input from stakeholders, a consolidation process and robust rollout of the European Solidarity Corps until 2020 will take place.

10.1.1.4. THE PRESIDENCY OF THE COUCL OF THE EU

In recent years, the Member States presiding over the EU Council have been aiming for a more stable and growing economy in Europe and the strengthening of Europe's role. In particular, the agenda of the Slovak Presidency has been expanded after the first-ever withdrawal from the EU initiated by the United Kingdom under Article 50

of the Lisbon Treaty. During the Slovak Presidency of the EU Council, EU Member States were called upon to create a united, coherent and resilient Union and seek to restore citizens' confidence in the EU project. During its presidency, Slovakia was determined to adhere to the slogan of "Less Talk, More Specific Actions", leading to four key priorities being set: achieving an economically stronger Europe, modernising the single market, adopting sustainable migration and asylum policies and a creating a globally engaged Europe. Presiding over employment and social affairs, Slovakia focused on the negotiations on the proposals for a labour mobility package, including proposals for regulations for the coordination of the social safety net and the Posted Workers Directive. The Presidency also continued the negotiations on the proposal for an Accessibility Directive aimed at improving the functioning of the internal market and removing barriers to the free movement of certain goods and services. The implementation of the provisions of the Accessibility Directive would also ensure the proper implementation of the United Nations Convention on the Rights of Persons with Disabilities. In addition, Slovakia attempted to make progress in the negotiations on legislation to improve the protection of workers from carcinogens. One of the aims of the Slovak Presidency was to accelerate the resolution of the issue of Roma inclusion. In terms of the youth, much was discussed on the measures to support the promotion of youth employment.

During the Maltese Presidency to the Council of the EU which lasted from January of 2017 to the end of June, the agenda was based on the goal of restoring confidence in the EU and the need for a dialogue on the future of the EU. Inevitably, the Maltese agenda predominantly involved issues raised by the UK referendum on leaving the EU, as negotiations began on the withdrawal of the country from the EU and the possible future and possible relations between the UK and the EU. Issues of migration and refugee crisis, strengthening internal and external security, boosting economic growth, and reducing unemployment continued to be a priority. The Maltese Presidency emphasised the importance of the social agenda to advancing gender equality, minority rights and vulnerable groups. Top priorities in terms of employment were to promote initiatives for the inclusion of unemployed workers in the labour market, to advance in the areas of protection and labour mobility. Malta devoted much attention to the review of the Posted Workers Directive, the amendment of the Directive on the Protection of Workers from the Risks Related to Exposure to Carcinogens or Mutagens at Work, and discussions on the European Pillar of Social Rights initiative. The Maltese Presidency adopted the Council Conclusions on Making Work Pay Strategies to promote initiatives for the inclusion of unemployed workers in the labour market; it also began considering amendments to regulations concerning better coordination of social security systems in order to modernise and adapt these regulations to new challenges resulting due to the coordination of social safety and labour mobility systems (see Section 10.1.3 for more details).

In terms of the youth, Malta focused on the role of youth employment and the improvement of basic social skills that would help young people to rely on themselves and become equal and independent citizens, active members of a democratic society.

Representatives from Lithuania actively participated in the events organised by Malta. One of them was the informal meeting of EU ministers for employment and social affairs in Malta on the 3rd and 4th of April 2017. The main objective of the meeting was to discuss the Making Work Pay initiative. Linas Kukuraitis, Minister of Social Security and Labour, emphasised that the issue of poverty will not be solved only by increasing employment – there needs to be a systematic integrated approach with a special focus on the social safety net and the strengthening of the family and civil society.



The informal Council for Employment and Social Affairs in Malta. Heads of Delegations

Fig. 10.1.1.4.-1

From July to the end of 2017, the EU Council is presided by Estonia for the first time. Country's presidency motto "Unity Through Balance" continues to highlight the issue of EU's future. Estonia has set four priorities for the Presidency:

- An open and innovative European economy;
- A safe and secure Europe;
- A digital Europe and the free movement of data;
- An inclusive and sustainable Europe.

The Estonian Presidency will continue to pursue the goal of an inclusive and sustainable Europe by ensuring equal access to high-quality education, employment, services and skills development. The goal will be implemented by modernising the rules to promote labour mobility and the free movement of persons, ensure equal opportunities in the labour market and social inclusion.

A lot of attention will be devoted to changes in the society and the labour market to address the work-related challenges of ageing, digitalisation and new forms of work. Estonia intends to continue the considerations of the Anti-discrimination Directive and the Women on Boards Directive started by Malta.

In terms of the youth, Estonia supports the creation of the European Solidarity Corps proposed during the Maltese Presidency, emphasising the importance of successful project financing and completion of the occupational part.

Representatives of Lithuania participate in events organised by Estonia. One of them was the informal meeting of ministers for employment and social affairs in Tallinn on the 19th and 20th of July 2017. During the meeting the issues of the work-life balance, sharing the care burden between men and women and new forms of work were discussed.



The informal Council for Employment and Social Affairs in Tallinn, Estonia. Heads of Delegations

Fig. 10.1.1.4.-2

10.1.1.5. THE WITHDRAWAL OF THE UNITED KINGDOM FROM THE EUROPEAN UNION

The United Kingdom (hereinafter – the UK) referendum on the withdrawal from the EU took place on 23rd June 2016. In the historic referendum, 52% of the country's population voted for leaving the EU, which has led the United Kingdom to become the first country to leave the EU in its 60-year history.

