



The Social Report

2013-2014



Ministry of Social Security and Labour

THE SOCIAL REPORT

2013–2014



Vilnius
2014



DEAR READERS OF THE SOCIAL REPORT,

I invite you to become acquainted with the key topical issues of social policy, the works accomplished and the plans for the future, which aim to achieve that every Lithuanian citizen has all social guarantees, is able to live a dignified and provided life and receives necessary assistance under complicated life circumstances.

During the second half-year of 2013 we were witnesses of historical events – Lithuania for the first time presided over the Council of the European Union (EU). While fulfilling these difficult functions significant results were achieved – the Council Declaration on the European Alliance for Apprenticeships and the Council Conclusions on Young People not in Employment, Education or Training were adopted. Furthermore, a general approach of the Council of the EU on a decision enhancing cooperation between public employment services was reached, and it will contribute to the solution of the problem of youth unemployment across the EU.

The year 2014 also brought a number of important new developments. The improving economic situation allowed starting to keep a promise made to the elderly people who received reduced pensions during the crisis – this year an agreement has been reached concerning the compensation mechanism for state social insurance old-age and lost capacity for work pensions, and the first reimbursements will be paid to recipients in the last quarter this year.

Considerable efforts have been further exerted with a view to improving the employment situation, paying special attention to youth. Seeking to enhance youth employment, we have commenced the Youth Guarantee initiative as of this year. The initiative aims to ensure that all young people aged below 29 receive an offer of employment, continued education, including the vocational training form of apprenticeship, traineeship or work placement within a period of four months of becoming unemployed or leaving formal education.

After the municipalities involved in the pilot project proved efficiency of this procedure, we have assigned payment of social benefits as an independent function to all Lithuanian municipalities as of the beginning of 2014. Due to enhanced publicity, active involvement of the community, cross-institutional cooperation, a more thorough and detailed analysis of individual cases, cash social assistance has become more targeted and available to those in greatest need, preventing the use of support by those who are not entitled to or are not in need of it.

New challenges lie before us in the future. Statistics shows that almost one-fifth of Lithuanian residents have been still living at the risk of poverty (according to the data of 2012). We seek that people have the opportunities to solve their own problems; therefore, the Action Plan for Increasing Social Inclusion 2014–2020 focuses on active employment measures and the development of social services.

With a view to reducing the number of children placed under guardianship (foster care), we have drafted a new Law on Fundamentals of Protection of the Rights of the Child, aimed at providing social risk families with assistance enabling them to adequately raise and take care of their underage children.

Moreover, seeking a transition from institutional care to the services provided in the community and family, we have commenced reorganisation of social care. The transition will be implemented through pilot projects in different regions. Over time we will move to the double model: services to children and the disabled will be mainly provided in the community and family, and in the event of necessity – in care institutions.

The year 2014 is also relevant, because it marks the beginning of the new EU structural assistance period. We will invest these funds in the strengthening of regions, improvement of services and promotion of employment, particularly youth.

I would like to express my gratefulness to all and everyone who contributed to this Report as well as its readers for citizenship and non-indifference to the affairs of our state and residents.

Minister of Social Security and Labour



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1

INTRODUCTION

The Social Report 2013–2014 (hereinafter referred to as the “Report”) gives an overview of activities carried out by the Ministry of Social Security and Labour (hereinafter referred to as the “Ministry”) in the reporting period. The Report shows how the problems of the Lithuanian social security system are solved. The necessity to further improve the social security system persists.

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

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

The fourth chapter of the Report describes the measures of cash social assistance for families and children aimed at as targeted assistance as possible and able to mitigate the consequences of scarcity for the groups of most vulnerable residents. The chapter presents changes in the cash social assistance system and the tendencies after the provision of social benefits has been assigned as an independent function as of 1 January 2014 and financed from municipal budget funds. The chapter discusses the envisaged transition from institutional guardianship to the services provided to disabled children and children deprived of parental care in the family and community, and acquaints with the licensing of social care institutions and social families. It also discusses the conditions of support for the acquisition or rental of housing, the issues of subsidised housing and future prospects. Major emphasis is put on the issues of equal opportunities: social integration of the disabled, the return of political prisoners and exiles as well as their family members to Lithuania, social integration of foreign nationals who have been granted asylum, and migration policy. These are sensitive issues relevant to all members of society.

The fifth chapter of the Report describes the activities of communities and non-governmental organisations as well as participation in social policy, and deals with activity development directions. Considerable attention is paid to child and youth rights and the current situation. The chapter discusses how, with regard to emerging challenges, family policy is shaped and implemented.

The sixth chapter is concerned with gender equality issues.

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

The eighth chapter thoroughly explores the activities related to Lithuania's membership in the European Union, discusses international cooperation, participation in the activities of international organisations, and defines the country's social security system in the international context. It elaborates on the activities related to the Presidency of the Council of the EU held by Lithuania as of 1 July 2013. Membership in the European Union and active international cooperation lay down new guidelines over and over again, set new requirements and open new opportunities in the area of social policy.

For the readers who are more interested in social security issues the Report provides references to different resources. Every reader can also use the websites of the Ministry of Social Security and Labour (www.socmin.lt; www.socialiniszemelapis.lt; data mart module of the information system of social assistance for families, etc.), which provide them with information on various relevant issues.

2

LABOUR MARKET, LABOUR RELATIONS, SAFETY AND HEALTH AT WORK

2.1. LABOUR MARKET

2.1.1. EMPLOYMENT

In 2013, the employment rate and the number of employed people grew. According to the data of a Labour Force Survey performed by Statistics Lithuania, in 2013 employment rates among citizens aged 15-64 reached 63.7%, which is 1.7 percentage points less if compared to the previous year. In 2013, the male employment rate amounted to 64.7% among men aged 15–64, and the number of working women reached 62.8%, whereas both rates increased by 2.5 and 1 percentage points respectively. In 2013, the employment rate among citizens aged 55–64 increased by 1.7 percentage point and amounted to 53.4%.

In 2013, 1 million 293 thousand residents were employed, i.e. 17 thousand (1.3%) more than in 2012. Over the year, the highest increase in the number of employed residents was observed in the fields of construction (9.7 thousand), public administration and defence and compulsory social insurance (6.6 thousand), and the decrease was observed in the field of education (8.7 thousand) and information and communication companies (3.6 thousand). In 2013, the total number of employed men reached 636.1 thousand and women – 656.7 thousand. During the year, the number of employed men increased by 3% and women – by 0.2%. The majority of employed residents were employees. In 2013, they comprised 88.2%, self-employed persons – 10.6%, assisting family members – 1.2% of all employed residents. In 2013, the total number of employed men reached 13.1% and women – 8.2%. In 2013, 71.4% of all employed residents worked in the private sector, and 28.6% – in the public sector. 80.4% of men and 62.7% of women worked in the private sector.

In I Quarter 2014, the total number of employed residents reached 1 million 295 thousand. Compared to the same period of 2013, this number increased by 28.1 thousand (2.2%).

Employment rate, %

	2013	2013				2014 I quarter
		I quarter	II quarter	III quarter	IV quarter	
Total rate (15-64 years)	63.7	62.3	63.8	64.5	64.3	64.2
male	64.7	62.7	64.3	66.1	65.8	64.9
female	62.8	62.0	63.3	63.1	62.9	63.6
Youth (15–24 years)	24.6	23.5	24.1	25.9	24.9	25.9
Older age (55-64 years)	53.4	52.4	52.6	53.9	54.6	55.1

Data of Statistics Lithuania

Table 2.1.1-1

As Figure 2.1.1-1 shows, in I quarter 2014, the employment rate among residents aged 15–64 reached 64.2%, the employment rate among men aged 15–64 reached 64.9%, and among women – 63.6%. Over I quarter 2014, the population employment rate among citizens of 55-64 years of age reached 55.1%. It increased by 0.5 percentage point over the quarter and by 2.7 percentage point over the year. In I quarter 2014, nine out of ten employed residents (90.5%) were full-time employees or worked full-time per week. Men more frequently were employed as full-time or worked full-time per week than women, i.e. 92.2% and 88.8% respectively. Over the quarter, the number of residents employed in the sectors of agriculture, forestry and fishery (13 thousand) increased, and the number of residents employed in the construction sector decreased (15.1 thousand).

2.1.2. MIGRATION OF RESIDENTS

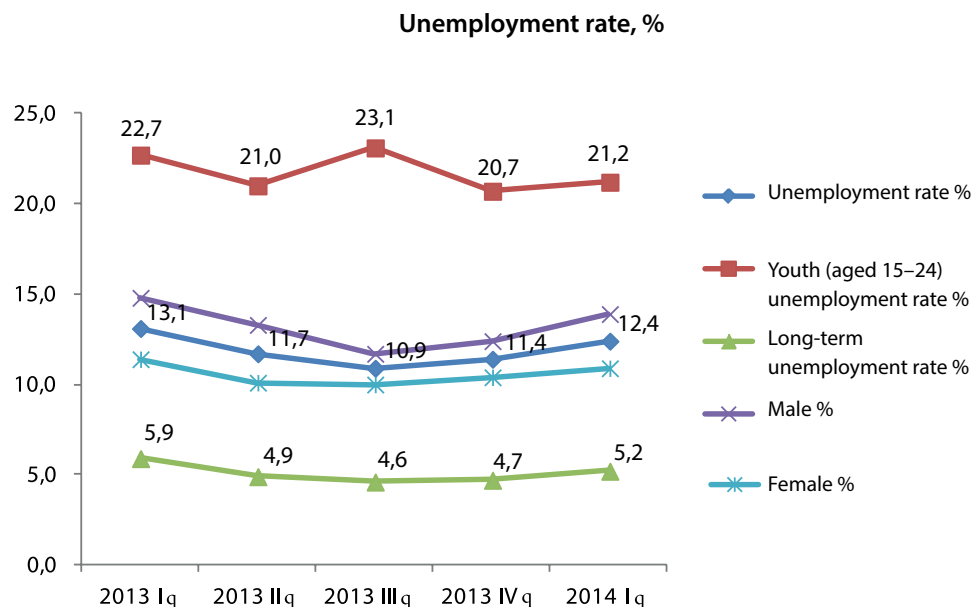
As the data of Statistics Lithuania shows, in 2013, 38.8 thousand residents emigrated from Lithuania. As compared to 2012, the number of emigrants decreased by 2.3 thousand (5.6%). In 2013, the international migration remained negative – the number of residents emigrating from Lithuania was higher than the number of residents who immigrated to Lithuania by 16.8 thousand (21.3 thousand in 2012).

In 2013, 82.8% of emigrants aged 15 and higher had not worked for a year or more before emigrating from the state (75.4% in 2012). The majority (60.2%) of emigrants were residents aged 20–39 (61.6% in 2012). Residents of Lithuania emigrated to the United Kingdom (46.1%), Ireland (8.5%), Norway and Germany (7.7% each), the United States of America (3.3%), Spain (2.7%), Belarus, Sweden, Denmark (almost 2.5% each).

In 2013, 22 thousand people immigrated to Lithuania, the majority of them (86.2%) are citizens of the Republic of Lithuania who returned back from emigration and 13.8 % of them are foreigners. As compared to 2012, the number of immigrants increased by 2.2 thousand, 1.6 thousand of them being citizens of the Republic of Lithuania returning back from emigration and 550 foreigners.

2.1.3. UNEMPLOYMENT

According to the Labour Force Survey performed by Statistics Lithuania, Figure 2.1.3-1 shows that in 2013, the unemployment rate amounted to 11.8% and was 1.6 percentage point lower than in 2012. The male unemployment rate in 2013 reached 13.1%, and the female unemployment rate reached 10.5%. Over the year, the male unemployment rate increased by 2.1 percentage point and the female unemployment rate – by 1.1 percentage points. The rate of long-term unemployment reached 5.1% and was 1.5 percentage point lower than in 2012.



Data of Statistics Lithuania

Figure 2.1.3-1

In I quarter 2014 the unemployment rate reached 12.4%, and if compared to the same period of 2013, decreased by 0.7 percentage point. In I quarter 2014 the male unemployment rate amounted to 13.9%, and the female unemployment rate – to 10.9%. The rate of long-term unemployment reached 5.2% in I quarter 2014 and was 0.7 percentage point lower than in the same period of 2013.

2.1.4. YOUTH EMPLOYMENT AND UNEMPLOYMENT

As Table 2.1.3-1 shows, based on Labour Force Survey, the youth (persons aged 15–24) employment rate in 2013 comprised 24.6%. Over the year, it increased by 3.1 percentage point. Over I quarter 2014 the youth employment rate reached 25.9%. It increased by 1 percentage point over the quarter and by 2.4 percentage point over the year. In I quarter 2014, every fourth person aged 15–24 was employed. In I quarter 2014, 261.9 thousand (67.1%) of residents aged 15–24 were economically inactive. 93.55 of them studied at schools of general education or vocational schools, colleges, universities.

As Figure 2.1.3-1 shows the youth (persons aged 15–24) unemployment rate in 2013, if compared to 2012, decreased by 4.8 percentage point and reached 21.9%. In I quarter 2014, the unemployment rate made 21.2% and was 1.5 percentage point lower than in the same period of 2013.

2.1.5. LABOUR MARKET

In 2013, the following positive labour market tendencies were observed:

- the labour demand at the Lithuanian Labour Exchange was one tenth lower than in 2012. 299.6 thousand unemployed persons registered at the exchange. Women comprised 43.2% and men – 56.8% of all unemployed persons registered with local labour exchanges. 39.4% of the unemployed addressing the labour exchange did not have any professional training, every fifth person had a 2 years' break in their professional activities;

- the youth below 25 years of age made one fifth of the unemployed addressing the labour exchange, i.e. 68.1 thousand, 26.7 thousand of them were first time job seekers, 33.0 thousand did not have a professional qualification, therefore, they could not compete in the labour market. “The new start” was offered to 96.8% of young unemployed persons in 2013. 52.3% of them found employment;
- the difference between territories with the highest and the lowest unemployment rate at the end of 2013 decreased and reached 12.8 percentage points (13.7 percentage point in the previous year).
- the average unemployment duration decreased from 7.8 to 7.5 months, if compared to 2012;
- the labour demand increased by about 21% if compared to 2012. The amount of registered job vacancies reached 242.2 thousand. The highest demand remained in the sector of services (three out of five registered job vacancies). More than half of all job vacancies were offered for qualified employees, every fifth for specialists or managing personnel, every fourth for non-qualified specialists;
- 316 thousand persons were returned to the labour market. Over 2013, 197.4 thousand persons were employed, and 59 thousand persons participated in active labour market policy measures. Public works made the major share (45%) of active labour market policy measures. 59.7 thousand persons commenced individual activities after having obtained the business certificate;
- the implementation of vocational training according to the new model improved employment results of persons with professional qualifications or competences. 95% of participants of the measure found employment after trainings (89% in 2012).
- the status of a social enterprise was granted to 4 companies, and 6 companies lost this status. At the end of 2013, 134 companies with this status operated in Lithuania;
- 636 job vacancies were established through subsidies, and that is 23 percentage points higher than in 2012. 72% of the established vacancies were new job vacancies established through projects of local employment initiatives;
- with a view to meeting the demand for qualified labour force in separate economic sectors and with production necessity of companies, the Lithuanian Labour Exchange issued 5.0 thousand work permits to foreigners for work, which is 0.4 thousand higher than in 2012. The majority of the employed workers included drivers of international cargo carrying vehicles (76% of all work permits), assemblers of metal bodies of ships (7%), and welders (6%). Foreigners made 2.6% of all persons employed in 2013.

2.1.6. IMPROVEMENT OF THE LABOUR MARKET LEGISLATION

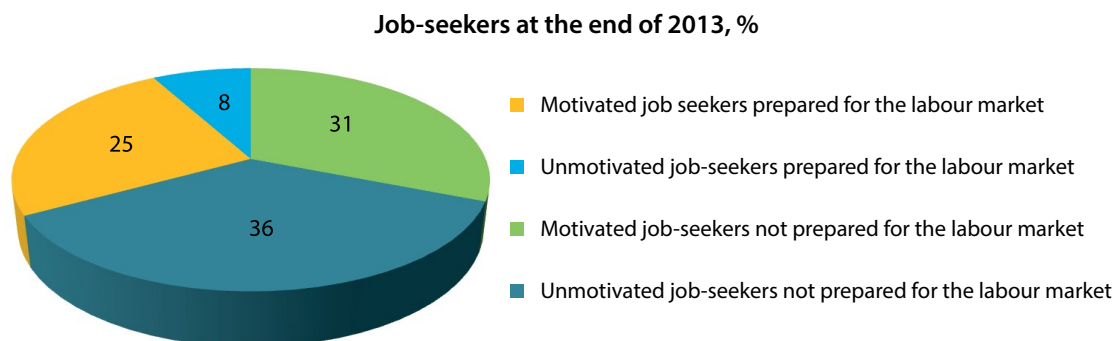
In the implementation of the priority measure of the implementation of Government of the Republic of Lithuania Programme 2012–2016, the Programme for the Increase of Employment 2014–2020 was adopted in 2013 by Resolution No. 878 of 25 September 2013 of the Government of the Republic of Lithuania. It is aimed at the integrated solution of current problems of residents’ employment by uniting business, education and labour market sectors as well as by engaging social partners and municipalities into the process of employment policy formation. The programme specifies the main aims (to encourage the establishment of job vacancies and labour demand, to increase the correspondence of labour force qualification to labour market needs, to integrate free labour resources into the labour market and to maintain them there) and the tasks to achieve these aims. An Inter-Institutional Action Plan aimed at achieving the aims and tasks as well as the planned results was drafted and approved by Resolution No. 204 of 26 February 2014 of the Government of the Republic of Lithuania.

At the end of 2013, the Draft Law amending and supplementing Articles 1, 2, 13, 23, 24, 26, 29 and 32 and supplementing with Article 26¹ of the Republic of Lithuania Law on Support for Employment and the Draft Law Repealing Article 91 of the Labour Code of the Republic of Lithuania were submitted to the Seimas of the Republic

of Lithuania. They were drafted with regard to the situation in the labour market, i.e. seeking to more actively reduce the unemployment rate, especially among youngsters, encourage residents' employment (in pursuit of the long-term aim in line with the provisions approved in the Communication of the European Commission entitled "Europe 2020 - A strategy for smart, sustainable and inclusive growth"), and to achieve 72.8% employment among residents aged 20–64. Seeking the above results, more efficient application of active labour market policy measures for them to be more attractive for employers and new measures for youth employment promotion are required. The draft laws are aimed at revising the current effective legal regulation related to employment support, defining and revising the concepts of this field, supplementing the Republic of Lithuania Law on Support for Employment with protectors, which would ensure that employers do not abuse subsidies provided through supported employment measures and that vocational training funds and funds for self-employment are used more appropriately and efficiently. They are also aimed at encouraging employers to take more active participation in the vocational training measure and specifying the conclusion of bilateral agreements aimed for the youth to acquire working skills.

2.1.7. PERFORMANCE OF THE LITHUANIAN LABOUR EXCHANGE

In 2013, a new profiled model of provision of services to the unemployed and the estimation of the level of preparation for the labour market were introduced in the Lithuanian Labour Exchange. The services are rendered in a differentiated manner with regard to the ability of registered persons to compete in the labour market and their motivation for work. Job seekers are divided into four groups: motivated job seekers prepared for the labour market, unmotivated job-seekers prepared for the labour market, motivated job-seekers not prepared for the labour market and unmotivated job-seekers not prepared for the labour market.



Data of the Lithuanian Labour Exchange

Figure 2.1.7-2

As Figure 2.1.7-2 shows, at the end of 2013, about 25% of registered job-seekers are motivated job-seekers prepared for the labour market, 8% are unmotivated job-seekers prepared for the labour market, 31% are motivated job-seekers unprepared for the labour market, and 36% are unmotivated job-seekers unprepared for the labour market. Respective measures are specified with regard to each group of job-seekers.

While improving the accessibility and quality of counselling services rendered to the unemployed and focusing on persons' preparation for the labour market and their individual demands, a package of counselling services was developed for the unemployed. The application of new counselling measures was launched on 1 October 2013:

- 1) The group counselling model *Labour Club* was renewed,
- 2) *The File of My Achievements* – a measure aimed at motivating and encouraging adults (30 years and above) for every participant to analyse his training and work experience,

3) *Counselling in Groups “I Can”* – a measure aimed at encouraging and motivating young persons (16–29 years of age), which was developed to help young persons perceive the existing situation, strengthen their self-confidence, help them concretise their wishes, aims and possibilities of implementation thereof, encourage them to develop a plan of their activities, i.e. learning and job seeking activities,

4) *Mentorship* – a method, which helps persons with less experience to learn from a more experienced person.

2.1.8. YOUTH GUARANTEES

On 22 June 2013, the Council of the European Union submitted the Recommendation on the implementation of the Youth Guarantee initiative (hereinafter referred to as the YGI) (2013/C 120/01). In summer 2013, the working group drafting the Employment Programme submitted offers for employment increase covering the issues of the YGI Implementation, apprenticeship, training and practice dissemination. In autumn, the working group of the Ministry of Social Security and Labour together with youth organisations drafted an YGI implementation plan. The YGI implementation plan was approved by Order No. A1-692 of 16 December 2013 of the Minister of Social Security and Labour and submitted to the European Commission. With regard to the remarks submitted by the European Commission, the YGI implementation plan was edited providing for LTL 510.8 million for the measure financing, i.e. LTL 91.4 million less than it was specified in the plan submitted to the European Commission in December 2013 (LTL 602.2 million). A thorough analysis of target groups of participants and measures applicable to them was performed; the choice of a group of participants, i.e. youngsters under 29 years of age, was grounded; an explanation with regard to the newly developed Information and Monitoring System, which will be used to identify youngsters aged 14–29, who do not study, work and are not registered in the database of the Lithuanian Labour Exchange, was submitted; the way to ensure cooperation between governing authorities, social partners, youth organisations and other concerned entities at the national and local level was presented in detail; a mechanism aimed at ensuring the monitoring of results was specified.

Pursuing as more efficient implementation of the YGI as possible, a network of partners was created. At the beginning of 2014, ministers of social security and labour, education and science, economy and agriculture and eleven partners representing business, employers, employees and youth organisations signed a memorandum on cooperation, which embedded their joint effort in pursuit of efficient YGI implementation in Lithuania. In I quarter 2014 the Ministry of Social Security and Labour established a YGI Implementation Monitoring Commission, which consists of 20 members from organisations parties to the above memorandum. The aim of the commission is to monitor the YGI implementation and submit offers on improvement of the implementation.

The implementation of the YGI in the Lithuanian Labour Exchange and its territorial divisions was launched on 1 January 2014. The funds for financing of the active labour market policy measures were allocated from the Employment Fund and the balance of the European Social Fund 2007–2013 programming.

2.2. REGULATION OF LABOUR RELATIONS AND WORK REMUNERATION

2.2.1. LABOUR RELATIONS

2.2.1.1. COLLECTIVE LABOUR RELATIONS

The main institution harmonising interests of social partners – trade unions and employers’ organisations – and state institutions in Lithuania is the Tripartite Council of the Republic of Lithuania (hereinafter referred to as the Tripartite Council). The present Tripartite Council is comprised from representatives of trade unions, employers and the Government (21 members in total – 7 representatives per each party) and it represents the following institutions and organisations:

- 1) state authorities: Ministry of Social Security and Labour, Ministry of Economy and the Office of the Government of the Republic of Lithuania;
- 2) three central (republican) trade union associations: Lithuanian Confederation of Trade Unions, Lithuanian Labour Federation and Lithuanian trade union “Solidarumas”;
- 3) four employers’ organisations: Lithuanian Confederation of Industrialists, Lithuanian Business Employers’ Confederation, Chamber of Agriculture of the Republic of Lithuania, Lithuanian Association of Chambers of Commerce, Industry and Crafts.

The delegation of employees and employers to the Tripartite Council of the Republic of Lithuania is governed by the agreement of trade unions and the agreement of employers’ central (republican) associations “On mutual acknowledgement of social partnership” approved on 26 February 2008 by the Resolution of the Tripartite Council. The Government’s representatives are delegated to the Tripartite Council by the resolution of the Government.

Over the whole period of its existence, the Tripartite Council has established itself in the social life of Lithuania as a key institution harmonising partners’ interests, analysing and solving their problems. In 2013–2014 (from June 2013 to May 2014), a total of 9 sittings of the Tripartite Council took place, including 1 visiting sitting and 1 extraordinary sitting. During the sittings, 58 social and economic issues were discussed. These included: amendments and supplements to the Labour Code; increase of the monthly minimum wages; Euro introduction in Lithuania; draft estimate of the Employment Fund for 2014; the national alliance of apprenticeships; Draft Law Amending and Supplementing the Republic of Lithuania Law on Support for Employment, and other issues.

The Ministry of Social Security and Labour, upon application, registers collective agreements concluded at the state (national), sectoral (production, services, professions) and territorial (municipal, county) levels, parties to which are trade unions and employers’ organisations.

From 2003 to the end of 2012, two sectoral collective agreements were registered in the ministry. They were concluded between the Lithuanian Federation of Agricultural Workers’ Trade Unions and the Lithuanian Association of Agricultural Companies (effective until 2009) and between the Lithuanian Journalists’ Union and the National Regional and Local Newspaper Publishers’ Association (signed in 2007 and effective until another agreement is signed).

In implementing VP1-1.1-SADM-02-K Measure “Promotion of Social Dialogue” of Priority 1 “High Quality Employment and Social Inclusion” of 2007–2013 Operational Programme for the Development of Human Resources, projects financed from the European Social Fund and the state budget of the Republic of Lithuania are under implementation. With regard to these projects, more local or sectoral collective agreements are concluded. From the end of 2012 to the end of 2013, 6 territorial (between the Western Confederacy of Trade Unions of Lithuanian

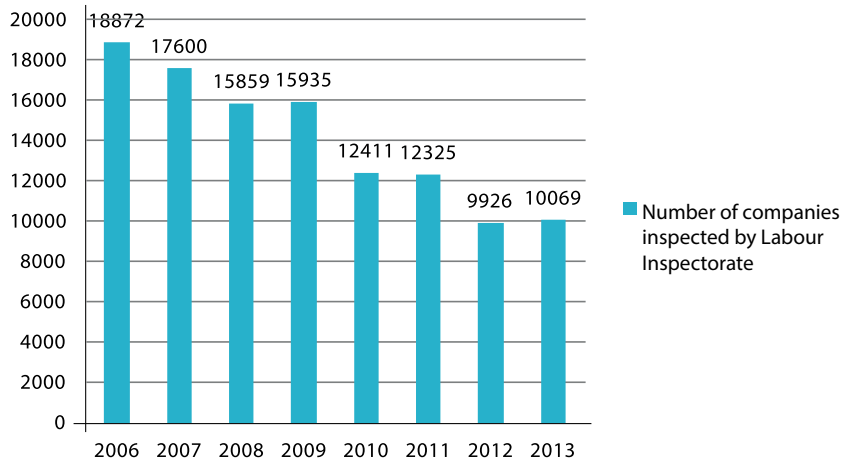
Constructors and Designers and the Association of Western Lithuanian Construction and Design Company Group; Kaunas Regional Centre of the Lithuanian Journalists' Union and Kaunas Chamber of Commerce, Industry and Crafts; Šiauliai County Trade Union "Solidarity" and Šiauliai Chamber of Commerce, Industry and Crafts; Panevėžys Coordination Council of Trade Unions and Panevėžys Chamber of Commerce, Industry and Crafts; trade unions of small and middle-sized business of Vilnius County and Vilnius Chamber of Commerce, Industry and Crafts; Confederacy of trade unions of education workers of Joniškis Region and Joniškis Regional Municipality) and 2 sectoral collective agreements (between the Lithuanian Medical Workers' Trade Union and the Association of Medical Services Companies; Federation of Lithuanian Forestry and Forestry-Based Industry Workers' Trade Unions and the General Forestry under the Ministry of Environment) were concluded.

In January–June 2014, 12 territorial collective agreements (between the Confederacy of Education Workers' Trade Unions of Ukmergė Region and Ukmergė Region Municipality; the Confederacy of Rokiškis Education Workers' Trade Unions, Rokiškis Region Municipality and the Association of Heads of Rokiškis Education Institutions; Pasvalys Region Education Trade Union and Pasvalis Region Municipality Administration; Akmenė Regional Trade Union "Solidarumas" and Akmenė Region Businessmen Association; the Republican United Trade Union, Lithuanian Culture Workers' Trade Union and the Association of Kelmė Region Municipality; Kelmė Municipality Education Workers' Trade Union, Elektrėnai Municipality pre-school and school institution workers' trade union "Solidarumas" and Elektrėnai Municipality; Panevėžys City Municipality and Panevėžys Education Trade Union; Lithuanian Wood Industry Companies' Association "Lietuvos mediena" and the Trade Union of workers of Lithuanian furniture and wood processing companies; Šiauliai City Municipality and Šiauliai Education Trade Union Confederacy; Visaginas Confederacy of Lithuanian Education Workers' Trade Union and Visaginas Municipality; Lithuanian Association of Employers in the Field of Services and the Lithuanian Services Workers' Trade Union; Marijampolė Municipality and Marijampolė Education Workers' Trade Union) and 7 sectoral collective agreements (between the Lithuanian Cultural Workers' Trade Union and the Ministry of Culture of the Republic of Lithuania; Association of Lithuanian Wood Industry Companies "Lietuvos mediena" and the trade union of workers of Lithuanian furniture and wood processing companies (Lithuanian wood industries); Association of Lithuanian Wood Industry Companies "Lietuvos mediena" and the trade union of workers of Lithuanian furniture and wood processing companies (Lithuanian paper industries); Federation of Lithuanian Industry Trade Unions and Lithuanian Chemistry Industry Companies' Association; the Lithuanian Association of Employers in the Field of Services, Lithuanian Vocational Rehabilitation and Vocational Training Workers' Trade Union (the collective agreement in the field of informal education); Lithuanian associations of employers in the field of services and Lithuanian trade unions of workers in the field of services (the collective agreement in the sector of services) were registered.

The agreements discuss issues on work pay, social partnership support, additional employment support and issues and health and safety at work.

Pursuant to currently effective provisions of the Labour Code of the Republic of Lithuania, companies' collective agreements are not registered, and no data on the exact number of these collective agreements is available. In 2013, inspectors of the State Labour Inspectorate carried out inspections of 10,069 companies and their structural subdivisions (18,872 companies were inspected in 2006, 17,600 – in 2007, 15,859 – in 2008, 15,935 – in 2009, 12,411 – in 2010, 12,325 – in 2011, and 9,926 companies in 2012) (data on the number of companies inspected by the State Labour Inspectorate in 2006–2013 are presented in Figure 2.2.1–1).

Number of companies inspected by Labour Inspectorate

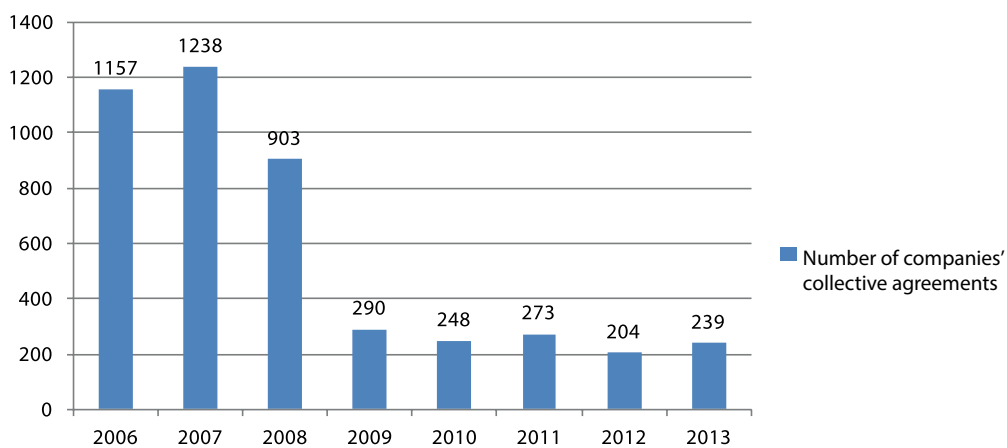


Data of the State Labour Inspectorate

Fig. 2.2.1-1

It was established that 239 company collective agreements were signed in 2013 (1,157 collective agreements were signed in 2006, 1,238 – in 2007, 903 – in 2008, 290 – in 2009, 248 – in 2010, 273 – in 2011, 204 collective agreements – in 2012) (data about the number of companies’ collective agreements signed in 2006–2013 are presented in Figure 2.2.1–2).

Number of companies’ collective agreements



Data of the State Labour Inspectorate

Fig. 2.2.1-2

As the presented data show, the development of social partnership and the scope of collective agreements were decreasing until 2013. This was influenced by the on-going economic crisis, when establishment of trade unions was avoided. Employment led to a decrease in production, insolvency of many companies. Other companies were not able to adhere to the obligations specified in collective agreements. The number of companies’ collective agreements

signed in 2013 was higher than that of 2012, and the increasing number of companies in Lithuania solve the majority of production and social issues through collective agreements, thus seeking companies' prosperity through efforts of administration and employees and at the same time satisfying the vital needs of employees.

2.2.1.2. INDIVIDUAL LABOUR RELATIONS

Seeking to increase flexibility of labour relations and decrease the administrative burden on business, a Draft Law amending the Labour Code of the Republic of Lithuania was produced and adopted by the Seimas of the Republic of Lithuania¹.

The provisions of the law on the registration of job agreements, job certificates, working time registers, record sheets are aimed at reducing the administrative burden imposed on business. Having refused registration of job agreements, job certificates, the employment procedure has been simplified. The law will reduce the administrative burden, and economic entities will have more time and sources to implement their direct activities, expand their scope and create new job vacancies.

The Ministry of Social Security and Labour is creating a more sustainable model of Lithuania, which includes employment growth, improvement of the regulation of labour relations and increase of social insurance sustainability. The main problems, which have encouraged the creation of a new social model of Lithuania, are the following:

- current legal regulation in the field of pensions does not allow ensuring durable financial sustainability of the system of pensions, and benefits do not efficiently reflect people's contributions to the system of pensions, what, in turn, means insufficient adequacy of benefits;
- far more flexible labour relations, which would influence the establishment of new vacancies, contribute to employment reduction, youth employment, reduce illegal work or avoidance to register actual working time, are necessary for economic development. When evaluating the flexibility of labour relations, the flexibility of the working time, complexity of employment and dismissal costs are evaluated. In Lithuania, the regulation of the working time has received very unfavourable evaluation;
- low level of labour force activity, shortage of qualified workers, inconsistency of the demand and supply for skills, which is increased by high level of emigration.

These problems are among the most important and concern-provoking problems, the variants of solutions to which should be offered not only for medium period, but for a longer perspective.

The systems of social security, labour relations and employment are interrelated, therefore, it was decided that a decision on the development of a unified and sustainable Lithuanian social model encompassing the fields of labour relations, employment and social insurance is required with parallel development and introduction of a monitoring system, which would allow analysing the impact of changes in population employment and demography on the state social insurance and the system of pensions.

On 13 February 2014, the Ministry of Social Security and Labour signed a service contract with Vilnius University, public institution Mykolas Romeris University and budgetary institution Lithuanian Centre for Social Research on a package of services on the development of a legal and administrative model of labour relations and state social insurance. The development of the legal and administrative model for Lithuania and drafting legal acts as well as improvement of labour relations and legal acts regulating employment and state social insurance are aimed at creating objective premises for attracting more investments and creating additional job vacancies thus creating a more sustainable and transparent system of state social insurance guaranteeing adequate benefits. For this aim, the service provider must develop a legal and administrative model of labour relations and the state social insurances and draft

¹ Law No. XII-919 Amending Articles 24, 99, 147, 175, 202, 212 and 256 of the Labour Code of the Republic of Lithuania.

a legal act regulating labour relations, which specifies a more flexible regulation of labour relations and guarantees employment safety. This should include:

- flexible regulation of working time with regard to the regulation of rest time (provision of annual, additional leave);
- application of the provisions on dismissal from work to labour market conditions (terms of notification, severance payments, guarantees upon dismissal from work);
- decrease of the administrative burden to employers (refusal of formalisation of certain actions, document filling);
- the variety of types of agreements and their peculiarities when satisfying employees and employers' demands and taking into consideration peculiarities of work of certain types of categories of workers;
- regulation of work remuneration (minimum monthly wages in institutions financed from state and municipal budgets), mechanism of its estimation, analysis of its compliance with EU labour law directives and EU employment promotion programmes and submission of offers.

This year, a sample form of job agreement with a seafarer was approved². The previous sample job agreement with a seafarer did not comply with the provisions of the Maritime Labour Convention, 2006, of the International Labour Organisation, which Lithuania ratified on 13 June 2013, since it did not require to insert, for example, the place of conclusion of the agreement, the seafarer's rights to the repatriation, and health care and social insurance benefits. The approved sample form of the job agreement with a seafarer clearly regulates which provisions should be included into the job agreement concluded with a seafarer thus assuring better protection of his rights.