British Prime Minister Theresa May signed an official letter on 29th March 2017, asking to begin the process of leaving the EU. In accordance with Article 50 of the Lisbon Treaty, when a Member State which decides to withdraw informs the European Council of this intention, a two-year term for setting out the arrangements for the withdrawal is granted. During this two-year period, the UK must continue to comply with EU treaties and other legislation but is no longer involved in the decision-making process. During this transitional period, the UK negotiates with the EU the conditions for the withdrawal and the principles of new cooperation, in particular in economy. Following the successful conclusion of the negotiations, the decision to conclude an agreement on the withdrawal will have to be endorsed by 72% of the members of the EU Council, which represent 65% of the EU population. The agreement will have to be endorsed by the European Parliament and the UK Parliament.

On 29th April 2017, the European Council confirmed the political guidelines for negotiating the UK's withdrawal from the EU. The European Council recommendations for the Council's decision authorising the Commission to open negotiations on the agreement with the UK on the procedure for its withdrawal from the EU were presented on 3rd May. These Commission's recommendations reflect the political guidelines for negotiations adopted by the European Council and define how to complete the first phase of the negotiations, in which the priority is given to the issues that must be addressed in order to ensure the smooth withdrawal of the UK from the EU, namely preserving the status and rights of the UK citizens and the rights of the UK citizens living in the EU, reaching an agreement on the principles of financial reporting, resolving border and administrative issues, creating legal protection for businesses. The first phase will be completed only when the European Council confirms that

sufficient progress has been made in the negotiations and approves transition to the next phase. Before launching the second phase, new negotiating directives will be provided, which will cover the main principles of future relations and agreements on the necessary transitional provisions.

The Ministry of Social Security and Labour of the Republic of Lithuania participates in the negotiation process, analyses the ongoing processes concerning the withdrawal of the UK from the EU and seeks to ensure the status and the rights of Lithuanian citizens in the issues that fall within the competence of the Ministry.

10.1.2. MISSOC ACTIVITIES

Representatives of the Ministry of Social Security and Labour participate in the EU's Mutual Information System on Social Protection (hereinafter – the MISSOC), which provides basic information on social protection in the EU Member States, Switzerland and the EEA countries.

The Slovak Presidency of the EU at the meeting of MISSOC representatives in Bratislava presented the works of the MISSOC Secretariat in 2016, the exchange of information, the use of information collected by the MISSOC, the priorities in the field of social security of the Slovak Presidency of the EU as well as the objectives in the field of social security of the subsequent Maltese Presidency. The issue of social protection for the self-employed was discussed. The debate on the reorganisation of maternity, paternity and family benefits tables that started in Amsterdam were continued. Reports were read on the role of international non-governmental organisations and social partners in the collective redress procedure in line with the provisions of the European Social Charter, on a new approach to social services for families and the reconciliation of work and family life in Slovakia, and on the pension schemes for workers who had worked difficult and dangerous jobs.

During the Maltese Presidency of the EU Council at the meeting of MISSOC in Floriane, it was discussed the reasons for the need for innovation and new starting points for a social Europe. Crises, economic fluctuations, rapid ageing, the changing world of work, the labour market and its environment, the differences in the euro area are the main challenges that lead to the search of new ways. A report on self-employed workers, workers in fixed-term contracts and part-time workers was presented. The general trends for 2007-2015 were presented as well as changes during these periods, differences between the countries and differences in social protection for such workers. The MISSOC Secretariat briefly reviewed the MISSOC activities. Brief statistics on communication, exchanges among MISSOC participants, monthly visitors (more than 2,500 visits were recorded in two months during the last half a year) were presented and the call for feedback from the visitors was expressed. An acknowledgement was made to the still popular Social Security Guide, which attracts more than 13,000 unique visits every month.

10.1.3. COORDINATION OF THE EUROPEAN UNION'S SOCIAL SECURITY SYSTEMS

As of 1st May 2010, migrants within the European Union are subject to the regulations on the coordination of social security systems in the European Union (hereinafter – the coordination regulations). At the moment, EU Member States are subject to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 and Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009.

In order to update and modernise the coordination regulations, the European Commission prepared and in December 2016 submitted to the Member States a proposal for a Regulation amending Regulation (EC) No 883/2004 of the European Parliament and of the Council on the coordination of social security systems and its

implementing Regulation (EC) No 987/2009. The proposal aims to extend the modernisation of the coordination regulations in order to facilitate the free movement of persons, ensuring legal certainty, fair division of the financial burden among the Member States, as well as to reduce the administrative burden and facilitate the implementation of coordination rules in practice. The proposal updates such areas as unemployment benefits, long-term care benefits, family benefits, and the access for economically inactive people to social benefits. The provisions for determining the applicable legislation, recovery, extending the functions of the European Commission, etc. are also clarified. The discussions about the proposal began in the Council's Working Party on Social Questions in February 2017. The proposal will be considered by separate topics.