2.2.2. REMUNERATION FOR WORK

2.2.2.1. REMUNERATION FOR WORK IN 2013–2014

Pursuant to paragraph 85 of the Programme of the Government of the Republic of Lithuania for 2012–2016, which specifies that with economy recovering, remuneration for work of workers of the public sector, budgetary institutions and the national minimum monthly wage will be increased consistently seeking for it to approach 50% of the average work remuneration, upon the offering of the Tripartite Council of the Republic of Lithuania of 18 December 2012, the Government of the Republic of Lithuania, by Resolution No. 1543 of 19 December 2012 “On the Increase of the Minimum Wage”, approved the minimum monthly wage (hereinafter referred to as the MMW) of LTL 1,000 since 1 January 2013 (a 17.65% increase if compared to the previous MMW) and the minimum hourly pay of LTL 6.06³. The increase of the MMW affected 200 thousand workers, including 50 thousand workers of budgetary institutions.

Having increased the minimum wage, the revenues of least paid workers (workers with the MMW, to whom the additional tax reduction is not applied, since 1 January 2013, receive LTL 824.5 per month after taxes and contributions), the internal consumption has increased, new possibilities for reducing the number of monetary social support beneficiaries and the share of state funds aimed for social allowances and heating and water compensations have emerged.

The MMW is applied to estimate the fixed share of monthly wages of heads, deputy heads and senior accountants of state companies, stock companies and private companies, 50% and more of votes at the general shareholders' meetings of which belong to the state. Seeking to avoid direct dependence of the amount of wages of these workers on the increase in the MMW, the previously valid MMW of LTL 850 has been approved for the estimation of the fixed share of the monthly wage.

² Resolution No. 990 of 30 October 2013 of the Government of the Republic of Lithuania “On Amendment of Resolution No. 115 of 28 January 2003 of the Government of the Republic of Lithuania “On Approval of the Sample Job Agreement”.

³ Resolution No. 1543 of 19 December 2012 of the Government of the Republic of Lithuania “On the Increase of the Minimum Wage”.

Seeking to reduce state budgetary appropriations for work pay, to use state funds more rationally, and considering the difficult situation in the European and world economies and financial markets, the amounts of remuneration of state politicians, state officials, judges, civil servants and employees of budgetary institutions, which were cut down in 2009, were valid until 30 September 2013. In 2013–2014, the rate of the basic salary of LTL 450, which was approved in the previous years, remained valid⁴.

The Ruling of 1 July 2013 of the Constitutional Court of the Republic of Lithuania “On the Reduction of Salaries of Civil Servants and Judges” specified that the provisions of laws reducing the basic salary coefficients of civil servants and judges, bonuses for their qualification class or category contradict to Paragraph 1 of Article 29, provision of paragraph 1 of Article 48 “every person <...> has the right <...> to fair remuneration for work” of the Constitution of the Republic of Lithuania and the constitutional principle of the rule of law. With the Constitutional Court of the Republic of Lithuania having ruled that the legal regulation establishing the disproportionate scope of reduction of salaries of persons who are paid for work from the state or municipal budgets contradicts to the Constitution, the legislation was required to develop a mechanism of compensation of losses incurred by these persons. This also means that a procedure, through which the state will compensate the incurred losses within a reasonable period of time, must be established.

Pursuant to the Ruling of 1 July 2013 of the Constitutional Court of the Republic of Lithuania, the Seimas of the Republic of Lithuania adopted a law⁵, which specifies that since 1 October 2013, the provisions of laws establishing reduced salaries of civil servants and judges shall be void, and since 1 October 2013, the pre-crisis basic salary coefficients of civil servants and judges, amounts of civil servants’ bonuses for qualification classes, bonuses for qualification categories awarded to statutory servants will come into effect, and offered the Government to prepare a draft law regulating the mechanism of compensation of losses incurred by persons, who are paid from the state and municipal budget, because of disproportionate reductions of salaries during the economic crisis (terms, scope and method of compensations, the period, during which the share of the reduced salary is compensated, the amount of compensations, etc.).

By Ruling of 7 April 2014 of the Constitutional Court of the Republic of Lithuania “On the Establishment of Provisions of the Ruling of 1 July 2013 of the Constitutional Court Related to the Compensation of the Disproportional Reduction of Salaries”, the Court decided that the legislator, by adhering to the constitutional principle of responsible governance, may postpone the establishment and/or implementation of a mechanism of compensation of losses incurred due to the disproportional reduction of salaries for a reasonable period, which is estimated after the economic and financial situation in the state is evaluated, having regard to the outcomes of the particular situation and capacities of the state, including various obligations assumed by the state, *inter alia* related to financial discipline, therefore, with the imperative of balancing of state budgetary income and expenditure. The right of persons, who incurred losses due to the disproportional reduction of salaries, to the compensation of these losses should be implemented in line with a mechanism specified by the legislator, which would ensure proper compensation within a reasonable period of time. With the legislator’s delay to specify the mechanism of compensation of losses without any grounded reason or with the legislator having specified a wrong mechanism (with regard to the terms of payment of compensations and/or the amount of the latter), persons, who have incurred these losses, have the right to protect their infringed rights in judicial proceedings.

⁴ The Republic of Lithuania Law on the Rate of Basic Salary of Politicians, Judges, Public Officials and Civil Servants, Applicable in the Year 2013.

The Republic of Lithuania Law on the Rate of Basic Salary of Politicians, Judges, Public Officials and Civil Servants, Applicable in the Year 2014.

⁵ The Law on the Implementation of the Law amending the Law Amending Article 25, Annex 1 of the Republic of Lithuania Law on Civil Service and repealing certain related laws, the Law Amending Article 3 of the Law Amending the Annex of the Republic of Lithuania Law on the Remuneration for Work of Judges, the Law amending Article 2 of the Law Amending the Annex of the Republic of Lithuania Law on the Remuneration for Work of Judges, the Law Amending Article 3 of the Law Amending Article 30 of the Statute of the Special Investigation Service of the Republic of Lithuania, the Law Amending Article 3 of the Law Amending Article 1 of the Statute of the Prison Department under the Ministry of Justice of the Republic of Lithuania, the Law Amending Article 3 of the Law Amending Article 20 of the Statute of the National Defence System and Military Service of the Republic of Lithuania.

In 2013, the reduced amounts of maximum basic salary coefficients and bonuses and premiums of heads of budgetary institutions and organisations, heads and their deputies of structural divisions were effective⁶.

As of 1 January 2014, the amounts of basic salaries coefficients of heads of budgetary institutions and organisations, deputy heads, heads of structural divisions and their deputies effective before September 2009 were established. As of 1 January 2014, the amounts of bonuses and premiums of heads of budgetary institutions and organisations, deputy heads, heads of structural divisions and their deputies effective before September 2009 were established⁷. Also, as of 1 January 2014, the amounts of basic salaries (coefficients) for state politicians and civil servants valid in 2009 were established.

Issues related to salaries of prosecutors' were also considered. In implementing the reorganisation of the structure of the prosecution of the Republic of Lithuania, as of 1 May 2012, increased basic salary coefficients for senior prosecutors of county prosecutor's offices, their deputies, prosecutors of specialised divisions specified in the total state budget appropriations, which were valid in 2013, were established⁸.

Seeking to establish the terms and amounts of remuneration for work to employees of institutions financed from the state budget, municipal budgets, the State Social Insurance Fund budget and other monetary funds established by the state, who work under job agreements, a Draft Law of the Republic of Lithuania on Work Remuneration of Workers of State and Municipal Institutions is being developed. The provisions of this law will be applied to workers working under job agreements and receiving work remuneration from the state budget, municipal and the State Social Insurance Fund budget as well as other state funds, i.e. heads and employees of education institutions, health care (except for public institutions), culture and art institutions, social institutions. This law will also be applied to employees of institutions and agencies performing public administration functions (Office of the Seimas, Office of the President, Office of the Government, law enforcement institutions, ministries, governmental institutions, other public administration institutions and agencies, and municipalities), who work under job agreements, as well as to employees of state scientific research institutions operating as budgetary institutions (not scientists). It is specified that the basic salary of heads of institutions, structural divisions and other employees will consist of the fixed and the variable part. The fixed part of the basic salary of employees will be calculated by applying the basic amount of the salary, which is currently applied to calculate the salaries of state politicians, civil servants and judges. The Government will approve the coefficients of the fixed part of basic salaries according to the field of activities by evaluating financial possibilities of state and municipal budgets. The introduction of the provisions of the law will ensure the implementation of the provisions of Article 189 of the Labour Code, decrease the disproportions in salaries of employees of budgetary institutions operating in different fields of activities.

According to the data of the Department of Statistics of Lithuania, the average monthly gross work wages in the national economy (together with individual enterprises) reached LTL 2,230 in 2013 and were 5% higher than in 2012. In the public sector, the average monthly gross wages amounted to LTL 2,400 and were 3.5% higher than in 2012. The private sector (with individual enterprises) had the average monthly gross wages reaching LTL 2,139 and exceeding the same indicator of 2012 by 6.1%. The growth of wages was influenced by the growth in production, growth in labour productivity, increase of the MMW and amendments to legal acts increasing the amounts of wages and bonuses.

⁶ Resolution No. 1550 of 19 December 2012 of the Government of the Republic of Lithuania "On Amendment of Resolution No. 843 of 19 August 2009 of the Government of the Republic of Lithuania "On Resolution No. 511 of 8 July 1993 of the Government of the Republic of Lithuania "On the Improvement Procedure for Remuneration for Work of Employees of Budgetary Agencies and Organisations".

⁷ Resolution No. 1185 of 11 December 2013 of the Government of the Republic of Lithuania "On the Amendment of Republic of Lithuania Government Resolution No 511 of 8 July 1993 "On the improvement of the procedure for remuneration for work of employees of budgetary agencies and organisations".

⁸ The Law Amending Article 2 of the Annex to the Law Amending Section III of the Annex to the Republic of Lithuania Law on Remuneration for Work of State Politicians and Civil Servants.

2.3. CORPORATE SOCIAL RESPONSIBILITY

Companies' successful activities are one of the most important engines of economic and social welfare across the world. Market economy, competition, employment and even social improvement are not possible without it. Companies are an integral part of the modern world, which influences the everyday life and contributes to its improvement.

A modern enterprise is a socially responsible enterprise, i.e. such an enterprise, the activities of which go beyond the provisions of legal acts. It voluntarily integrates the principles of social, environmental, community and transparent business, closely cooperates with other concerned subjects thus assuring not only benefit for its owners and/or shareholders, but for the whole society.

State institutions, social partners, non-governmental organisations communicate and encourage business to implement various corporate social responsibility initiatives and acknowledge and evaluate them.

Seeking to implement the measure "Annual Organisation of the National Responsible Business Awards" of the Implementation Measures Plan for 2012–2013 of the National Programme for the Development of Corporate Social Responsibility 2012–2013⁹ and to achieve the expected results, the Procedure for Organisation, Evaluation and Selection, Organisation of Work of the Evaluation Commission of the National Responsible Business Awards for 2013 was approved by the order of the Minister of Social Security and Labour of the Republic of Lithuania¹⁰.

On 6 November 2013, companies were awarded with national responsible business awards for activities implemented in 2012. 9 companies were awarded under three nominations, i.e. "Employer of the Year 2012", "Partner of the Year 2012", "Environmental Business 2012", and in three categories, i.e. very small, small, or medium-sized companies, large companies and international companies and their branches/representations operating in Lithuania. One company received the highest award, i.e. "Socially Responsible Company 2012". This company was also awarded with additional certificates under all three nominations. Two companies paying a great deal of attention to the youth and young families were awarded with additional certificates. Certificates were also awarded to two public institutions participating in the national awards.

In order to facilitate the submission of application for companies wishing to participate in the National Responsible Business Awards, provisions of the National Responsible Business Awards were revised¹¹. On 27 March 2014, the website of the Minister of Social Security and Labour announced the National Responsible Business Awards for companies' progress in the field of social responsibility in 2013. The national responsible business awards were awarded to companies in May 2014. This year, additional awards were handed over for the implementation of the priorities of the Year of Wellness.

Seeking to implement the measure "To organise open discussions with persons, companies and other concerned entities about the role and possibilities of responsible business in the 21st century" of the Implementation Measures Plan for 2012–2013 of the National Programme for the Development of Corporate Social Responsibility 2012–2013, in 2013, the Minister of Social Security and Labour together with the Lithuanian Association of the Responsible Business and UAB "Ekonominės konsultacijos and tyrimai" organised two seminars for state enterprises and state institutions about the introduction of principles of social responsibility. During the seminars, the state's attitude towards corporate social responsibility, its significance and meaning, the policy of the European Commission in this field, the experience in the field of social responsibility and future plans were discussed. Methodological

⁹ Resolution No. 1057 of 5 September 2012 of the Government of the Republic of Lithuania "On the approval of 2009–2013 National Programme for the Development of Corporate Social Responsibility and its Implementation Measures Plan for 2012–2013".

¹⁰ Order No. A1–227 of 3 June 2013 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Provisions of the National Responsible Business Awards".

¹¹ Order No. A1–160 of 24 March 2014 of the Minister of Social Security and Labour of the Republic of Lithuania "On Amendment of Order A1–227 of 3 June 2013 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Provisions of the National Responsible Business Awards".

examples of the implementation of corporate social responsibility were discussed; a sample plan of application of social responsibility in state enterprises and its implementation guides were presented, and examples of good practice were described. Drafted methodological documents relevant for state institutions were presented a feasibility study of the introduction of corporate social responsibility in state institutions, a sample plan of the introduction of social responsibility in state institutions, draft guidelines for activity reports on responsible activities of state institutions were presented. Practical examples of socially responsible activities applied to state institutions were presented. The both seminars had 50 participants each.

2.4. TOPICALITIES OF SAFETY AND HEALTH AT WORK

2.4.1. SAFETY AND HEALTH AT WORK IN ENTERPRISES IN 2013

According to the data of the State Labour Inspectorate of the Republic of Lithuania (hereinafter referred to as the State Labour Inspectorate), in 2013, labour inspectors performed 5,400 inspections of safety and health at work in enterprises.

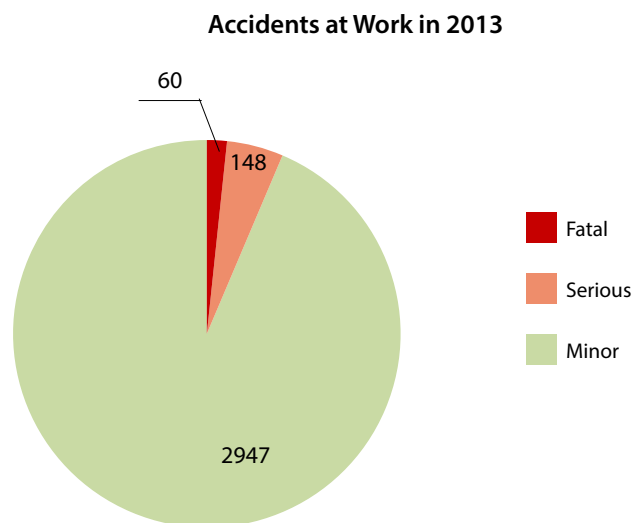
During the inspections, labour inspectors detected over 28,100 violations of regulatory acts governing safety and health at work. 1,300 requirements to eliminate violations were issued to enterprises' heads. In 42 cases, 40 work instruments (including 8 potentially hazardous devices) were prohibited for further use because of inconsistency with requirements of regulatory acts, and works in 177 workplaces were suspended.

Accidents at Work

In 2013, Lithuanian enterprises experienced 3,155 accidents at work, out of which 60 fatal accidents at work, 148 – serious accidents at work and 2,947 – minor accidents at work.

266.1 accidents at work fell per 100,000 workers, out of which 5.1 accidents at work were fatal and 12.5 were serious.

In 2013, the total number of accidents at work, the total number of fatal accidents at work and the total number of serious accidents at work were higher than in 2012.



Data of the State Labour Inspectorate

Fig. 2.4.1-1

Occupational diseases

In 2013, the State Register of Occupational Diseases registered 412 cases of occupational diseases among 256 persons. 309 (75%) of occupational diseases were diagnosed to men, and 103 (25 %) of occupational diseases were diagnosed to women.

The number of occupational diseases in 2011–2013 was similar – 402, 393, 412 respectively.

In 2013, like in 2012 and 2011, the following occupational diseases prevailed in the register:

- diseases pertaining to connective tissue and skeletal-muscular system (245 cases or 59%);
- diseases of the ear and mastoid process (80 cases or 19%);
- nervous system diseases (73 cases or 18%).

2.4.2. AMENDMENT OF THE LEGAL FRAMEWORK IN 2013-2014

On 18 June 2013, the Seimas of the Republic of Lithuania adopted the Law Amending Articles 2, 3, 4, 10, 13, 22, 25, 33, 34 of the Law on Safety and Health at Work and Supplementing the Annex to the Law¹² and the Law Amending Articles 266, 269 and 275 of the labour Code¹³, which came into effect as of 20 August 2013. The laws were adopted seeking to implement the provision of the Maritime Labour Convention, 2006, of the International Labour Organisation¹⁴ with regard to the establishment of a committee on safety and health of seafarers on the board of the ship with five or more seafarers. In the course of the implementation of these laws, the Regulations of the Occupational Safety and Health Commission of the Republic of Lithuania were amended¹⁵, the General Regulations of the Service on Health and Safety at Work of Enterprise were repealed¹⁶ and the General Regulations of the Service on Health and Safety at Work were approved by the Order of the Minister of Social Security and Labour¹⁷.

On 23 December 2013, the Seimas of the Republic of Lithuania adopted the Law Amending Articles 2, 4, 42, 43, 44, 45 of the Law on Health and Safety at Work¹⁸ and the Law Amending Articles 281 and 282 of the Labour Code of the Republic of Lithuania, which came into effect on 1 May 2014. The laws revised the concepts in line with Commission Regulation (EU) No. 349/2011, which implements the provisions of Regulation (EC) No. 1338/2008 of the European Parliament and of the Council on Community statistics on public health and health and safety at work as regards statistics on accidents at work, revised the legal regulation of investigation of accidents at work seeking systematicity and coherency of set concepts and procedures, and thorough investigation and prevention of all accidents causing workers' health injuries, and harmonised the field of application of the law with the provisions of the Law on Intelligence of the Republic of Lithuania. In the course of the implementation of the law, amendments

¹² No. XII-390 of 18 June 2013

¹³ No. XII-391 of 18 June 2013

¹⁴ The Republic of Lithuania Law on the Ratification of the Maritime Labour Convention No. XII-367.

¹⁵ Resolution No. 989 of 30 October 2013 of the Government of the Republic of Lithuania "On the Amendment of Resolution No. 13 of 9 January 2002 of the Government of the Republic of Lithuania "On the Approval of the Regulations of the Occupational Safety and Health Commission of the Republic of Lithuania".