As the economic, political and social circumstances change, the coordination regulations are constantly updated and improved, and new legal documents, recommendations, guidelines for their implementation are adopted. The Administrative Commission for the Coordination of Social Security Systems (hereinafter – the Administrative Commission), which consists of one government representative from each Member State, addresses all administrative issues or questions relating to the interpretation of the provisions of these coordination regulations. Decision No. H8 of the Administrative Commission was adopted on 20th July 2016 concerning the methods of operation and the composition of the Technical Commission for Data Processing of the Administrative Commission for the Coordination of Social Security Systems. This Decision updated the existing operation methods of the Technical Commission to improve their efficiency and to make procedural changes related to the entry into force of the Treaty of Lisbon. This Decision replaces Decision No. H2 of 12th June 2009.

The Ministry of Social Security and Labour updated the electronic leaflet on family benefits in 2016. The leaflet provides relevant information for citizens migrating within the EU on the peculiarities of paying family benefits when family members work and/or live in different EU countries, information on the current conditions for receiving family benefits in Lithuania and examples of the most frequent real-life situations (available only in Lithuanian: <http://www.socmin.lt/lt/tarptautinis-bendradarbiavimas-ir-es/aktualus-leidiniai-migruojantiems.html>).

Electronic data exchange

In 2016-2017, the Administrative Commission and the Technical Commission (is subordinated to the Administrative Commission, proposes common architecture rules for the operation of data-processing services, in particular on security and the use of standards, delivers reports and a reasoned opinion)) were particularly active. The coordination regulations contain provisions on the transition to electronic data exchange. There are also hopes that the correspondence among the competent institutions of the Member States will become faster and simpler and the applicants will be able to receive benefits faster. At present, the competent institutions of the Member States still use paper E forms applications in communicating with each other, which contain all the information necessary for the identification and validation of person's entitlement; however, following the end of the transitional period, all Member States will have to exchange information electronically. This will be done through the Electronic Exchange of Social Security Information system (hereinafter – the EESSI System), which will consist of the European and the national parts. Social security institutions of the Member States will connect to the EESSI System through access points. During the Administrative Commission meeting which was held in Brussels on 27-28 of June 2017, it was agreed that all components of the central EESSI System were designed, tested and fulfilled for their intended purpose. Therefore, it was confirmed that, from the 3 of July 2017 a two-year period in which Member States must set up a national part of the EESSI System and join the EESSI begins.. The EESSI System will involve all Member States of the European Union, the European Economic Area and Switzerland.

In January 2017, the Ministry of Social Security and Labour, together with the project partners – the State Social Insurance Fund Board, the Lithuanian Labour Exchange, the National Health Insurance Fund, launched a Project co-financed by the CEF Telecom funding instrument for the creation of the national part of the EESSI System No. 2016-LT-IA-0022. The Project is coordinated by the Ministry of Social Security and Labour. The project implementation period is from 15th January 2017 to 14th January 2019 (i.e. 24 months). The goal of the project is to create a national part of the EESSI System, as provided for in the coordination regulations.

Connecting to the EESSI System aims to bring benefits to the public. Applications will be processed more quickly, waiting for the approval of the social insurance periods acquired in other Member States and calculation and payment of benefits will be shortened. At the same time, positive changes will also affect the competent social security institutions, as the EESSI System will allow to provide information in a standardised manner and to verify and collect data more effectively. In addition, structured electronic documents will facilitate communication in different languages.

Statistical Data on the Implementation of the EU Social Security Coordination Regulations

The Foreign Benefits Office of the State Social Insurance Fund Board (hereinafter – the SSIFB) is a competent institution that awards pensions and determines the applicable legislation in accordance with the EU social security coordination regulations. Between 1st January 2016 and 31st December 2016, the Foreign Benefits Office of the SSIFB received 5,709 applications to award or extend state social insurance pensions on the basis of the provisions of the EU social security system coordination regulations. Of them, applications for:

- the old-age pension – 3,592;
- survivors' and orphans' pensions – 935;
- work incapacity (disability) pensions – 1,182.

2,348 applications were sent to other states of the EU and the EEA for pensions in accordance with the provisions of their regulations. Of them, applications for:

- the old-age pension – 1,329;
- survivors' and orphans' pensions – 336;
- work incapacity (disability) pensions – 683.

The number of Form LT 104 certificates issued concerning the aggregation of periods of insurance – 1,222.

During the aforementioned period, 29,909 applications were received for the A1 certificate on the applicable legislation. 30,823 certificates on the applicable legislation were issued.

In 2016, territorial labour exchange offices issued:

- documents on the unemployment insurance record (PD U1, SED U002) – 638. Most documents were sent to the following countries: United Kingdom - 251, Germany - 107, Ireland - 48, Norway - 42, the Netherlands - 28, Spain - 26, France - 24 and Sweden - 24;
- documents concerning family members and their income (SED U006) – 7. These documents were sent to Norway, Spain, Finland, Germany, Switzerland, Ireland;
- documents on the export of the unemployment insurance benefit (PD U2, SED U008) – 162.

In 2016, territorial labour exchange offices received:

- documents on the unemployment insurance record (PD U1, SED U002) – 1,779. The documents were received from the following countries: United Kingdom - 860, Ireland - 209, Germany - 159, Norway - 145, Spain - 52, Denmark - 48;
- documents on the export of the unemployment insurance benefit (PD U2, SED U008) – 423.

The SSIFB examined 24 applications for the reimbursement of unemployment social insurance benefits (SED U020) in 2016 in accordance with Article 65 of Regulation (EC) No 883/2004. Decisions were made to fully reimburse four people and partially reimburse the remaining 20 people. 11,277 euros were transferred to the foreign accounts indicated.

In 2016, Utena office of the SSIFB submitted claims to the other Member States to reimburse a total of EUR 124,894 for 295 people. Most reimbursement claims were submitted to the following countries: United Kingdom - 112, Germany - 35, Norway - 28, Sweden - 21. Other Member States reimbursed EUR 44,883 for the year 2016 based on the reimbursement claims submitted by Utena office of the SSIFB.

10.2. MEMBERSHIP IN OTHER INTERNATIONAL ORGANISATIONS

The Ministry of Social Security and Labour is actively involved in the activities of various international organisations of which Lithuania is a member, helping to solve the most important issues relating to social protection and labour in the global context. Representatives of the Ministry of Social Security and Labour participate in the activities of the International Labour Organisation, the Council of Europe, the United Nations and other organisations, governing bodies and various expert working groups. The Ministry of Social Security and Labour also contributes to the delegation of Lithuanian experts to the committees of international organisations. At present, the Ministry of Social Security and Labour is actively involved in the process of joining the Organisation for Economic Co-operation and Development. Lithuania's membership in this organisation is one of the most important priorities of our country.

10.2.1. MEMBERSHIP IN THE INTERNATIONAL LABOUR ORGANISATION

The Ministry of Social Security and Labour represents the interests of Lithuania in the activities of the International Labour Organisation (hereinafter – the ILO). It is the only tripartite United Nations agency in which representatives of governments, workers and employers participate with equal rights. The governmental delegation, consisting of representatives from the government and social partners, participates annually in the **International Labour Conference**, which adopts ILO conventions and recommendations, establishes international labour standards, approves the organisation's budget, holds the election of the Governing Body, discusses the most urgent issues in the world of work. The conference is attended by the tripartite delegations from all 187 ILO member states. Regional meetings are held every four years, discussing topics and challenges specific to the region. The 10th European Regional Meeting will take place in 2017.

The 105th Session of the International Labour Conference was held **from 30th May to 10th June 2016**, in which the participants discussed key issues in the world of work, including the provision of decent work in global supply chains, decent work for peace, security and disaster resilience, as well as the impact of the ILO Declaration on Social Justice for a Fair Globalisation. The conference was attended by Lithuanian delegation, approved by the Order of the Prime Minister of the Republic of Lithuania¹²². The participants of the conference adopted amendments to the Maritime Labour Convention and the Seafarers' Identity Documents Convention. The plenary session of the conference discussed the report of the Director-General of the ILO on the End to Poverty Initiative by implementing the agenda of the United Nations by 2030, in which Algimanta Pabedinskienė, then Minister of Social Security and Labour, also spoke.

¹²² Decree No. 79 of 9th May 2016 of the Prime Minister of the Republic of Lithuania "On the Establishment of a Delegation"

In 2014-2017 Lithuania was a deputy member of the ILO's **Governing Body** (in 2011-2014 Lithuania was a regular member of the ILO's Governing Body). The Governing Body adopts decisions on the ILO policy, considers the agenda of the ILO Conference, discusses the ILO budget and elects the Director-General.

The Ministry of Social Security and Labour represented Lithuania in the 328th session of the Governing Body that took place from 30th October to 10th November 2016. During the session, Guy Ryder, the Director-General of the ILO, was re-elected for a second five-year term. Among other issues, the session also discussed the development and expansion of social protection floors. Social security systems are essential for combating poverty, increasing household consumption, domestic demand and supporting profitable growth. This is reflected in the Social Protection Floors Recommendation (No. 202), the action plan adopted by the Governing Body and the 2030 Agenda for Sustainable Development of the United Nations. The Ministry of Social Security and Labour intends to initiate the ratification of the ILO Social Security (Minimum Standards) Convention (No. 102). The 329th Session of the Governing Body that took place on 13-24 March 2017 adopted an updated Tripartite Declaration on Principles Concerning Multinational Enterprises and Social Policy. This Declaration provides guidelines that define the roles and responsibilities of governments, multinational enterprises, workers' and employers' organisations in addressing the challenges of decent work and identifying integrated growth opportunities. The revised Declaration adopted by the ILO's Governing Body aims to tackle today's economic challenges, including increased international investment and trade, the growth of global supply chains. In addition, new international labour standards, the United Nations Guiding Principles on Business and Human Rights adopted in 2011 and the 2030 Agenda for Sustainable Development are taken into consideration. It should be noted that this ILO Declaration is the only international document related to Corporate Social Responsibility and Sustainable Business Practices that was developed and adopted based on the tripartite principle, i.e. involving governments, employers and workers from around the world.

Lithuania also participates in the **Standards Review Mechanism Tripartite Working Group**, representing the Eastern European group. The working group consists of 32 members, including 16 state representatives, 8 employers' representatives and 8 workers' representatives. This tripartite working group has a very important task: to ensure that the ILO has a clear and up-to-date international labour standards body in line with today's realities; therefore, it is tasked with reviewing all ILO labour standards (conventions and recommendations) adopted in 1985-2000 and presenting findings on their relevance and the need to update them or recognise as no longer relevant.