¹⁶ Extract from the minutes of the sitting of the Occupational Safety and Health Commission of the Republic of Lithuania of 25 July 2013 "On Repealing of the General Provisions of Health and Safety at Work approved in the minutes No. 6-PV5-36 of the sitting of the Occupational Safety and Health Commission of the Republic of Lithuania of 29 October 2003 (Official Gazette, 2003, No. 110-4923)" (Minutes No. 54).

¹⁷ Order No. A1-502 of 9 September 2013 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the General Provisions of Committees on Safety and Health at Work".

¹⁸ No. XII-739 of 23 December 2013.

to the Regulations of Investigation and Recording of Accidents at Work¹⁹ and the Regulations of Investigation and Recording of Occupational Diseases²⁰ are being drafted.

The procedure of employment of persons under 18 years of age, their health surveillance and assessment of their capacity to perform specific work, working time, the list of works prohibited for them and that of dangerous, hazardous factors²¹ was amended in order to fully harmonise its provisions with the provisions of the Directive 94/33/EC on the protection of young people at work, provisions of the European Social Charter of 1996 (revised)²², provisions of the Maritime Labour Convention, 2006, of the International Labour Organisation in order to supplement it with provisions with regard to chemical substances and mixtures, classified in line with Regulation (EC) No. 1272/2008 of the European Parliament and of the Council on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending regulation (EC) No. 1907/2006, and with regard to the practice of application of this legal act. The list of easy works allowed for children from 14 to 16 years of age is repealed and the act specifies that children from 14 to 16 years of age may perform easy works in the fields of culture, art, sports, advertising, trade, accommodation and catering, services, information and communication, finance and insurance, administration and services, household and agriculture.

The Regulations on Protection of Workers from Risks Arising from Exposure to Noise²³ were revised with regard to the practice of the application of these Regulations and amended legal acts. The Regulations specify that first of all, noise should be reduced in the sources of noise, revise the sequence of applicable preventive measures, specify when working places must be marked and access to these places must be restricted, revise provisions with regard to assessment of occupational risk, information provision to workers consulting them.

The General Regulations of Training and Certifying of Workers on Health and Safety at Work Issues were amended²⁴, with regard to the practice of application of these regulations and amended legal acts. The concept “vocational training provider” is used in the Regulations, formal vocational training is separated from informal vocational training, provisions with regard to the repeated certification are refused, the form of the protocol of the certification commission is not established, the form of the issued certificate is revised, the themes of the training programme of a specialist of safety and health at work and economic activities are more clearly specified.

The Requirements for the Organisation of Safe Work and Equipment of Working Places in Enterprises in the mineral-extracting industries²⁵ were revised thus ensuring the implementation of provisions of Council Directive 92/91/EEC concerning minimum requirements for improving the safety and health protection of workers in the mineral-extracting industries through drilling (eleventh individual Directive within the meaning of Article 16(1)

¹⁹ Resolution No. 1118 of 2 September 2004 of the Government of the Republic of Lithuania “On the Approval of the Regulations of Investigation and Recording of Accidents at Work”.

²⁰ Resolution No. 487 of 28 April 2004 of the Government of the Republic of Lithuania “On the Approval of Investigation and Recording of Occupational Diseases”.

²¹ Resolution No. 1264 of 18 December 2013 of the Government of the Republic of Lithuania “On the Amendment of Resolution No. 138 of 29 January 2003 of the Government of the Republic “On the approval of the procedure of employment of persons under 18 years of age, their health surveillance and assessment of their capacity to perform specific work, working time, the list of works prohibited for them and that of dangerous, hazardous factors”.

²² Law No. IX-317 on the Ratification of the European Social Charter (revised) of 1996.

²³ Order No. A1-310/V-640 of 25 June 2013 of the Minister of Social Security and Labour of the Republic of Lithuania and the Minister of Health of the Republic of Lithuania “On the Amendment of Order No. A1-103/V-265 of 15 April 2005 of the Minister of Social Security and Labour of the Republic of Lithuania and the Minister of Health of the Republic of Lithuania “On the Approval of the Regulations on Protection of Workers from Risks Arising from Exposure to Noise”.

²⁴ Order No. A1-724/V-1284 of 31 December 2013 of the Minister of Social Security and Labour of the Republic of Lithuania and the Minister of Health of the Republic of Lithuania “On the Amendment of Order No. A1-287/V-611 of 17 June 2011 of the Minister of Social Security and Labour of the Republic of Lithuania and the Minister of Health of the Republic of Lithuania “On the Approval of the General Regulations of Training and Certifying Workers on Safety and Health at Work Issues”.

²⁵ Order No. A1-182/D1-332 of 7 April 2014 of the Minister of Environment of the Republic of Lithuania and the Minister of Social Security and Labour of the Republic of Lithuania “On the Amendment of Order No. A1-104/D1-186 of 12 April 2006 of the Minister of Environment of the Republic of Lithuania and the Minister of Social Security and Labour of the Republic of Lithuania “On the Approval of the requirements for the Organisation of Safe Work and Equipment of Working Places in Enterprises in the Mineral-Extracting Industries”.

of Directive 89/391/EEC), establishing the obligation to fill in the Enterprise's Health and Safety at Work Sheet and specifying the requirements with regard to the amended legal regulation.

The Safety Regulations for Workers Potentially at Risk from Explosive Atmospheres were revised²⁶ thus ensuring the implementation of provisions of Directive 1999/92/EC of the European Parliament and the Council on minimum requirements for improving the safety and health protection of workers potentially at risk from explosive atmospheres (15th individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC), by establishing the obligation to complete the Enterprise's Protection From Explosion Document and revising the requirements with regard to the amended legal regulation.

Training programmes in the field of health and safety at work registered in the Register of Study and Training Programmes were upgraded: the training programme of employer, person representing employer, and person authorised by employer, the training programme of a health and safety at work specialist in enterprises of all types of economic activities, the training programme of a health and safety specialist working in enterprises of groups II and III of economic types of activities, the training programme of a health and safety at work specialist working in enterprises of group III of economic fields of activities, the training programme of an employer, the person representing an employer performing the functions of a health and safety at work service in enterprises of all types of economic activities, the training programme of an employer, a person representing an employer performing the functions of the health and safety at work service in enterprises of groups II and III of economic types of activities, the training programme of an employer, a person representing the employer performing the functions of a health and safety at work service in enterprises of group III of economic types of activities, the training programme of a person authorised by the employer and performing the functions of a health and safety at work service in enterprises of all types of economic activities, the training programme of a person authorised by the employer and performing the functions of a health and safety at work service in enterprises of all types of activities and the training programme of a person authorised by the employer and performing the functions of a health and safety at work service in enterprises of group III of economic types of activities.

In order to assure the accuracy of the data of the State Register of Potentially Hazardous Equipment, the efficiency of process of administration thereof and seeking to harmonise the regulations of this register with the provisions of the Law on Management of State Information Resources, the Regulations of the State Register of Potentially Hazardous Equipment were revised²⁷.

The Rules for Use and Maintenance of Entertainment Equipment were revised²⁸. In order to ensure the coordination and monitoring of entertainment services, it was specified that the establishment of the procedure for provision of these services in the public sector was delegated to municipalities.

Seeking to harmonise the provisions of national legal acts with Regulation (EU) No. 1025/2012 of the European Parliament and of the Council of 25 October 2012, which specifies a new procedure for official objections with regard to harmonised standards inconsistent with requirements, the technical regulations "Elevators"²⁹ and "Personal Protective Equipment"³⁰ were amended.

²⁶ Order No. A1-114 of 26 February 2014 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Amendment of Order No. A1-262 of 30 September 2005 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Safety Regulations for Workers Potentially at Risk from Explosive Atmospheres".

²⁷ Resolution No. 973 of 23 October 2013 of the Government of the Republic of Lithuania "On the Amendment of Resolution No. 645 of 9 May 2002 of the Government of the Republic of Lithuania "On the Establishment of the State Register of Potentially Hazardous Equipment and the Approval of the Regulations of the State Register of Potentially Hazardous Equipment".

²⁸ Order No. A1-207 of 14 June 2014 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Amendment of Order No. A1-45 of 30 January 2012 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Rules for Use and Maintenance of Entertainment Equipment".

²⁹ Order No. A1-400 of 12 July 2013 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Amendment of Order No. 106 of 28 December 1999 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Technical Regulation "Elevators".

³⁰ Order No. A1-399 of 12 July 2013 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Amendment of Order No. 69 of 3 July 2000 of the Minister of Social Security and Labour of the Republic of Lithuania "On the Approval of the Technical Regulation "Personal Protective Equipment".

3

SOCIAL INSURANCE AND PENSIONS

3.1. SOCIAL INSURANCE: OBJECTIVES AND PRINCIPLES

In Lithuania, the state social insurance is the major part of the system of social security. The key aim of the system of social security is to guarantee revenues for the insured in the event of the loss of working capacity in the result of a disease, maternity, old age, disability and in other cases specified in the Law on the State Social Insurance. The State social insurance as well as social security is based on the fundamental principles of universality, solidarity and other principles. From the very beginning the system of social insurance had to be independent. This manifested in the separation of the social insurance budget from the state budget and the development of a tripartite the state social insurance management system.

The financial sustainability of social insurance benefits is one of the key issues when making decisions with regard to the further development of social insurance. Forecasted ageing, interests of separate social groups, different ideologies and different social policy measures applied in other countries have encouraged and still encourage politicians, representatives of financial institutions, scientists, residents and other interested groups or persons to constantly raise the issue of sustainability of the financial system of social insurance, analyse possibilities of this system for optimum implementation of obligations. 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, i.e. to balance the monetary flows of the budget, is determined by a negative impact of macro-economic factors or too many obligations (political risk aspect). Therefore, the year of 2013, as well as the preceding several years, may be called a period of regular savings and new challenges, since the country is still facing economic and financial outcomes of the financial crisis, which influence the State Social Insurance Fund budget (hereinafter referred to as SODRA budget), resulting subsequently in the deficit of the budget. The expenses of the SODRA budget have been exceeding its revenues for the seventh year in the row taking into consideration the forecasts of the SODRA budget revenues and expenses in 2014. This means that a share of pensions and other benefits are annually paid from borrowed funds.

As of 1 January 2013, a new procedure for calculating pensions came into effect. Pursuant to this procedure, the supplementary part of the state social insurance pension is calculated according to the whole insured period of the person and his insured income since 1 January 1994. Upon a person's request, his pension may be awarded and calculated in line with the previous procedure with regard to his salary received in the period from 1 January 1984 to 31 December 1993. Whereas this procedure allows a person to choose the most suitable method of pension calculation and the amount of the pension increases respectively. These measures influence the increase of the average old-age pension. According to the data of the State Social Insurance Fund Board under the Ministry of Social Security and Labour (hereinafter referred to as SODRA), the average old-age pension increased from LTL 816.2 (December 2012) to 827.10 (December 2013).

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 person, increase of the budget income, instead of merely balancing the budget by reducing public expenditure. The tax policy should be amended not by making any separate decisions, but by applying an integrated solution to issues of tax environment. Notwithstanding the aforementioned difficulties, insured persons receive the state social insurance benefits in a timely manner, since issues of the financial assurance of the current period have been continuously solved.

Social insurance is a service of regular collection of funds, which are also used to pay benefits, and this usually does not depend on the amount of contributions made, since benefits are awarded if the specified requirements are met. This mechanism is more typical for social assistance system and some other benefits (in kind) which are paid from the state budget. However, it would be expedient to purify the basic principles in the system of the state social insurance. On one hand, the amount of some state social insurance benefits are more related to a person's current or past salary, but on the other hand, some state social insurance benefits are not related to this kind of salary. However, exceptional privileges and rights for separate social groups or representatives of certain professions emerged in the system of the state social insurance.

The system of social security remains the field mostly striving for reforms and specific actions, therefore, a more sustainable Lithuanian social model covering the increase of employment, improvement of the regulation of labour relations and increase of the sustainability of social insurance is being developed. This model is created in line with Priority 4 "Strengthening of Administrative Capacities and Improvement of Public Administration" of 2007–2013 Operational Programme for the Development of Human Resources, the implementation measure VP1-4.3-VRM-02-V "Promotion of Public Politics Reforms". It is planned to implement project by using the support of the European Union structural funds. This method provides possibility to perform qualitative research by attracting not only Lithuanian scientists and experts, but also foreign researchers and experts, including social partners.

The key problems which encourage the development of a new social model of Lithuania: the current legal regulation in the field of pensions does not allow ensuring durable financial sustainability of the pensions system, and benefits do not efficiently reflect people's contributions to this system, what, in turn, means insufficient adequacy of benefits. Economic development requires far more flexible labour relations, which would influence the establishment of new vacancies, contribute to employment reduction, youth employment, reduce illegal work or avoidance to register actual working time and modernise the labour market. The evaluation of the flexibility of labour relations means the evaluation of flexibility of the working time, complexity of employment and dismissal costs. In Lithuania, the regulation of the working time has received very unfavourable evaluation. Low level of labour force activity, shortage of qualified workers, inconsistency of the demand and supply of skills, which is further increased by high level of emigration, are the most important and concern-provoking problems, the variants of solutions to which should be offered not only for a medium period, but also for a longer perspective.

The indicated problems of the state social insurance system are closely related to other fields, for example, improvement of regulation of labour relations and promotion of employment, therefore, it is necessary to search for common ways of solution of these problems. It is expected that the results of the developed model will allow responsible institutions to perform a more qualitative state's strategic economy policy for a longer period. This way

the complex of these solutions will have a positive impact on the system of state social insurance, which will become more integrated and solidary, and the model of social insurance will become more transparent and sustainable.

Regarded to the constantly increasing level of information society development, increasing possibilities for using digital technologies, their accessibility, a new procedure came into effect as of 1 May 2014³¹. According to this procedure, the data submitted by the insurer (social insurance reports) about the insured persons, except for self-employed persons, are submitted to SODRA only electronically through the e-Servicing System for the Insurers (hereinafter referred to as EDAS) and signing with the safe electronic signature. It is noted that insurers who do not have a computerised workplace, may submit electronic social insurance reports upon their arrival to territorial divisions of SODRA, where computerised workplaces for clients are equipped. Territorial divisions of SODRA also have responsible persons consulting the insurers on issues of operation of EDAS. Here the insurers are familiarised with EDAS, and the insurers holding electronic signature always can sign with their electronic signature and submit electronic social insurance reports with the help of SODRA specialists.

The majority of services provided to residents by SODRA were transferred into the electronic environment. Owners of smart phones have possibility to use electronic services of SODRA for more than two years. Clients have the possibility of submitting an application or a claim through the Electronic Servicing Systems for Residents (hereinafter referred to as EGAS) and through EDAS. These systems are constantly upgraded, therefore, when the insured event accurs, it is very convenient for clients to receive benefits of this type of insurance. In order to ensure qualitative client servicing via phone, the Division of Phone Consulting has been operating successfully for the last two years. Through one telephone number across Lithuania, i.e. 1883, clients may receive all relevant information on issues of the state social insurance. The network of collection of the state social insurance contributions has also been expanded, since insurers may pay these contributions not only through banks, but also through credit institutions, for example, through “Perlas” terminals, although, a common account of the SODRA has been opened to improve client servicing.

At present, SODRA is implementing the project “Development and introduction of information and consulting interactive electronic servicing system for the insured persons, beneficiaries and the insurers”. The aim of this project is to create more progressive personalised electronic services and to assure pro-active information and qualitative counselling to the insured persons, beneficiaries and the insurers. Thus, improving their awareness about amendments to legal acts, services rendered by SODRA and actions necessary to be performed in case of certain insured event in their life or activities.

A website revealing statistical data of SODRA (available at <http://atvira.sodra.lt>) has been operating for a year. It was designed to present relevant information in a convenient manner, which will help to find answers of burning questions and better understand activities and results of this company. It contains detailed information about the state social insurance, allocation of SODRA funds and other useful information related to the pensions and other benefits requiring the major share of the funds, the types of the state social insurance that are detrimental, the insurers paying the greatest share of contributions. The portal presents different data not only graphically, but in ordinary tables necessary for a more comprehensive analysis.

³¹ Order No. 103 of 5 February 2014 of the Government of the Republic of Lithuania “On the Amendment of Order No. 435 of 25 April 2007 “On the Establishment of the Register of Persons Insured with State Social Insurance of the Republic of Lithuania Beneficiaries of State Social Insurance Benefits, Approval of the Regulations Thereof Establishment of the Date of the Launch of Its Activities”.

3.2. IMPROVING COLLECTION OF STATE SOCIAL INSURANCE FUND BUDGET

According to the preliminary data, in I Quarter 2014, employers paid a significantly higher amount of contributions to the budget of SODRA, and the deficit of SODRA was lower than the budget deficit of the previous year.

Over the period of January–March 2014, the income of SODRA amounted to LTL 2,210.7 million, i.e. 7.7 % or LTL 158.0 million more than the amount received in the same period of 2013 (without allocations from the Reserve (Stabilisation) Fund). Social insurance contributions by the insurers and the insured persons amounted to 98.1% of the revenues or LTL 2,168.3 million, i.e. 71.0 million or 3.4% higher than planned. Compared with the same period of 2013, the amount of these contributions increased by LTL 152.8 million or 7.6%. Social insurance contributions paid by self-employed persons amounted to LTL 34.1 million. Compared with the same period of 2013, the amount of these contributions increased by LTL 4.1 million or 13.7%. The positive fact is that in January–March 2014, the number of employed persons were 19.6 thousand people higher than dismissed. Over the same period in 2013, the number of employed persons were 8.4 thousand higher than that of dismissed persons, and in 2012, this number was 12.1 thousand higher than dismissed persons. In January–March 2014, the number of days not worked due to unpaid leave was equal to 1,133.3 thousand, i.e. 3.8% or 44.8 thousand days less than during the same period in 2013.

In January–March 2014, the calculated SODRA budget expenditure amounted to LTL 2,797.9 million, i.e. LTL 13.0 million or 0.5% lower than in the same period in 2013. LTL 2,042.6 was allocated for pension's social insurance benefits. Compared with the same period of 2013, the expenditure of pension social insurance benefits increased by LTL 3.2 million or 0.2%.

LTL 321.7 million was allocated for sickness and maternity social insurance benefits. Sickness and maternity social insurance benefits were LTL 9.2 million or 2.8% lower than in the same period of 2013. Unemployment social insurance benefits were LTL 99.3 million, i.e. LTL 5.2 million or 5.5% higher than in the same period of 2013. Accidents at work and occupational diseases social insurance benefits amounted to LTL 14.6 million, i.e. LTL 0.5 million or 3.3% less than in the same period of 2013. The funds transferred to pensions funds amounted to LTL 107.7 million, i.e. LTL 14 million lower than in the same period of 2013.

In January–March 2014, the revenues of SODRA budget were LTL 587.2 million lower than the expenditure. It was planned that the revenues would be lower than the expenditure by LTL 647.7 million.

At the end of I Quarter 2014, the amount of the funds borrowed and not refunded by SODRA reached LTL 11,114.6 million, and in December 2013, this amount reached LTL 10,826.2 million. The result of SODRA budget in 2013 is that the expenditure exceeded the revenues by LTL 1,235.2 million.

In 2013, the revenues of SODRA budget amounted to LTL 9,994.9 million. They were planned with regard to the forecasts announced by the Ministry of Finance forecasting the increase of salaries by 4.4%. Compared with 2012, the revenues decreased by LTL 1,617.9 million or 13.9%, however, without calculating health insurance contributions, because since 2013, health social insurance contributions are not included into the accounting of SODRA budget. Taking into account the information presented above, the revenues increased by LTL 988.0 million or 11.0%, out of which LTL 133.6 million because of the increase of minimum monthly wage up to LTL 1,000 as of 1 January 2013.

The largest share of the revenues, i.e. LTL 9,248.8 million or 92.5%, were the state social insurance contributions by the insurers and the insured persons, which, compared with 2012, increased by 8.1%, without compulsory health insurance contributions. The contributions by the insurers amounted to LTL 8,362.9 million and the contributions by the insured persons – LTL 885.9 million, out of which royalties amounted to LTL 33.8 million. Self-employed persons paid LTL 182.4 million of the state social insurance contributions, i.e. LTL 10.7 or 31.0% more than in 2012 (without compulsory health insurance contributions).

Voluntary state social insurance contributions amounted to LTL 4.6 million. Compared to the previous year, these contributions increased three-fold. This was determined by the adoption of a new provision of the Republic of Lithuania Law on State Social Insurance Pensions from 1 January 2013. According to this new provision, there is a possibility to calculate the state social insurance pensions according to the insured income received from 1 January 1994. This increased amount was determined by the fact that persons awarded with the state social insurance old-age pension, who have paid voluntary state social insurance contributions for the period not less than one year (or for a shorter period, if there is less than one year left until the person's obligatory insurance period for work), become entitled to re-allocation of the pension. When re-awarding the pension, the new procedure for pension calculation as of 1 January 2013 is applied. The amount of voluntary state social insurance contributions paid for pension insurance reached LTL 4.6 million, and the amount for contributions for sickness and maternity benefits reached LTL 0.008 million.

A total amount of LTL 497.2 million (LTL 210.6 million more than in the previous year) was calculated to compensate appropriations from the State Reserve (Stabilisation) Fund because of the state social insurance contributions transferred to private pension funds.

In 2013, the expenditure of SODRA budget amounted to LTL 11,230.2 million. Compared with 2012, it decreased by LTL 2,240.4 million or 16.6%, and without evaluation of the funds transferred to the Compulsory Health Insurance Fund in 2012, the expenditure increased by LTL 352.9 million or 3.2%. The pension social insurance expenditure amounted to LTL 8,164.0 million or 72.7% of all expenditure of SODRA budget. The calculated expenditure of pensions social insurance was 0.2% or LTL 18.7 million lower than in 2012. The number of beneficiaries of old-age pensions in 2013 reached 598.7 thousand persons, if compared to 2012, this number decreased by 0.1% or 0.8 thousand persons. The average annual state social insurance old-age pension of persons having the obligatory record of state social pension insurance amounted to LTL 850.88. Compared to 2012, the average annual old-age pension of persons with the obligatory record of state social pension insurance was 1.1% higher or LTL 8.97. The ratio between the average annual old-age pensions for persons with the obligatory record of state social pension insurance and the annual gross salary of persons insured with all types of social insurances is 44.8%. In December 2013, the average old-age pension of persons with the obligatory record of state social pension insurance amounted to LTL 857.25, and compared with December 2012, it was 1.6% or LTL 13.79 higher, and having evaluated the inflation, the actual old-age pension of persons with the obligatory insurance record increased by 1.2%. The calculated funds transferred to the private pension funds amounted to LTL 513.5 million, i.e. LTL 226.8 million or 79.1% more than in 2012, since the rate of the contributions transferred to the private pension funds increased from 1.5% in 2012 up to 2.5% in 2013. The funds transferred to the private pension funds make 4.6% of all the expenditure of SODRA. In 2013, accumulative pension contributions were transferred to the private pension funds for 1,078.5 thousand persons or 86.8 % of insured persons, however, 347.3 thousand or 32.2% of these persons did not have any insured income.

The sickness and maternity social insurance expenditure amounted to LTL 1,161.6 million or 10.3% of all expenditure of SODRA budget. It was 8.6% or LTL 109.5 million less than in 2012. Having evaluated the alignment of contributions received in 2010–2011 and transferred funds with the difference of LTL 268.3 million (the amount of unemployment benefit expenditure was reduced by LTL 268.3 million); unemployment social insurance expenditure amounted to LTL 151.5 million. Unemployment social insurance expenditure amounted to 1.3% of all budget expenditure. Over 2013, the amount of unemployment benefits was LTL 252.3 million, including LTL 20.4 million for December 2012. The expenditure on accidents at work and occupational diseases social insurance amounted to LTL 58.0 million or 0.5% of all the budget expenditure. LTL 4.4 million or 8.2% more than in 2012 were used for this type of insurance. This expenditure increased with the increase in the number of beneficiaries of sickness benefits because of accidents at work.

3.3. CHANGES IN THE PENSION SYSTEM

3.3.1. AMENDEMENTS TO THE LAW ON STATE SOCIAL INSURANCE PENSIONS

Currently, the number of beneficiaries of the state social insurance old-age pension is almost 600 thousand people. According to the Lithuanian Department of Statistics, in the beginning of 2013, there were 678.5 thousand residents aged 61 and over. Individuals with the required 30 years of state social pension insurance record (hereinafter referred to as the insurance record) in early 2014 received the average state social insurance old-age pension of LTL 858.89.

State social insurance old-age pensions by the number of beneficiaries account for about 55% of all state social insurance pensions, while the amount of the state social insurance old-age pensions account for about 74% of the total amount of state social insurance pensions. Apart from the old-age pensions, the following pensions are also paid from the budget of the State social insurance fund: early old-age, work incapacity (disability), widows, orphans, loss of breadwinner and retirement pensions.

From 1 January 2014, the amendments³² to the Law on State Social Insurance Pensions came into effect regarding the regulation of the entitlement to the widows or orphans pensions for nationals of third countries. Until 1 January 2014, widows and orphans pensions were awarded with consideration of the person's place of residence and acquired insurance record. Pensions to individuals who are not permanent residents of the Republic of Lithuania were awarded only when it was stipulated in the European Union regulations on coordination of social security systems, international treaties, or pursuant to Paragraph 5, Article 1 of the Pensions Law and only for the insurance record acquired in Lithuania. Therefore, in order to ensure equal conditions for nationals of third countries (both residing in Lithuania and third countries) and permanent residents of the Republic of Lithuania or nationals of the Republic of Lithuania, the above-mentioned amendments were made. The latter amendments established that if nationals of third countries acquire the right to widows or orphans pension while residing in Lithuania, pensions will be awarded to them, same as to permanent residents of the Republic of Lithuania, only when the deceased was a permanent resident of the Republic of Lithuania after 1 June 1991 and gained insurance record while working in Lithuania or any other European Union Member State (insurance record requirement is not applied to individuals who deceased before 1 June 1991). Similarly, if nationals of third country acquire the right to widows or orphans pensions when residing in a third country, pensions will be awarded to them, same as to nationals of the Republic of Lithuania residing in third countries, only if the deceased had gained minimum insurance record during employment in Lithuania.

In 2013, pensions of widows and orphans were paid to 262.7 thousand persons, the total amount of pensions paid to them was about LTL 344.1 million. The number of beneficiaries of widows and orphans pensions is planned to be about 267 thousand in 2014, while the expenses is expected to be about LTL 366.5 million.

It should be noted that in 2013 after the entry into effect of the amendments to the Law on State Social Insurance Pensions on 11 August 2012³³ regarding application of equal conditions when paying pensions to both nationals of the Republic of Lithuania residing abroad and to nationals of third countries who reside in a third country and had paid mandatory state social pension insurance contributions for the established period of time, state social insurance pensions were awarded to 1362 individuals residing in third countries and the average amount of such pension was LTL 528.68. Great majority of state social insurance pensions for insurance record acquired in Lithuania were awarded and paid to individuals residing in Israel.

³² Law No. XII-738 on amendment and supplement of Articles 1, 34, 38, 43 and the annex to the Law on State Social Insurance Pensions of the Republic of Lithuania.

³³ Law No. XI-2137 on amendment and supplement of Articles 1, 2, 8, 43, 54 of the Law on State Social Insurance Pensions of the Republic of Lithuania and supplement of the latter law with Article 1(1) and annex.

3.3.2. COMPENSATION FOR PENSIONS REDUCED IN THE PERIOD OF 2010-2011

In order to enforce the decision of the Constitutional Court of the Republic of Lithuania of 6 February 2012 regarding the compliance of the legislation of the Republic of Lithuania regulating recalculation and payment of pensions when the country is in extremely difficult economic, financial situation with the Constitution of the Republic of Lithuania, the Law on Compensation of the State Social Insurance Old-Age and Disability Pensions³⁴ (hereinafter referred to as the Compensation Law) was adopted. The Compensation Law stipulates compensation of the outstanding amounts of old-age and disability pensions in the period of 2010-2011, which resulted from recalculation and payment of social benefits due to lower insured incomes of the current year approved for application of the temporary law. The Compensation Law was drawn considering that the old-age pension for unemployed pensioners is the only source of income. The law stipulates payment of 20% of the compensation amount in the last month of the 4th quarter of 2014, and yearly payment of 40% of the compensation amount for old-age and disability pension beneficiaries in 2015 and 2016, paying the compensation amount in equal parts in the last month of each quarter of the respective year. When the total calculated amount to be compensated is under LTL 100, it will not be divided and will be paid in full in the end of 2014. Compensation of pensions will apply to over 480 thousand persons and the funds of about LTL 450 million will be needed. The amount of about LTL 90 million is planned for payment of compensations in 2014, and about LTL 180 million in 2015 and 2016, each. It is established in the Compensation Law that in 2014 old-age and disability pensions will be compensated from the revenues of the budget of the State Social Insurance Fund, ensuring no worse than the balance between monetary revenues and expenses approved in Annex 2 to the Law on the approval of the budgetary targets of the state social insurance fund for 2014³⁵. In 2015 and 2016, old-age and disability pensions will be compensated from the targeted allocations of the national budget intended for the State social insurance fund budget. Considering the possibilities of the budget of the State social insurance fund and the national budget, as well as the fact that compensation of old-age pensions for employed beneficiaries would require some additional LTL 360.7 million, while compensation of state pensions reduced at large scale would require about LTL 45 million from the national budget, it is established in the Compensation Law that regarding the compensation of the old-age pensions to employed beneficiaries and of state pensions reduced at large scale, the Government when discussing the draft law on the approval of budgetary targets of the national and municipal budgets in 2016 and (or) subsequent years, and the draft law on the approval of budgetary targets of the State social insurance fund of 2016 and (or) subsequent years, would evaluate the possibility to compensate the balance outstanding amounts and would establish the compensation mechanism.

It must be noted that the Constitutional Court explained in its decision published on 7 March 2014³⁶ that the legislator must determine the commencement date of payment of compensations and reasonable period, during which any losses resulting from the reduction of old-age pensions will be compensated. When establishing the above-mentioned, the legislator must consider consequences of the extraordinary situation and available resources in the country, as well as various obligations assumed by the state regarding financial discipline, thus also the imperative of balancing between the national budget revenues and expenses. The Constitutional Court further noted in the above-mentioned decision that once the extraordinary situation ceases to exist in the country and prerequisites needed for objective assessment of available resources arise, fair compensation of incurred losses caused by the reduction of the old-age pensions to all persons must be guaranteed, while according to the Constitution it cannot be properly ensured without referring to the amounts of compensation of losses incurred, compensation deadlines and other crucial elements established by the legislator. The chosen pension compensation mechanism complies with the provisions of the Constitutional Law.

³⁴ Law No. XII-886 on the compensation of state social insurance old-age and disability pensions of the Republic of Lithuania.

³⁵ Law No. XII-682 on the approval of budgetary targets of the state social insurance fund 2014 of the Republic of Lithuania.

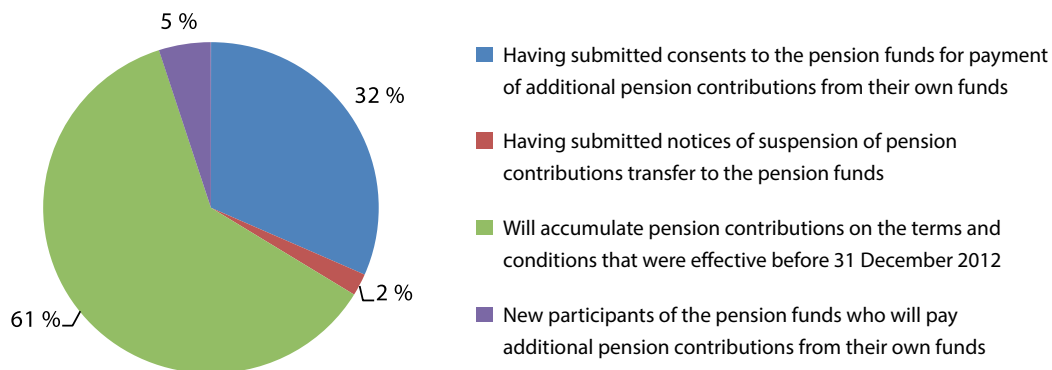
³⁶ Decision of the Constitutional Court of the Republic of Lithuania On the explanation of certain clauses of the Decision of the Constitution Court of the Republic of Lithuania of 6 February 2012.

3.3.3. PENSION ACCUMULATION IN PRIVATE PENSION FUNDS

The pension accumulation system launched in 2004 (by 5 May 2014) has 1,127,704 members. Individuals are invited to accumulate funds for their future pensions in 28 second-tier pension funds, which are controlled by 8 pension accumulation companies (6 management companies and 2 life insurance companies). Persons who have not attained the pensionable age yet and are receiving insured incomes, from which compulsory state social insurance contributions are paid for the basic and supplementary parts of pension, may sign pension accumulation agreements, which come into force on the first day of the third month from the month of registration of the agreement in the Register of Pension Accumulation Agreements.

Following the entry into force of the amendments ³⁷to the Law on Pension System Reform of the Republic of Lithuania on 1 January 2013, persons who signed pension accumulation agreements before 1 January 2013, in the period from 1 April till 2 December 2013 had to decide on their further participation in pension accumulation. According to the statistics of the Register of Pension Accumulation Agreements of 31 December 2013, the Register had 352,663 pension accumulation system participants registered, who submitted their consents to the pension accumulation companies for payment of additional pension contributions from their own funds, 24,003 pension accumulation system participants who submitted notices to the pension accumulation companies about suspension of pension contributions transfer to the pension fund, while 683,908 participants decided to accumulate pension contributions on the same terms and conditions which were valid until 31 December 2012 (transferring only the established amount of the state social insurance contributions to the pension funds). In 2013, 56,294 persons signed their first pension accumulation agreements. Pension accumulation contribution from them from 2014 consists of the contribution paid from their own funds, additional incentive contribution from the national budget and part of the state social insurance contribution.

Distribution of the pension accumulation participants after the end of the decision-making period



Statistics of the State Social Insurance Fund Board

3.3.3-1 Picture

Once the period for making the decision on participation in the pension accumulation system ended, only 2% of the pension accumulation system participants (Picture 3.3.3-1) decided to suspend transfer of social insurance contributions to the pension fund, while great majority of the pension accumulation participants decided to continue participating in the pension accumulation system.

³⁷ Law No. XI-2418 on the amendment of Articles 1, 2, 3, 4, 7 and 8 of the Law on Pension System Reform of the Republic of Lithuania.

3.4. STATE PENSIONS, SOCIAL ASSISTANCE BENEFITS AND SUPPORT TO RESISTANCE PARTICIPANTS AND VICTIMS OF OCCUPATION IN 1940-1990

3.4.1. STATE PENSIONS AND SOCIAL ASSISTANCE BENEFITS

From 1 January 2014, the state pensions (of the first and second degree of the Republic of Lithuania, victims, officers and soldiers, judges, scientists), rents (of the President of the Republic, signatories of the Act of Independence, athletes), and target compensations for nursing and care expenses paid to disable persons have been returned to the level of 2009. In February 2014, nearly 200 thousand beneficiaries received higher payments.

From 1 January 2014, mothers who had given birth to (adopted) and raised children till 8 years and well-educated five or more children (hereinafter referred to as mothers with large families)³⁸ have acquired the right to the state pension of second degree of the Republic of Lithuania (hereinafter referred to as the state pension of second degree). Before, this type of pension was awarded to mothers of 7 and more children. A state pension of the second degree amounts to 2 state pension bases (LTL 400 at the moment). They are awarded to mothers with large families once they reach the age of old-age pension or have lost 60% or more of their capacity to work, and are paid together with the state social insurance old-age or disability pensions. State pensions of the second degree are awarded by the Commission for Awarding State Pensions of the First and Second Degree of the Republic of Lithuania at the recommendation of the municipal administrations. During the first half of 2014, the Commission awarded the state pensions of the second degree to 7,432 mothers with large families.

On 1 January 2014, an amendment to the State Pension Law has come into effect³⁹, establishing the entitlement to the state pension of the first degree of the Republic of Lithuania for recipients of the national cultural and art award of Lithuania following the procedure established by the laws.

In 2013, the law regulating award and payment of state pensions for officers and soldiers underwent several amendments. Before 1 January 2014 the service length of officers and soldiers required for state pension included actual time of service in armed forces of other states, border control service, the interior and other services (other than service in extermination squads and battalions) - before 11 March 1990. The Constitutional Court of the Republic of Lithuania recognised this clause of the Law on Officers and Soldiers State Pensions to the extent it establishes that the length of service includes the periods after 11 March 1990, when the persons were unlawfully recruited and actually forced to serve in the USSR armed forces, border control services, the interior and other services (other than service in extermination squads and battalions) contradicting to Articles 29, 52 of the Constitution of the Republic of Lithuania⁴⁰, constitutional principle of judicial state. Taking the conclusion of the Constitutional court into consideration, the Seimas of the Republic of Lithuania adopted the amendment to the law on 3 December 2013⁴¹, eliminating the legal loophole established by the Constitutional Court of the Republic of Lithuania and ensured equal rights for officers and soldiers who served in the USSR armed forces and other forces before 11 March 1990 and by force after 11 March 1990.

On 19 December 2013, the Seimas of the Republic of Lithuania adopted one more amendment to the Law on Officers and Soldiers State Pension⁴² facilitating conditions for eligibility to the state pension of officers and soldiers to individuals who were expelled from service through their own fault. From 1 January 2014, the state pension is

³⁸ Law No. X-1768 on the amendment and supplement of Articles 4, 5, 6 of the State Pension Law of the Republic of Lithuania.