Implementing the 2012-2016 Programme of Government of the Republic of Lithuania¹²³, Lithuania ratified the ILO Work in Fishing Convention on 16th November 2016, which promotes decent work conditions for fishermen and fairer competition of fishing vessel owners. Classifying fishing as a hazardous profession compared to other professions, the Convention ensures minimum requirements for fishermen for work on board, working conditions, accommodation and food, occupational safety and health, medical care and social security. This Convention will enter into force on 16th November 2017 – 12 months after the ratification documents of ten Member States, of which eight are coastal, will be signed by the ILO Director-General. Lithuania became the 10th state to ratify this Convention.

In implementing the ILO Future of Work initiative, the Ministry of Social Security and Labour held an **international seminar "Future of work in the context of technological changes"** on 30th September 2016. The seminar was attended by representatives from various Lithuanian institutions, employers', workers' and youth organisations, academics from Vilnius University, the Institute for Social Policy and the Labour Market Research Institute, experts from Poland, Latvia and Estonia, representatives of the ILO and the Organisation for Economic Co-operation and Development. In the seminar, the participants discussed employment trends and the impact of technological changes on the labour market and labour relations, challenges faced by businesses and workers, the

¹²³ Item 359 of the 2012-2016 Programme of the Government of the Republic of Lithuania, Item 263 of the Priority Measures for the Implementation of the 2012-2016 Programme of the Government of the Republic of Lithuania.

role of international cooperation and the experience of neighbouring countries. The participants of the seminar agreed that the main trends that will affect the future of work are demographic changes, globalisation and the speed of technological change. It is necessary to understand that progress should not be afraid of but rather adapted to. In order have a better understanding of how the transformation of work takes place, what challenges await us and how it affects workers, businesses and authorities, we need to listen carefully to the insights and recommendations of international organisations and the academia. Only after identifying the key issues will we be able to develop an appropriate policy that addresses the challenges of the changing world of work. We need not only appropriate national policies and active cooperation with the social partners but also common regional policies and international cooperation, involvement of international institutions.



A moment from international seminar "Future of work in the context of technological changes"

Fig. 10.2.1.-1

10.2.2. MEMBERSHIP IN THE COUNCIL OF EUROPE

Representatives of the Ministry of Social Security and Labour participate in the European Social Cohesion Platform, the Governmental Committee of the European Social Charter and the European Code of Social Security and its Board, the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse Against Women, the Committee of Experts on the Council of Europe Strategy for the Rights of the Child, the meetings of the Commission for Gender Equality and its National Contact Points, the Committee of Experts on the Rights of Persons with Disabilities.

Algirdas Šešelgis, Deputy Minister for Social Security and Labour, met with the Council of Europe Commissioner for Human Rights Nils Muižnieks on 7th December 2016. The Deputy Minister presented key developments in the human rights areas overseen by the Ministry since the last Human Rights Commissioner Thomas Hammarberg's visit to Lithuania in 2009. The Commissioner was interested in the implementation of the 2014-2020 Action Plan on Transition from Institutional Care to the Family and the Community Based Services for People with Disabilities and Children without Parental Care, the activities of specialised help centres and other measures aimed at providing assistance to victims of domestic violence, and the situation regarding the prohibition of corporal punishment of children.

10.2.2.1. THE ACTIVITIES OF THE EUROPEAN SOCIAL COHESION PLATFORM

The first meeting of the European Social Cohesion Platform (hereinafter – the PECS) took place in June 2016 in Strasbourg. Much attention was given not only to the issues of cooperation within the Council of Europe and on the international level but also to the issue of how the PECS would operate under exceptional circumstances, as it was established for two years (2016-2017) and only through the persistent efforts of many Member States managed to keep social policy issues on the agenda of the Council of Europe. The objectives are very broad – to further develop the concept of social rights, to contribute to impact assessments in various sectors, taking into account the pursuit of social cohesion, including appropriate actions aimed at creating an integrated society and to promote specific actions contributing to social cohesion.

The PECS elected a representative of the Russian Federation as the Chair and a Bulgarian representative as the Vice-Chair for a one-year term. In pursuit of PECS's objectives, it was decided to establish three working groups: integration of the social cohesion policy in the activities of the Council of Europe; exchange of best practices and innovative approaches among the Member States and with other international organisations; assessment of new directions and challenges in certain areas. A Lithuanian representative participates in the first group.

After the Russian representative retired from the PECS, the position was taken over by the Vice-Chair. It should be noted that the activities of the temporary working groups are not very active; a breakthrough is likely when drawing up analysis of the Council of Europe regarding European legal system of the protection of social rights. The aim of the analysis is to identify best practises and to formulate proposals for improving implementation of social rights in Europe

10.2.2.2. THE ACTIVITIES OF THE GOVERNMENTAL COMMITTEE OF THE EUROPEAN SOCIAL CHARTER AND THE EUROPEAN CODE OF SOCIAL SECURITY

In 2016, the Republic of Lithuania prepared and submitted a report on the implementation of Articles 3, 11, 12, 13 and 14 of the European Social Charter. In 2015, it received the conclusions of the European Social Committee of the European Council on Lithuania's twelfth report, i.e. the implementation of the articles of the fourth group "Children, families, migrants" of the European Social Charter (the reporting period was 1st January 2010 - 31st December 2013). Lithuania received 23 positive, 7 negative and 1 postponed conclusion. Compared to the previous conclusions, the situation in Lithuania has improved.

The 133rd Session of the Governmental Committee of the European Social Charter and the European Code of Social Security (hereinafter – the GC) was held in Strasbourg (France) on 8-14 May 2016. During the discussion on the negative conclusions on Article 7 on the working hours of children during holidays, it was noted that a draft law had been drawn up, in which the working hours will be cut down to the required length. The session discussed the new European Social Charter website and the need to adjust committee rules.

The 134th session of the GC took place in Strasbourg from 25th September to 1st October 2016. Lithuania's latest report on children, families and migrants was successfully defended during it. Negative conclusions were received on the implementation of Article 16, i.e. failure to ensure equal treatment of the citizens of other countries, whereby the requirement to have lived in Lithuania for a certain amount of time to receive family benefits is too great, resulting in family benefits being paid only to permanent residents. The plans for the improvement and integration of Romani houses in Lithuania were presented in the session, aimed at consolidating the implementation of Article 31(1) of the Charter, i.e. creating better housing conditions for the Romani.

10.2.3. MEMBERSHIP IN THE UNITED NATIONS

Lithuania has joined the main United Nations (UN) human rights conventions. The Ministry of Social Security and Labour is directly responsible for the preparation of announcements, reports and information in accordance with **the following four UN Conventions on Human Rights**: the International Covenant on Economic, Social and Cultural Rights; the Convention on the Elimination of All Forms of Discrimination against Women; the Convention on the Rights of the Child and the Convention on the Rights of Persons with Disabilities. The Ministry of Social Security and Labour also contributes to the implementation of other UN documents, namely: the International Covenant on Civil and Political Rights; the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; the Convention on the Elimination of All Forms of Racial Discrimination.

The session of the Universal Periodic Review Working Group of the UN Human Rights Council that took place in November 2016 assessed how the human rights guaranteed by the UN legal acts are ensured and the recommendations received and adopted during the first cycle of the universal periodic review (2011) are implemented in the Republic of Lithuania. For this assessment, Lithuania submitted its second report on the human rights situation in Lithuania in 2012-2016. The report was prepared by an inter-institutional commission¹²⁴, which included a representative from the Ministry of Social Security and Labour. During the assessment in November 2016, Lithuania received 172 recommendations. A large part of these recommendations relate to the competence areas of the Ministry of Social Security and Labour – the rights of the child, the protection of people with disabilities, the prevention and combating of violence against women, non-discrimination, equal opportunities, the integration of refugees, and equality between women and men. It is worth pointing out that one of the most important recommendations is Lithuania's commitment to ratifying the Council of Europe Convention on the Preventing and Combating Violence against Women and Domestic Violence. Although the universal periodic review takes place every five years and Lithuania will only report on the implementation of the recommendations in 2021, in order to ensure systematic implementation of its commitments, it intends to regularly provide information on what measures the authorities intend to take to implement the recommendations in their area of competence and when. Consultations with non-governmental organisations are also important in this process.

The 61st session of the UN Commission on the Status of Women (hereinafter – the Session) took place on 13-24 March 2017 and was attended by the Lithuanian delegation headed by Vice Minister of Social Security and Labour Mrs Eglė Radišauskienė. The main topic of the session was the economic empowerment of women in a changing working environment. The Lithuanian representative also spoke on this issue in the general discussion. During the session, there was an interactive dialogue and expert discussion on the implementation of gender equality and the role of the UN in this context, also ministerial round table discussion. Lithuanian representatives participated in a side event on the role of women parliamentarians in the implementation of the agenda "Women, Peace and Security".

The 10th session of the Conference of States Parties to the Convention on the Rights of Persons with Disabilities (hereinafter – the Session) was held at the UN Headquarters in New York on 13-15 June 2017. In accordance with Article 40 of the UN Convention on the Rights of Persons with Disabilities (hereinafter – the Convention), the States Parties to the Convention regularly meet in a conference to discuss all issues related to the implementation of the Convention. The main topic of the 10th session of the conference was "The Second Decade of the Convention – Inclusion and full participation of persons with disabilities and their representative organisations in the implementation of the Convention". In the session, a round table was held on the reduction of multiple discrimination on persons with disabilities and promoting their participation and multi-stakeholder partnerships for achieving the Sustainable Development Goals, the inclusion and full participation of persons with disabilities in humanitarian action, and the promotion of inclusive urban development and implementation of the New Urban Agenda. Mrs Vilma Šilalienė, Vice Minister of Social Security and Labour, also spoke in the discussions.

¹²⁴ Order No. 1R-26 of 21st January 2016 of the Minister of Justice of the Republic of Lithuania

Lithuanian representative Professor Dalia Leinartė was re-elected as a member of the UN Committee on the Elimination of Discrimination against Women for the next term in 2017-2020. The Professor has been a member of the committee since 2013 and has served as vice-chair for the last 2 years. In the beginning of 2017, the professor was elected as the chair of the committee. This is a great acknowledgement of both the personal experience and efforts of Dalia Leinartė in the area of non-discrimination against women and Lithuania as a whole. This is the first time when a Lithuanian representative was appointed as such a high-level head of one of the UN institutions. The UN Committee on the Elimination of All Forms of Discrimination against Women is comprised of 23 independent experts from all over the world who monitor the implementation of the UN Convention on the Elimination of All Forms of Discrimination against Women and provide general recommendations to the states.