³⁹ Law No. XII-635 on the supplement of Article 4 of the State Pension Fund of the Republic of Lithuania.

⁴⁰ Decision of the Constitutional Court of the Republic of Lithuania of 22 February 2013.

⁴¹ Law No. XII-636 on the amendment of Article 16 of the Law on Officers and Soldiers State Pension of the Republic of Lithuania.

⁴² Law No. XII-709 on the amendment of Article 3 of the Law on Officers and Soldiers State Pensions of the Republic of Lithuania.

awarded to individuals who have served 20 or more years and at least 3 years have passed since their dismissal from service or if they have served 20 or more years and have reached the age of the transfer to the reserve (if no such age is established - the age of the old-age pension). Before this amendment, individuals acquired the right to state pension once they reached the age of transfer to the reserve or of old-age pension.

3.4.2. SUPPORT TO THE PARTICIPANTS IN THE RESISTANCE AND VICTIMS OF THE OCCUPATION IN 1940-1990

In 2013, the amount of LTL 0.5 million was spent on the compensations to freedom fighters who suffered from the aggression perpetrated by the USSR in 11-13 January 1991 and later, and their family members for heating, hot water, cold water and sewerage, gas, solid and liquid fuel, electricity, landline phone subscription fee and other expenses. Beneficiaries of the compensations are families of the killed persons, defenders of independence recognised as incapable or partially capable of work (disabled before 1 July 2005) as a result of the aggression perpetrated by the USSR during 11-13 January 1991 and subsequent events, and their family members, as well as defenders of independence who were seriously or moderately injured. According to the statistics of the municipal administrations, this kind of state aid in 2013 was used by 300 persons (families) per month on average.

In 2013, 66 compensations were paid to victims of the elimination of the consequences of the accident at the Chernobyl nuclear power plant⁴³.

One-off type of benefits are awarded not only to the victims but also to the family members of the participants in the resistance to the occupation, who died fighting for the freedom and independence of Lithuania, of imprisonment, as well as of deportation following the imprisonment. Funeral costs of volunteer soldiers are covered from the national budget (the benefit equal to 20 basic social assistance benefits is awarded (LTL 2,600)). During the year 2013, the municipal administrations awarded 69 benefits for perished/killed volunteer soldiers. Laws⁴⁴ regulating provision of this kind of support contain the list of persons eligible to the one-off benefit and terms and conditions for awarding such benefits. The amount of a benefit is determined by the death circumstances of a participant in the resistance to the occupation. The law further stipulates indexation of the amounts of the one-off benefits on a yearly basis, following the procedure established by the Government of the Republic of Lithuania, taking the yearly inflation rate into consideration. The average yearly inflation rate determined in 2009 was 4.5%, in 2010 - 1.3%, in 2011 - 4.1%, in 2012 - 3.1%. The amounts of the benefits in questions have been correspondingly increasing. From the entry into force of the law, i.e. from 1998 till 2014, the amounts of these benefits increased by 48%.

⁴³ Resolution No. 198 of the Government of the Republic of Lithuania of 18 February 1998 On one-off compensations and privileges to victims of the elimination of the consequences of the accident at the Chernobyl nuclear power plant.

⁴⁴ Law No. VIII-871 on the state support to the families of the participants killed during resistance to the occupation of 1940-1990 of the Republic of Lithuania; Law No. VIII-541 on the state support to the participants of the armed resistance of the Republic of Lithuania.

4

CASH SOCIAL ASSISTANCE, SOCIAL SCOPE

4.1. CASH SOCIAL ASSISTANCE

Cash social assistance is one of the measures affecting the reduction of poverty and social exclusion by mitigating the consequences of deprivation to the most vulnerable groups of society and improving the financial situation of families raising children. State guaranteed cash social assistance is consistently provided with regard to the national social and economic development and financial capacity of the state.

This chapter covers changes in the system of cash social assistance provided for families with children and poor residents, which occurred in 2013 and the first half of 2014, and the tendencies emerging from 1 January 2014, having assigned the provision of benefits as the independent function of municipalities and financing it from municipal budget funds. It presents statistics on benefits for children, social assistance for pupils, cash social assistance for poor residents, and assistance in the case of death.

4.1.1. BENEFITS FOR FAMILIES AND CHILDREN

In 2013, pursuant to the Republic of Lithuania Law on Benefits for Children⁴⁵, the following benefits were granted to persons raising children and/or guardians of children from the state budget: *a lump sum child benefit for a newborn child or for an adopted child* amounting to 11 basic social benefits (hereinafter referred to as the “BSB”) (LTL 1 430); *a child benefit* equal to 0.75 BSB (LTL 97.5) or 0.4 BSB (LTL 52) (the amount depends on the age of the child); *a guardianship (curatorship) benefit* amounting to 4 BSB (LTL 520); *a targeted guardianship (curatorship) benefit supplement* in the amount of 4 BSB (LTL 520); *a lump sum settlement benefit* for persons who have been established child guardianship (foster care), amounting to 75 BSB (LTL 9 750); *a lump sum benefit for a pregnant woman* equal to 2 BSB (LTL 260); *a benefit for a child of a serviceman in initial mandatory military service* amounting to 1.5 BSB (LTL 195).

The conditions of provision and amounts of state benefits for children established by the state remained the same in 2013.

⁴⁵ Republic of Lithuania Law on Benefits for Children No. I-621.

On 8 May 2014, the Law Amending Articles 1, 3, 7, 12, and 13, the title of Section 2 and the Annex of the Republic of Lithuania Law on Benefits for Children No. I-621⁴⁶ was adopted. It transposed the provisions of 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, according to which Member States must guarantee to third-country nationals the rights equal to those of citizens of a Member State to be granted benefits for children. Furthermore, with a view to improving the payment of a benefit for a child of a serviceman in initial mandatory military service, the legal basis for receiving a benefit in the case of both father and mother being in initial mandatory military service has been established as of 1 July 2014.

4.1.2. CASH SOCIAL ASSISTANCE FOR POOR RESIDENTS

The provision of cash social assistance for poor residents is regulated by the Republic of Lithuania Law on Cash Social Assistance for Poor Residents⁴⁷, pursuant to which this group of residents receives social benefits in order to ensure minimum funds to meet their basic physiological needs (food and clothing expenses) and compensations for heating and hot and drinking water expenses (hereinafter referred to as the “compensations”) as partial reimbursement for dwelling maintenance.

The right to cash social assistance is granted to persons who cannot earn a living due to objective reasons and have used all other possibilities of receiving income. When providing cash social assistance to poor residents, a common system of the provision of cash social assistance, based on the evaluation of income and property, is applied in Lithuania, and assistance is provided taking into consideration not only the received income, but also owned property⁴⁸.

In order to ensure accurateness of the support provided, when discussing the issues of granting the abovementioned support, municipalities have the right to invoke members of local communities, representatives from non-governmental organisations and other concerned parties, also to provide cash social assistance to poor residents who do not fulfil their duties prescribed by laws in a form other than cash⁴⁹, to inspect living conditions, owned property and employment, to draw up the act of inspection of household and living conditions and use it as the basis for making a decision on the entitlement to cash social assistance, etc.

Seeking greater accurateness and efficiency of provided cash social assistance as well as more rational use of state budget funds, the amendments to the Republic of Lithuania Law on Cash Social Assistance for Low-Income Residents⁵⁰, which became effective in 2013, enhanced the role of self-government with regard to provision of support to poor residents, created more favourable conditions to more efficiently and in a socially just manner provide this support, to reduce possibilities for misuse of cash social assistance and promote quicker integration of persons into the labour market.

In order to reduce the scope of illegal work and cases of non-accounted wages in the area of agriculture and to create more favourable conditions for increasing the amount of receivable income at own effort ensuring that these

⁴⁶ Law Amending Articles 1, 3, 7, 12, and 13, the title of Section 2 and the Annex of the Republic of Lithuania Law on Benefits for Children No. I-621.

⁴⁷ Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. IX-1675.

⁴⁸ 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.

⁴⁹ For example, in food products, clothing and other necessary commodities, social cards, meal vouchers, payment for children's (adoptees') catering expenses at schools or day centres, payment for expenses of adults' treatment of addictive disorders, and in other ways established by the municipal council.

⁵⁰ Law Amending and Supplementing Article 17 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. XI-2414. Law Amending and Supplementing Articles 2, 3, 7, 8, 9, 10, 16, 17, 21, 23, and 24 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. XII-329.

persons do not lose their right to cash social assistance, when granting cash social assistance, the part of income received in provision of agriculture and forestry services according to the receipt of agriculture and forestry services exceeding the amount of LTL 6 000 during the current calendar year shall be included in the income received by cohabitants or a single resident.

Seeking to promote integration of cash social assistance beneficiaries into the labour market and to reduce the possibilities of misuse of cash social assistance, more cases have been envisaged, where a person might be paid a supplementary part of a social benefit; the period of receipt of social benefit, except for a social benefit for children, has been shortened up to 12 months after expiry of which the benefit is gradually reduced for unemployed able-bodied persons of working age (their families); separate property value standards for movable property and cash funds have been established; municipality administrations have been conferred the right to grant social benefits when persons meet the requirements set out in the law, but their income exceeds state supported income by not more than 20 per cent; the right not to provide compensations or suspend provisions thereof, if cohabitants or a single resident declare their place of residence in the dwelling or lease it, but actually do not live in it, has been envisaged; not to reduce the amount of a social benefit, if during the period of provision of a social benefit the Lithuanian local labour exchange office or state employment agency of another country did not offer any job or to participate in active labour market policy measures; more cases of addressing a local community, non-governmental organisations, etc. when making a decision regarding the provision of cash social assistance have been envisaged.

While continuing reform of the cash social assistance system, which commenced on 1 January 2012, when provision of cash social assistance was assigned to five pilot municipalities (Akmenė, Panevėžys, Radviliškis, Raseiniai and Šilalė districts) as an independent function and taking into consideration the best practice and results of the provision of cash social assistance to poor residents in these municipalities, following the Law Amending and Supplementing Articles 4 and 23 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents⁵¹ adopted on 26 November 2013, the provision of *social benefits* has been assigned as an independent municipal function to other 55 municipalities as of 1 January 2014.

After the mentioned amendments to the law come into force, legal regulation provides for a mixed model of provision of cash social assistance for poor residents and different financing sources: in five pilot municipalities the provision of cash social assistance (social benefits and compensations) has remained unchanged, i.e. from 1 January 2012 until 31 December 2014 a pilot project is being implemented and this type of assistance is provided when implementing the independent municipal function financed from municipal budget funds, while the rest 55 municipalities have been providing social benefits as of 1 January 2014 when fulfilling the independent municipal function financed from municipal budget funds, and compensations – when fulfilling the state function (assigned by the state to municipalities) financed with the special target grants allocated from the state budget to municipal budgets.

The most important task remains the protection of residents, in particular socially vulnerable groups, from the negative factors of economic changes seeking to avoid, eliminate or mitigate deprivation.

Taking into consideration that the pilot project in municipalities when cash social assistance is provided to poor residents when fulfilling the independent municipal function will end on 31 December 2014, also in order to ensure continuity of the reform and having evaluated the results of provision of cash social assistance and the best practice of all municipalities when fulfilling the independent municipal function, there are plans to draft amendments to laws in 2014, where by a single model of provision of cash social assistance to poor residents, i.e. social benefits and compensations, in all municipalities is established as of 1 January 2015.

⁵¹ Law Amending and Supplementing Articles 4 and 23 of the Republic of Lithuania Law on Cash Social Assistance for Poor Residents No. XII-621.

4.1.3. SOCIAL ASSISTANCE FOR PUPILS

In order to ensure assistance for families raising school-age children and develop healthy eating habits of a child at school, following the Republic of Lithuania Law on Social Assistance for Pupils⁵², pupils from low-income families shall be entitled to *free meals for pupils 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 schools⁵³. Free breakfast or free afternoon meal is granted only in exceptional cases, having evaluated the family's living conditions. Up to 2 per cent of the funds allocated for social assistance from the state budget may be used for this purpose.

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

With regard to the changes in prices of consumer goods and services announced by the Lithuanian Department of Statistics as well as statistical information on average retail prices of food products, seeking to ensure that nutrition of pupils is complete and meets healthy nutrition requirements, the amounts of funds allocated per pupil for free meals (breakfast, lunch, afternoon meal) per day have been increased by about 10 per cent as of 1 January 2014⁵⁴. The amount of 1.3 to 7.7 BSB (from LTL 1.69 to LTL 10.01) is allocated for the purchase of food products.

Pupils are provided with free meals at school that they attend, irrespective of their place of residence.

Assistance for the acquisition of school supplies is provided in cash, except for the cases where a pupil is raised in a family at social risk. The amount of 120 per cent of BSB (LTL 156) is allocated for assistance for the acquisition of school supplies per pupil per calendar year. It is subject to the place of residence, irrespective of the school a pupil attends.

4.1.4. ASSISTANCE IN THE CASE OF DEATH

Pursuant to the Republic of Lithuania Law on Assistance in the Case of Death⁵⁵, regardless of the family income and owned property, a *funeral allowance* in the amount of 8 BSB (LTL 1 040) is paid to person taking care of the funeral in the case of death of permanent resident of Lithuania; to alien reside in Lithuania and who has been issued a temporary residence permit for the purpose of highly qualified employment in the Republic of Lithuania; to person residing in Lithuania who has been granted refugee status in accordance with the procedure laid down by laws; to person to whom this Law must apply under the EU regulations on the coordination of social security systems; and in the case of birth of a stillborn baby of the persons mentioned above.

In order to ensure proper conformity of the legal acts of the Republic of Lithuania to the requirements of the European Union legislation, the Law Amending Articles 3, 5, and 6 and the Annex of the Republic of Lithuania Law on Assistance in the Case of Death⁵⁶ was adopted on 24 April 2014, which transposed the provisions of 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, according to which Member States must guarantee to third-country nationals the rights equal to those of citizens of a Member State to be provided with assistance in the case of death. Moreover, with a view to improving the payment of a funeral allowance, the legal basis to grant a funeral allowance in the case of death of child who died within 3 months and his place of residence has not

⁵² Republic of Lithuania Law on Social Assistance for Pupils No. X-686.

⁵³ 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".

⁵⁴ Law Amending Articles 1, 2, 4, 6, 7, 10 and 14 of the Republic of Lithuania Law on Social Assistance for Pupils No. XII-742.

⁵⁵ Republic of Lithuania Law on Assistance in the Case of Death No. I-348.

⁵⁶ Law Amending Articles 3, 5, and 6 and the Annex of the Republic of Lithuania Law on Assistance in the Case of Death No. I-348.

been declared in the Republic of Lithuania in the manner prescribed by legal acts and the legal basis to grant a funeral allowance from the municipal budget in the manner prescribed by the municipal council in those cases when the place of residence of the deceased person has not been declared in the Republic of Lithuania in the manner prescribed by legal acts have been established as of 1 July 2014.

4.1.5. CHANGES IN THE SCOPE OF FINANCING CASH SOCIAL ASSISTANCE AND THE NUMBER OF ITS RECIPIENTS

In 2013, expenses for provision of cash social assistance for persons raising children, poor residents and in the case of death of a resident amounted to LTL 1 005.1 million and, compared to 2012, decreased by 11.7 per cent (from LTL 1 138.5 million to LTL 1 005.1 million); in 2013, expenses for administration of such assistance amounted to LTL 28.6 million and, compared to 2012, increased by 24.3 per cent (from LTL 23.0 million to LTL 28.6 million).

Table 4.1.5-1 and Figure 4.1.5-1 set out data on beneficiaries of cash social assistance and expenses in 2012 and 2013, and distribution of expenses for cash social assistance, except for expenses for administration of cash social assistance, in 2013.

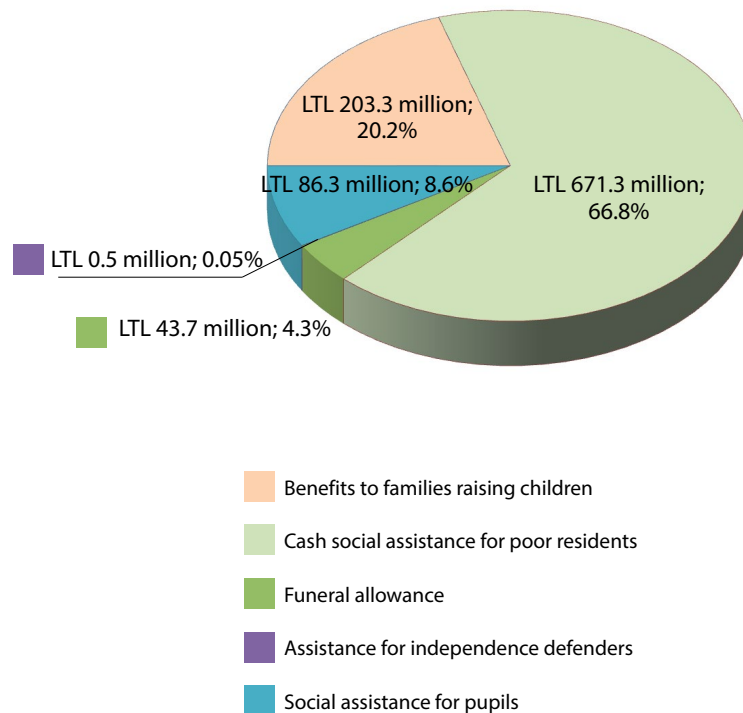
Beneficiaries of cash social assistance and expenses in 2012 and 2013

Item No.	Benefits	2012		2013	
		Beneficiaries, thous. people	Expenses, LTL million	Beneficiaries, thous. people	Expenses, LTL million
	Total (1+2+3+4)	x	1 138.5	x	1 005.1
1.	Benefits to persons raising and/or fostering children, including:	x	213.1	x	203.3
1.1.	Lump sum child benefit	31.8	45.5	32.4	46.3
1.2.	Lump sum benefit for a pregnant woman	8.2	2.1	7.4	1.9
1.3.	Child benefit	107.1	87.1	99.1	79.4
1.4.	Benefit for a child of a serviceman in initial mandatory military service	0.006	0.004	0.007	0.003
1.5.	Guardianship (curatorship) benefit	12.1	65.0	11.6	62.1
1.6.	Lump sum settlement benefit	3.0	11.3	2.9	11.0
1.7.	Targeted guardianship (curatorship) benefit supplement	0.3	2.1	0.4	2.6
2.	Benefits and other types of assistance for poor residents, including:	x	883.1	x	757.6
2.1.	Social benefit	221.9	599.5	190.0	508.2
2.2.	Compensations for heating of the dwelling, hot and drinking water expenses	199.4	169.5	204.9	152.3
2.3.	Cash social assistance granted on the decision of a municipality	x	3.3	x	3.2
2.4.	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	2.2	1.4	2.0
2.5.	Cash social assistance from municipal budgets	x	6.5	x	5.6
2.6.	Free meals for pupils	128.5	83.6	109.0	71.1
2.7.	Assistance for the acquisition of school supplies	118.3	18.5	97.3	15.2
3.	Assistance for independence defenders aggrieved during the events of 11–13 January 1991 and the following aggression of the USSR, and their families	0.4	0.5	0.3	0.5
4.	Funeral allowance	40.2	41.8	41.0	43.7

Data of the Ministry of Social Security and Labour

Table 4.1.5-1

Distribution of expenses for cash social assistance in 2013



Data of the Ministry of Social Security and Labour

Figure 4.1.5-1

In 2013, the major share of expenses for social assistance (66.8 per cent) consisted of expenses for social benefits, compensations for heating of the dwelling and water expenses, payment of the credit, taken for renovation (modernisation) of a multi-apartment building, and interest thereof for persons entitled to a compensation for heating of the dwelling expenses, which are granted having evaluated family income and property. Benefits to persons raising and/or fostering children accounted for 20.2 per cent of all funds allocated for cash social assistance.