Professor Jonas Ruškus, elected as a member of the UN Committee on the Rights of Persons with Disabilities for the 2015-2018 term, will also seek to be re-elected for another term in the committee elections to be held in New York in 2018. In May 2017, the Ministry of Social Security and Labour, together with the Ministry of Foreign Affairs, organised a presentation of J. Ruškus to the representatives of foreign embassies residing in Lithuania, as part of a professor's nomination campaign. J. Ruškus is a professor at the Department of Social Work at Vytautas Magnus University and a doctor of social sciences. The member of the UN Committee on the Rights of Persons with Disabilities is a recognised expert in the field of disabilities, who is actively involved in national and international projects aimed at justifying the need to ensure the rights of disabled people and other vulnerable groups.

10.2.1. COOPERATION WITH THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The Organisation for Economic Co-operation and Development (hereinafter – the OECD) is an international organisation founded in 1961. The OECD headquarters is based in Paris. On 9th April 2015, the OECD Ministerial Council endorsed the OECD recommendation to grant Lithuania a candidate status. In order to bring Lithuania closer to the best practices, the OECD provides guidance on the development of national legislation and policies.

The Ministry of Social Security and Labour, which was invited to participate in the OECD Employment, Labour and Social Affairs Committee (hereinafter – ELSAC) and its working parties (Working Party on Migration, Working Party on Social Policy and Working Party on Employment) as an invitee in June 2013, is also actively involved in the preparation for Lithuania's accession to the OECD. ELSAC actively addresses the issues of migrant integration, employment and inequality. Recently, special attention is focused on the impact of technological changes and labour market digitisation, the matching of skills with the needs of the labour market, modernisation of social protection and resolving issues relating to ageing unequally.

The OECD Jobs Strategy (hereinafter – the Strategy) is currently being updated, which sets out comprehensive employment policy guidelines for national states, promoting more and better jobs. The strategy was adopted in 1994 and reassessed in 2006, with more emphasis on promoting greater employment and improving job quality. However, in light of the global economic and financial crisis and major structural changes, there is a need to update the Strategic Guidelines. The new version of the document will present comprehensive and up-to-date policy guidelines for an integrated labour market that works well in the context of demographic change, environmental challenges, globalisation, digitisation and changes in work organisation. Three dimensions are emphasised in the revision: (1) more and better jobs; (2) inclusive labour markets; (3) more flexible and more adaptable labour market. This is the subject of intensive discussions in various OECD structures (ELSAC, ELSAC Working Party on Employment) and the High-Level Policy Forum in Berlin (Germany) held on 13th June 2017, where Lithuania was represented by Eglė Radišauskienė, Vice-Minister of Social Security and Labour. The final text of the revised strategy is expected to be approved by the OECD Ministerial Council in May 2018.

In May-June 2016, a comprehensive review of Lithuania's accession to the OECD's Social and Labour Market Policy (hereinafter – the Review) has started. In order to understand the current situation in Lithuania and to provide appropriate recommendations, the OECD team of experts performs an in-depth review of national legal acts, statistics and other information in this area. On 12-16 December 2016, a fact finding mission of OECD experts preparing the accession review was held in Lithuania. During the mission, the OECD experts met with the representatives of relevant institutions and organisations, social partners, national experts, academics, politicians and business representatives. The OECD is preparing a report for the Review, which focuses on three areas: employment and labour relations policies, social policies and migration policies. The discussion for the Review in ELSAC is expected to take place in the autumn of 2017.

In 2016, the *Faces of Joblessness* project (hereinafter – the Project) by the OECD, the European Commission (hereinafter – the EC) and the World Bank was initiated. The aim of the Project is to identify the main obstacles to obtaining a high-quality job. The Project is based on innovative perspective to employment issues. Although society is grouped into relatively large groups (such as young people and elderly people) when measuring the level of unemployment in society, there is little information on those people who are most at risk in the labour market. For example, the fact that a person is older cannot be considered as an obstacle to participate in the labour market. Therefore, this Project seeks to provide a broader view of what are the unemployed and who have the hardest time to establish in the labour market. Another aim is to give project conclusions and recommendations a practical value by creating more effective and more individualised policies for activation and employment support.

In one of the first stages of the project, the OECD prepared Policy Note for Lithuania analysing the obstacles to employment for working age population with no or very weak links to the labour market. Based on the empirical results presented in this Policy Note, two groups were identified for the further analysis of Lithuania's case: (A) older economically inactive individuals with limited work experience and health limitations; and (B) prime-age long-term unemployed with limited work experience and scarce job opportunities. On 23-26 January 2017, a country dialogue mission of the OECD and EC experts took place in Lithuania, during which meetings with representatives of various relevant institutions and national experts were held. The final version of Lithuanian case study analysis was published in May 2017. The study concludes that Group A is difficult to integrate into the labour market, as employers are reluctant to hire workers with disabilities and the employment support measures for people with disabilities are limited. It is also argued that the rather rigorous system of unemployment insurance benefits has a very significant impact on Group B employment issues. Therefore, there is a positive response to Lithuania's efforts to increase the coverage and duration of payment of unemployment insurance. It is noted that although Group B falls within the scope of a significant share of employment support programs, it is proposed to focus on evaluation of their availability and effectiveness.