In 2013, expenses for cash social assistance for poor residents decreased by 14.2 per cent, as compared with 2012 (from LTL 883.1 million to LTL 757.6 million).

On average, in 2013, 190 000 persons (6.5 per cent of the whole population of Lithuania) received social benefit on a monthly basis. Compared to 2012, the average number of persons receiving social benefit decreased by 14.4 per cent (from 221 900 to 190 000 persons), and expenses for payment of social allowances decreased by 15.2 per cent (from 599 500 to 508 200 million) per month.

In 2013, as compared with 2012, the average amount of a monthly social benefit per capita decreased by 1 per cent (from LTL 225.1 to LTL 222.9).

During the first quarter of 2014, on average 168 500 persons (5.7 per cent of the whole population of Lithuania) per month received social benefit. As compared with the same period in 2013, the number of beneficiaries of monthly social benefit decreased by 22.6 per cent (from 217 600 to 168 500 persons), and expenses for payment of social benefit decreased by 24.1 per cent (from LTL 145.7 million to LTL 110.6 million). During the first quarter of 2014, the average amount of a monthly social benefit per capita decreased by 2 per cent, as compared with the first quarter of 2013 (from LTL 223.2 to LTL 218.8).

In 2013, 10.2 per cent less funds were spent on compensations for heating of the dwelling and water expenses than in 2012; the expenses decreased from LTL 169.5 million to LTL 152.3 million.

Within one month of 2013, on average 204 900 persons (7 per cent of the whole population of Lithuania) received compensations for heating of the dwelling expenses. In 2013, as compared with 2012, the average number of persons who received compensations for heating of the dwelling expenses per month increased by 2.8 per cent (from 199 400 to 204 900 persons). The average amount of a compensation for heating of the dwelling expenses per capita per month in 2013 was approximately LTL 130 with the centralised heating system (LTL 121 in 2012) and LTL 127 when heating with other types of energy and fuel (LTL 128 in 2012).

During the first quarter of 2014, 32.7 per cent less funds were spent on compensations for heating of the dwelling and water expenses than in the same period in 2013; expenses fell from LTL 86.6 million to LTL 58.3 million. Within one month of the first quarter of 2014, on average 192 900 persons (6.6 per cent of the whole population of Lithuania) received compensations for heating of the dwelling expenses. During the first quarter of 2014, compared to the same period in 2013, the average number of persons who received compensations for heating of the dwelling expenses per month fell by 4.55 per cent (from 202 100 to 192 900 persons). The average amount of a compensation for heating of the dwelling expenses per capita per month in the first quarter of 2014 was approximately LTL 100 with the centralised heating system (LTL 130 in Q1 2013), and LTL 137.4 when heating with other types of energy and fuel (LTL 127 in Q1 2013).

In 2013, in pilot municipalities (Akmenė, Panevėžys, Radviliškis, Raseiniai and Šilalė districts), which have been fulfilling the independent municipal function as of 1 January 2012, the number of beneficiaries of social benefit decreased by 18.7 per cent (from 15 500 to 12 600 persons), and expenses for payment of social benefit decreased by 26.8 per cent (from LTL 38.1 million to LTL 27.9 million), as compared with 2012.

In 2013, the average amount of a monthly social benefit per capita in these five municipalities decreased by 9.5 per cent, as compared with 2012 (from LTL 204.3 to LTL 184.8).

In 2013, these municipalities spent LTL 6.8 million for payment of compensations for heating of the dwelling and water expenses. As compared with 2012, expenses for payment of compensations decreased by 19 per cent (from LTL 8.4 million to LTL 6.8 million). In 2013, 10 900 persons received compensations in the abovementioned municipalities. As compared with 2012, the number of beneficiaries of compensations decreased by 8.4 per cent (from 11 900 to 10 900 persons).

In 2013, growing food product prices resulted in the increase of the amount of funds allocated for free meals per pupil per day; however, with regard to the decreased number of pupils who received free meals and assistance for the acquisition of school supplies, expenses for social assistance for pupils (free meals and assistance for the acquisition of school supplies) fell by 15.5 per cent (from LTL 102.1 million to LTL 86.3 million), compared to 2012.

In 2013, about 109 000 children from low-income families (29 per cent of all pupils) received social assistance for pupils, of whom 109 000 pupils received free meals at school (29 per cent of all pupils) and 97 300 pupils received assistance for the acquisition of school supplies (26 per cent of all pupils).

Due to the improving economic situation in the country, falling unemployment rate (according to the estimates of the Statistical Labour Force Survey, 11.4 per cent in QIV 2013; 13.2 per cent in QIV 2012) and the decreasing overall number of school pupils, the number of children receiving free meals fell by 15.2 per cent (from 128 500 to 109 000 pupils) in 2013, as compared with 2012. This also determined a 15 per cent decrease in expenses for free meals (from LTL 83.6 million to LTL 71.1 million). Pupils were provided with free lunch in all schools, whereas free breakfast was organised in schools established by 29 municipalities and the Ministry of Education and Science.

In 2013, as compared with 2012, the number of beneficiaries of assistance for the acquisition of school supplies fell by 17.8 per cent (from 118 300 to 97 300 pupils). This also determined a decrease in expenses for this type of assistance – in 2013, as compared with 2012, these expenses fell by 17.8 per cent (from LTL 18.5 million to LTL 15.2 million).

During the first quarter of 2014, compared to the same period in 2013, the number of pupils who received free meals per month fell by 16.5 per cent (from 119 000 to 99 400 pupils). With regard to the fact that the amount of funds allocated for the acquisition of food products per pupil per day grew and, not taking into consideration the decreased number of children who received free meals, expenses for free meals of pupils (food products) increased by 6.9 per cent (from LTL 21.6 million to LTL 23.1 million) in the first quarter of 2014, as compared with the same period in 2013.

4.2. SOCIAL WORK

In the course of implementation of its international commitments, Lithuania has to address the issues of the social care system of children deprived of parental care and the people with disabilities.

Together with non-governmental organisations representing the disabled, associations of managers of social care institutions and other organisations, the Action Plan of Transition from institutional care to community-based for people with disabilities and children deprived of parental care 2014–2020⁵⁷ (hereinafter referred to as the “Action Plan”) has been drawn up.

In the period 2014–2020, the Action Plan aims to envisage consistent and coordinated actions that promote the creation of the system for transition from institutional social care to community-based services for disabled persons (including children and youth), with mental and/or psychic disability, children deprived of parental care, including babies, as well as families, and assistance to the family, guardians (foster parents).

The Action Plan envisages the following aims:

- to ensure harmonious environment and conditions for all children to be raised in their families, and to children deprived of parental care to be raised in the families of foster or adoptive 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 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.

The Action Plan will be implemented through pilot projects in regions. The European Union structural support funds for 2014–2020 will be used (according to preliminary estimates, around 214 million of funds from the European Regional Development Fund and the European Social Fund). The Interinstitutional Monitoring Group⁵⁸ has been set up for the purposes of monitoring the implementation of the Action Plan.

The Action Plan and its implementing measures have been widely presented to municipalities, social care institutions, non-governmental organisations; the best solutions concerning the transition from institutional care to community-based services have been discussed with the representatives from the European Commission and experts from Greece, Bulgaria and other European countries. Seeking to successfully implement the Action Plan, cooperation of all executing institutions is necessary; therefore, the Plan envisages that the major share of activities will be implemented with the help of non-governmental organisations and experts.

⁵⁷ Order No. A1-83 of the Minister of Social Security and Labour of 14 February 2014 “On the Approval of the Action Plan of the Transition from Institutional Care to community-based services for people with disabilities and Children Deprived of Parental Care 2014–2020”.

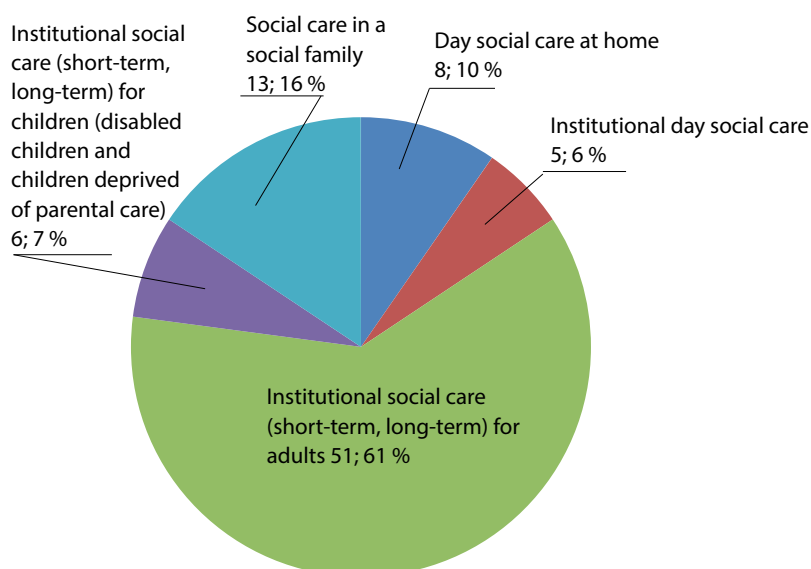
⁵⁸ Order No. A1-249 of the Minister of Social Security and Labour of the Republic of Lithuania of 8 May 2014 “On the Setting Up of the Interinstitutional Monitoring Group”.

Starting with 1 January 2015, only those social care providers who have licences for the provision of social care will be entitled to render such services. As of 1 January 2013, social care institutions may obtain licences for the provision of social care on a voluntary basis. Licensing of social care institutions and social families falls within the responsibility of the Department of Supervision of Social Services under the Ministry of Social Security and Labour (hereinafter referred to as the “Department”).

The main criteria for obtaining the licence include staff composition and number of employees, education of social workers, the area of residential premises, the total number of residents in the institutions, the number of personal hygiene premises, fire detection and alarm system, a permit – health licence, and the licence for the provision of personal health care services (for an institution).

A social care licence may be obtained by social care institutions and social families through the electronic means of Social Care Licencing. Before making a decision on licencing, the Department has the right within 25 calendar days to carry out an on-site inspection in order to make sure whether a social care provider is ready to provide social care services. A decision concerning licencing is made within 30 calendar days. At least once in five years, the Department carries out the scheduled inspection of a licence holder.

According to the data of the Department, 83 licences for the provision of social care services have been issued by the beginning of May 2014.



Data of the Department of Supervision of Social Services

Figure 4.2-1

More than half of issued licences (61 per cent) are related to the provision of institutional social care for adults (disabled, elderly or social risk persons).

Further information on licencing is provided on the Department’s website at www.sppd.lt.

As of 1 January 2014, seeking to enhance assistance to families raising children, additional LTL 2.5 million from the state budget have been allocated for payment of wages and social insurance contributions of social workers who provide social care for social risk families. The funds have been used to establish additional 83 positions of a social worker in municipalities. Wages and social insurance contributions of these workers are financed from special target grants of the state budget to municipal budgets with respect to social care of social risk families. Seeking to make social work with families more efficient, one position of a social worker should be assigned not more than 17 social risk families as of July 2014.

Dynamics of the number of funds and social workers who provide social care to social risk families

	2007	2008	2009	2010	2011	2012	2013	2014
Allocated funds, LTL thousand	8 041	13 489	16 130	13 963	13 963	17 380	19 771	22 357
Number of positions of a social worker	556.0	612.5	629.5	629.5	630.5	630.5	634.5	717.5

Data of the Ministry of Social Security and Labour

Table 4.2-1

The Ministry of Social Security and Labour has drawn up the draft Law Amending and Supplementing Articles 2, 10, 11, 13, 14, 19, 20, 21, 23, 24, 26, 29, 30, 31, 32, and 38 of the Republic of Lithuania Law on Social Services No. X-493 and Supplementing the Law with Article 24¹ (hereinafter referred to as the “draft Law”). The purpose of the draft Law is to improve regulation of the activities of social services institutions, licensing, payment of individuals for social care, and social work, seeking to ensure the quality of social services and efficiency of social work, reduce the administrative burden of social care institutions and efficiently use state funds. The draft Law specifies the definition of social work, the rates of payment for social services, the requirements to heads of social care institutions, the licensing procedure, etc.

The Ministry of Social Security and Labour has drawn up the related draft Law Amending Articles 224 and 259¹ of Section 5 the Republic of Lithuania Code of Administrative Law Violations (CALV) and Supplementing the Code with Articles 44⁸, 44⁹ and 239⁵ (hereinafter referred to as the “draft CALV”). The draft CALV proposes, with a view to ensuring the quality of social care, to provide for administrative liability of the providers of social care who do not hold licences for the provision of social care and prevent the employees of the Department from fulfilling the functions assigned to them by the Law on Social Services.

4.3. EQUAL OPPORTUNITIES

4.3.1. NON-DISCRIMINATION

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

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

The Ministry of Social Security and Labour coordinates the Interinstitutional Action Plan for Promotion of Non-discrimination 2012–2014⁵⁹ (hereinafter referred to as the “Plan”). The purpose of this Plan is to ensure the implementation of educational measures of non-discrimination promotion and equal opportunities, to raise legal consciousness, to 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, to raise

⁵⁹ Resolution No. 1281 of the Government of the Republic of Lithuania of 2 November 2011 “On the Approval of the Interinstitutional Action Plan for Promotion of Non-discrimination 2012–2014”.

public awareness of manifestations of discrimination in Lithuania and its negative impact on opportunities for certain groups of society to actively participate in public activities under equal conditions. At the end of 2014, the survey of the change of public attitudes and discrimination causes and the analysis of results will be performed. Seeking to successfully implement the policy of equal opportunities, non-discrimination and tolerance in Lithuania, the Ministry has formed a working group for drafting the Interinstitutional Action Plan for Promotion of Non-discrimination 2015–2017. The working group consists of representatives from state and municipal institutions as well as non-governmental organisations.

4.3.2. SOCIAL INTEGRATION OF THE DISABLED

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

In 2013, the Ministry of Social Security and Labour continued to fulfil international commitments in the field of the rights of the disabled and implemented the provisions of the UN Convention on the Rights of Persons with Disabilities.

In 2013, while implementing Article 34 of the UN Convention on the Rights of Persons with Disabilities, with the aim of contributing to the activities of international organisations in the field of the disabled, the Ministry of Social Security and Labour announced a public competition and nominated a candidate of the Republic of Lithuania to the 2014 elections of members to the UN Committee on the Rights of Persons with Disabilities. Jonas Ruškus, PhD in Social Sciences, Dean of the Faculty of Social Sciences of Vytautas Magnus University and Professor at the Department of Social Work, was elected. The activities related to the preparation and dissemination of informational material about the candidate of the Republic of Lithuania, his participation and presentation at the events of the United Nations and other international organisations, as well as to candidate's publicity and advertising campaign were implemented. On 10 June 2014, Ruškus was elected in the first round of the elections to the UN Committee on the Rights of Persons with Disabilities, held in New York, and became one of nine Committee members, elected for the term of 2015–2018.

It should be noted that the main aim of this Committee is to monitor the implementation of the provisions of the UN Convention on the Rights of the Child. Committee members also analyse periodical reports of states parties to the Convention and are entitled to present their evaluations and recommendations which, although not legally binding, are politically very important. The UN Committee on the Rights of Persons with Disabilities, within the limits of its competence, considers reports presented by persons or their groups (on their behalf) assigned to its jurisdiction, which state that these persons have become victims of violations of the Convention provisions.

4.3.2.2. KEY DISABILITY INDICATORS

At the beginning of 2014, work incapacity pensions were paid to 253 700 residents of Lithuania, i.e. 1.8 per cent less than in 2013. The numbers of men and women receiving disability pensions differ to a slight extent: 48 per cent of men and 52 per cent of women. The number of disabled children was 15 000.

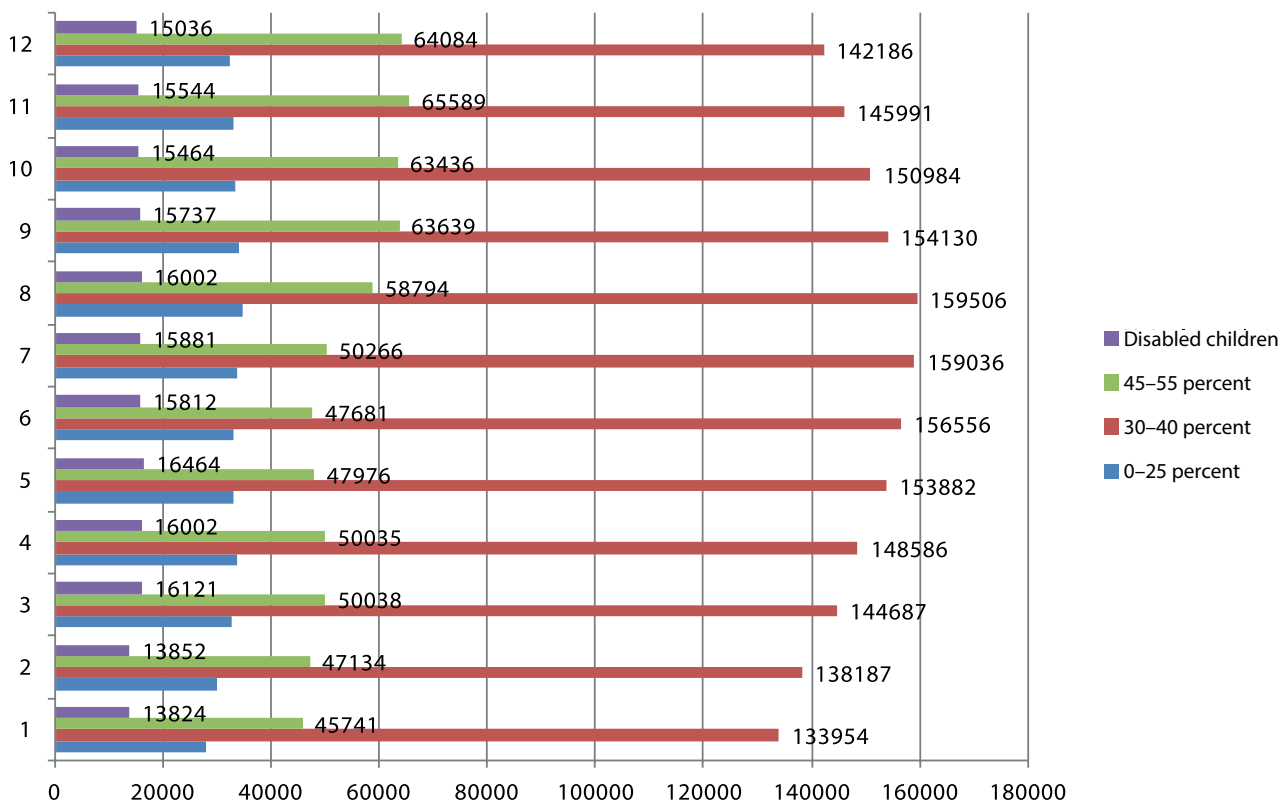
It should be noted that in 2009, the number of disabled persons who were recognised as disabled for the first time started decreasing, i.e. in 2002, the number of persons of working age who were recognised as disabled for the first time was equal to 20 200, in 2005 – 22 300, in 2007 – 26 600, in 2008 – 27 200, and in 2009 – 22 800. In 2012, there were 14 300 such persons, and in 2013 – 13 800.