10.3. BILATERAL COOPERATION

10.3.1. BILATERAL AGREEMENTS AND AGREEMENTS ON SOCIAL SECURITY

Currently, Lithuania has signed bilateral social security agreements with Belarus, Russia, Ukraine, Canada, the United States and Moldova, and EU social security coordination regulations apply in relations with the European Union.

In 2016, the Ministry of Social Security and Labour conducted an analysis of the need for developing cross-border relations in terms of social security. Taking into account the statistics of population migration from Lithuania

and to Lithuania in 2004-2014, the Ministry discussed the opportunities and the need to open negotiations on entering into a bilateral agreement on social security with other countries.

In 2016, following the decision of the Ministry of Foreign Affairs on the necessity to enter into such an agreement, the proposal to open negotiations on entering into a bilateral agreement on social security was transmitted through diplomatic channels to Georgia in June and to Armenia in December.

In 2015, at the request of the Ministry of Social Security and Labour, the Ministry of Foreign Affairs transmitted through diplomatic channels to Australia a standard draft agreement between the Republic of Lithuania and another country on social security, proposing to open negotiations on entering into an agreement on social security. In the summer of 2016, the Australian Department of Foreign Affairs and Trade informed that the proposal submitted by the Republic of Lithuania to enter into an agreement would be assessed when the Australian Government next considers its future negotiating priorities and capabilities in this area.

In September 2016, the delegation of the Ministry of Social Policy of Ukraine visited the Ministry of Social Security and Labour. The purpose of the visit was to discuss the process of harmonising the draft amendments of the agreement on social security between Lithuania and Ukraine, to exchange information on the provisions being amended, to discuss the issue of determining the applicable legislation and other issues regarding the award and payment of pensions. In December, the text of the amendment to the Agreement was sent to the Ministry of Social Policy of Ukraine.

In December 2016, the Republic of Lithuania received through diplomatic channels a proposal to enter into a bilateral agreement on social security with India. At the moment, the Ministry of Social Security and Labour is analysing the possibilities of entering into such agreement and the provisions of the draft agreement submitted by India.

In April 2017, the first stage of consultations took place in the capital of Belarus, Minsk, on entering into a new edition of the agreement between the Republic of Lithuania and the Republic of Belarus on social security. The agreement between the Republic of Lithuania and the Republic of Belarus on social security was signed and entered into force in 1999. During this eighteen-year period, a number of changes have been made both in the national legislation of Lithuania and in Belarus, and various reforms in the field of social security have taken place in both countries. In addition, Lithuania's membership in the European Union also had an impact on the coordination of social security systems with other countries. Against this background, both countries agreed that it is necessary to renew the existing agreement. During the consultation, the parties exchanged information on changes in social security systems in both countries, pension reforms and other issues, and revised the draft of the new agreement. The new agreement provides for sharing of insurance records, i.e. Lithuania should pay a pension or a benefit for an insurance record acquired in Lithuania, while Belarus should pay a pension or a benefit for an insurance record acquired in Belarus, regardless of when the record was acquired (under the existing agreement, the insurance record acquired before 1992 is recognised by the country in which the person is permanently resident at the time when applying for the pension). The agreement also provides for the procedure for recognising insurance records acquired during the Soviet period. The same principle of sharing insurance records acquired during the Soviet period is established in bilateral agreements with Latvia, Estonia and Moldova; negotiations with Ukraine are in progress. Currency conversion is a very important issue for Lithuania. The State Social Insurance Fund Board suffers considerable costs by paying pensions and benefits to people living in Belarus in Belarusian rubles. Belarus did not oppose the provision proposed in the draft agreement, under which the funds of the competent institution for the payment of pensions and benefits shall be transferred to each other in euros. The parties agreed to hold the next stage of the negotiations in the second half of 2017 in Lithuania, during which they will reconsider the provisions on the applicable legislation, short-term benefits and agree on other provisions of the draft agreement that were not discussed during these consultations.

10.3.2. BILATERAL AGREEMENTS ON YOUTH EXCHANGES AND COOPERATION

Lithuania has signed and is implementing bilateral intergovernmental agreements on youth exchange funds with Poland, Hungary, Ukraine and on a Working Holiday Scheme with Canada and New Zealand, which enable young people to get to know the culture, history and society of other countries, improve their knowledge of their profession and foreign languages and improve their qualifications. Inter-agency agreements on cooperation in youth policies have also been signed with Georgia, Moldova and Germany, which provide for the exchange of information, experiences, best practices in forming and implementing youth policies.

On 5th September 2016, an agreement was signed between the Ministry of Social Security and Labour of the Republic of Lithuania and the Ministry of Youth and Sports of the Republic of Moldova on cooperation in youth policies. The agreement provides for the exchange of information and experience on the issues of youth policies and working with youth, cooperation among the institutions and youth organisations.

On 10th April 2017, in Vilnius, the Minister of Social Security and Labour of the Republic of Lithuania Linas Kukuraitis and the Minister of Labour, Social Security and Family Affairs of the Republic of Moldova Stela Grigoras signed an agreement between the Ministry of Social Security and Labour of the Republic of Lithuania and the Ministry of Labour, Social Security and Family Affairs of the Republic of Moldova on cooperation in the areas of labour, social security and family. The agreement provides for the exchange of information and experience on the issues of labour relations, social security, social assistance and social services, protection of the family and the rights of the child. This agreement entered into force on 28th July 2017.