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 2009–2013, the number of persons receiving compensations for attendance (assistance) stabilised (in 2006 – 21 700, in 2008 – 78 300, in 2009 – 85 700, in 2010 – 76 000, in 2011 – 64 100, in 2012 – 58 300, in 2013 – 56 800). The number of the disabled who were granted compensations for nursing expenses increased during the same period; however, it should be noted that this number has currently stabilised: in 2006 compensations were received by 20 800 persons, in 2008 – 36 300, in 2009 – 40 800, in 2010 – 42 000, in 2011 – 38 600, in 2012 – 39 600, in 2013 – 39 200. 1 000 children received compensations for nursing expenses; 7 200 children – compensations for attendance (assistance) expenses.

Dynamics of the number of disabled persons by the level of capacity for work (disability group) and the level of disability from 2002 to 2013



Data of the Ministry of Social Security and Labour

Figure 4.3.2.2-1

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

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

Social integration of disabled people is organised by applying the principles of equal rights, equal opportunities, discrimination prevention, guaranteeing self-sufficiency and freedom of choice, accessibility, compensation for disability, decentralisation and destigmatisation.

The new Plan of Implementing Measures 2013–2015 of the National Programme for Social Integration of the Disabled 2013–2019⁶⁰ was approved on 5 February 2013. The Plan aims at ensuring protection of the rights and fundamental freedoms of the disabled with different disabilities without discrimination on the grounds of their disability and creating favourable conditions for the improvement of the social integration process.

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

In 2013, LTL 25 002 000 were used for the implementation of measures under the programme “Social Integration of the Disabled”.

State budget funds for the implementation of programmes and measures

Title of the programme, measure	Amount used in 2013, LTL thous.	Amount used in 2014, LTL thous.
Programme “Social Integration of the Disabled”	25 002	25 305
1. Development of accessibility of services for the disabled, enhancing self-sufficiency of the disabled and promotion of their employment opportunities, including:	19 634.2	19 145
1.1. Implementation of projects of social rehabilitation services for the disabled in the community	14 833.8	15 100
1.2. Implementation of projects for the development of mobility and self-sufficient living skills of people with physical disabilities	150	150
1.3. Implementation of projects of financing the publishing and circulation of periodical publications for the disabled	882	
1.4. Implementation of projects of supporting the activities of associations of the disabled	3 768.4	3 720
1.5. Supporting the activities of vocational rehabilitation methodical centres	137.3	175
2. Improvement of the information environment for the disabled, including:	642.5	1 612
2.1. Implementation of the plan of measures of provision of services of the Lithuanian sign language interpreters	620	620
2.2. Implementation of projects of financing the publishing and circulation of periodical publications for the disabled		962
2.3. Administration and maintenance of the UNRIIS database	22.5	30
3. Adaptation of housing and surroundings thereof for persons with disabilities	2 921.2	2 768
4. Provision of financial support to the disabled studying in higher schools	1 776.1	1 750
5. Payment of benefits amounting to 20 per cent of BSB to the disabled raising children for payment of public utilities, electricity or telephone bills or purchase of fuel	28	30

Data of the Ministry of Social Security and Labour

Figure 4.3.2.3-1

⁶⁰ Order No. A1-43 of the Minister of Social Security and Labour of the Republic of Lithuania of 5 February 2013 “On the Approval of the Plan of Implementing Measures 2013–2015 of the National Programme for Social Integration of the Disabled 2013–2019”.

In 2013, when implementing programme measure “Development of accessibility of services for the disabled, enhancing self-sufficiency of the disabled and promotion of their employment opportunities”, the following projects were financed: 420 projects of social rehabilitation services for the disabled, selected by tender in 60 municipalities and implemented by organisations working in the field of social integration; 26 projects of supporting the activities of associations of the disabled, selected by tender and implemented by umbrella associations of the disabled; 10 projects of financing the publishing and circulation of periodical publications for the disabled, selected by tender and implemented by 6 associations of the disabled and 4 public institutions; 2 projects for the development of mobility and self-sufficient living skills of people with physical disabilities. When implementing social integration projects financed by tender, over 41 000 persons with disabilities, including 16 per cent of persons with severe forms of disability, received various services (benefit).

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

Housing adaptation projects were implemented following the Description of the Procedure for Financing Housing Adaptation for People with Disabilities 2013–2015⁶¹. When implementing the measure, works of adaptation of housing for the disabled were carried out, information on housing adaptation was collected, accumulated and disseminated, and associations of the disabled were involved in the control and supervision of the implementation of housing adaptation.

Housing adaptation expenses are covered from state and municipal budgets in parts: 80 per cent from the state budget and at least 20 per cent from the municipal budget for persons with very severe and severe movement and self-service dysfunctions; 50 per cent from the state budget and 50 per cent from the municipal budget for persons with moderate movement and self-service dysfunctions. In 2013, works of housing adaptation for the disabled were performed in 56 municipalities. 224 pieces of housing were adapted for the needs of the disabled, including 128 pieces of housing for persons with very severe movement and self-service dysfunctions, 72 pieces of housing for persons with severe movement and self-service dysfunctions, and 24 pieces of housing for persons with moderate movement and self-service dysfunctions.

When implementing the measure “Providing financial aids to disabled students”, financial support was further provided to disabled students in 2013. Following the Description of the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools⁶², the funds are allocated for meeting special needs of the disabled studying in higher schools (a monthly benefit in the amount of 1/2 of the basic social insurance pension) and partially reimbursing for studies (a benefit in the amount of 3.2 BSB (basic social benefit (LTL 130)) once in a semester).

In 2013, in accordance with the Description of the Procedure for the Provision of Financial Aids to the Disabled Studying in Higher Schools, support was provided to 1 080 disabled students attending 41 higher schools, including 972 (90 per cent) disabled students from 28 public higher schools and 108 (10 per cent) disabled students from 13 private higher schools. 1 080 disabled persons were paid benefits to meet special needs and 513 disabled persons were paid target benefits for partial reimbursement for study expenses.

4.3.2.4. PROVISION OF TECHNICAL AIDS FOR RESIDENTS

In 2013, the implementation of the measure “Acquisition and provision of technical aids for disabled people” of the programme “Social Integration of the Disabled” continued. The measure is implemented not only by providing

⁶¹ Order No. A1-137 of the Minister of Social Security and Labour of the Republic of Lithuania of 27 March 2013 “On the Approval of the Description of the Procedure for Financing Housing Adaptation for People with Disabilities 2013–2015”.

⁶² 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”.

the disabled with technical aids (TA), but also by repairing them. Fulfilment of these functions is assigned to the Centre of Technical Aid for Disabled People under the Ministry of Social Security and Labour (hereinafter referred to as the “Centre”). The purpose of the Centre is to ensure the implementation of measures for social integration of the disabled, activities and projects aimed at improving medical, social and vocational rehabilitation of disabled people, and to guarantee the provision of TA for residents to meet special needs.

People in Lithuania are able to obtain from the Centre TA bought in a centralised manner and tailored to the person’s needs, or to receive reimbursement in the established amount for TA acquired by them in accordance with the Description of the Procedure for the Provision of the Disabled with Technical Aids and Reimbursement for the Expenses of Acquisition of the Aids. In 2013, appropriations for the implementation of the programme “Provision of Technical Aids for Residents” amounted to LTL 7 038 000. 32 716 residents were provided with technical aids, including 29 494 persons who were provided with movement TA, 2 619 persons who were provided with sight TA, 603 persons who were provided with hearing TA (in total, 732 children were provided with movement, sight and hearing TA).

In 2013, the overall TA provision level with paid compensations accounted for 77.4 per cent; adults’ TA with paid compensations – 77.5 per cent, and children’s TA with paid compensations – 74.3 per cent. In 2014, the approved appropriations planned for the above programme amount to LTL 7 038 000.

4.3.2.5. 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 implementation of the Vocational Rehabilitation Programme and provision of vocational rehabilitation services continued in 2013.

The purpose of vocational rehabilitation services is to develop or restore working capacities of the disabled and increase their employment possibilities. A person participating in the Vocational Rehabilitation Programme is provided with the following services: 1) evaluation of professional competences; 2) vocational guidance and counselling; 3) restoration of professional competences or development of new competences; 4) assistance when finding employment.

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

When implementing the activity “Development of vocational rehabilitation infrastructure for the disabled” of measure “Development of institutions providing services for the disabled, including vocational rehabilitation services” within the framework of the Operational Programme for Promotion of Cohesion for 2007–2013, administered by the Ministry of Social Security and Labour, eight vocational rehabilitation centres for the disabled have been currently constructed (reconstructed) and equipped in Rokiškis, Mažeikiai, Klaipėda, Panevėžys, Palanga, Trakai, Utena and Kaunas. LTL 42 million were allocated for the implementation of projects. 233 vocational rehabilitation places should be created for the disabled in these centres. In 2013, vocational rehabilitation services were provided in 13 establishments.

In the period from July 2010 to December 2013, the Lithuanian Labour Exchange under the Ministry of Social Security and Labour implemented the project of vocational rehabilitation for the disabled entitled “Support for the Disabled”, financed from the European Social Fund (the budget amounted to LTL 28.16 million). The project involved 1 700 persons with disabilities; 1 557 persons completed the Vocational Rehabilitation Programme; 840 persons became employed (54.2 per cent of all who completed the Vocational Rehabilitation Programme).

In 2013, LTL 8 523 000 were used for the provision of vocational rehabilitation services (LTL 7 277 000 from the European Social Fund, LTL 1 246 000 from the state budget), and LTL 2 094 800 were used for payment of vocational

rehabilitation benefits. In 2013, 896 persons participated in the Vocational Rehabilitation Programme, 529 persons completed the programme; the indicator of employment of persons who became employed within six months after completion of the programme is 61 per cent. In 2014, LTL 5 400 000 have been allocated for the provision of vocational rehabilitation services; LTL 1 500 000 – for the payment of vocational rehabilitation benefits.

4.3.3. 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 2014 (hereinafter referred to as the “Action Plan”) has been drawn up. The Action Plan provides for the social integration measures of the continuous Programme for the Return of Political Prisoners, Exiles as well as Their Family Members to Lithuania 2008–2012.

The Action Plan aims to ensure that all returning persons are provided with possibilities to acquire housing in Lithuania and integrate in the country’s life. This is achieved through granting state support for relocation and social integration to the returning persons. While implementing social integration measures, relocation expenses are reimbursed, lump sum settlement benefits are granted, the Lithuanian language courses are financed, transportation of returning lonely persons of dignified old age to Lithuania is organised, social assistance for the socially supported citizens of the Republic of Lithuania permanently residing in other countries willing to return to Lithuania is provided, financial support is granted for the summer holiday camps of school-age children of the returning persons who attend the High School of Vilnius Lithuanians’ House by improving the domestic conditions of this high school and organising cultural events, financial support is granted for organisations of exiles in Lithuania and Lithuanian communities functioning in the former USSR territory and maintenance expenses of the Temporary Accommodation Facility for Returning Exiles. In 2013, 138 returning persons used social integration measures which required LTL 420 000; in 2014, LTL 452 000 have been allocated for the implementation of social integration measures. In 2013, no flats were planned to be acquired; in 2014, 4 flats have been envisaged for acquisition (LTL 700 000 have been allocated) and giving them to the families of returning persons in Vilnius City Municipality.

4.3.4. SOCIAL INTEGRATION OF FOREIGNERS GRANTED ASYLUM

More than 350 foreigners granted asylum, the majority of who are women and children, have been currently residing in Lithuania. Social integration of foreigners, who have been granted asylum in Lithuania, into the local community is the most sensitive element of the Lithuanian asylum system. Refugees’ psychological problems and insufficient knowledge of the community into which persons are integrated still constitute major obstacles to successful integration.

Support for foreigners, who have been granted refugee status, and for foreigners who have been granted subsidiary protection, is started to be provided at the Refugees Reception Centre located in Rukla, and subsequently continued in the territories of municipalities. A foreigner who has been granted asylum may be provided with support only once. Support is provided in this Centre for the period not exceeding eight months. If during the fixed period a foreigner, who has been granted asylum, fails to prepare for integration in the territory of a municipality due to objective reasons, this period might be extended up to 12 months. In the event that foreigners, who have been granted asylum, belong to vulnerable groups, this period might be extended up to 18 months. Taking into consideration the best interests of the child, unaccompanied minor foreigners may be provided support at the Refugees Reception Centre until they attain 18 years of age. After the integration period in the Refugees Reception Centre is over, support for integration is provided in the territory of a municipality. It may last up to twelve months following the date on which the foreigner,

who had been granted asylum, left the Centre, but not longer than the validity period of a temporary residence permit to stay in the Republic of Lithuania or until a person leaves the Republic of Lithuania. If a foreigner falls into the group of vulnerable persons, the municipality may extend the social integration programme for up to 60 months.

In 2013, the Refugees Reception Centre provided support for integration of 94 foreigners who had been granted asylum: mainly from Russia, Afghanistan, Belarus, Ukraine, Syria, and Eritrea. 76 foreigners who had been granted asylum lived in the territory of municipalities and used state support.

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

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

4.3.5. INTEGRATION OF THIRD-COUNTRY NATIONALS

On 22 January 2014, the Government of the Republic of Lithuania resolved⁶³ to assign responsibility for the formation of foreigners’ integration policy to the Ministry of Social Security and Labour. On the same date, the Government approved the composition of the Commission for Coordination of the Implementation of Foreigners’ Integration⁶⁴.

With regard to the fact that there are no strategic documents in the field of integration of third-country nationals (social integration of foreigners who have been granted asylum has been rather smooth), the plans for 2014 include drawing up of the Action Plan for the Implementation of Foreigners’ Migration Policy, and the plans for 2015 – drawing up of the Foreigners’ Integration Programme.

4.3.6. IMPLEMENTATION OF ECONOMIC MIGRATION POLICY

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

The Ministry of Social Security and Labour has signed a contract for the provision of online psychological consultations with the Public Institution “Gera būseną”. This measure aims to ensure that persons who emigrated from Lithuania have a possibility to receive free anonymous online psychological assistance (mainly through the free application *Skype* and by e-mail). The consultations rendered by professional psychologists to emigrants facing different social or psychological problems help to avoid more serious mental disorders and enhance their emotional state. In 2013, psychological consultations were provided to 150 persons who emigrated from Lithuania. Further information on the provision of online psychological consultations is available at <http://www.psyvirtual.lt/>.

⁶³ Resolution No. 79 of the Government of the Republic of Lithuania of 22 January 2014 “On the Approval of Migration Policy Guidelines of Lithuania”.

⁶⁴ Resolution No. 54 of the Government of the Republic of Lithuania of 22 January 2014 “On Setting Up of the Commission for Coordination of the Implementation of Foreigners’ Integration”.

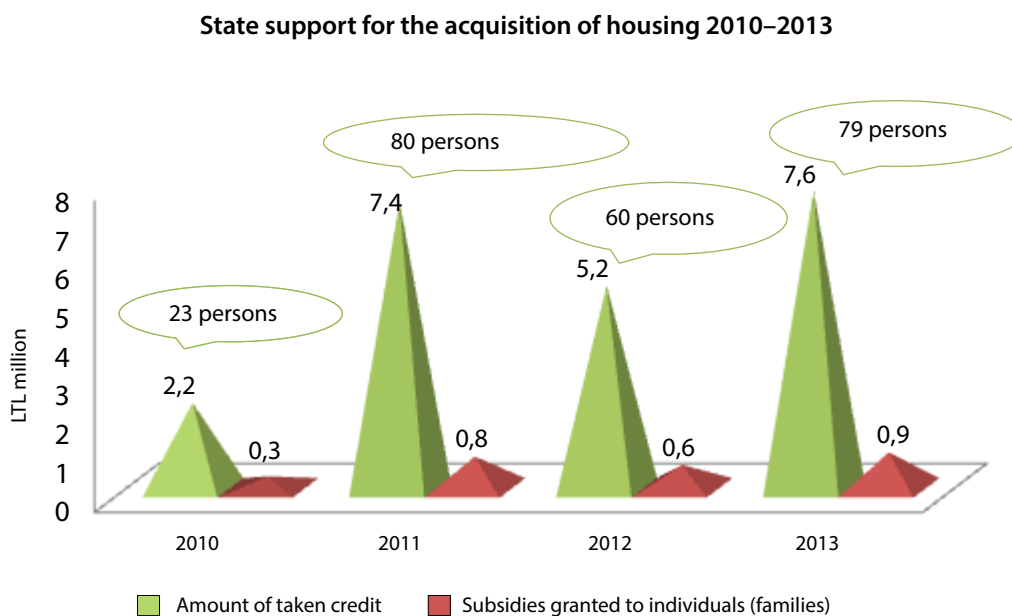
4.4. STATE SUPPORT FOR THE ACQUISITION OR RENTAL OF HOUSING

The legislation in force stipulates two forms of support for individuals and families with a permanent place of residence in the Republic of Lithuania:

- *support for the acquisition of housing* is provided through subsidising part of the housing loan, covering the housing loan interest and loan insurance premiums or part thereof. Provision of support for the acquisition of housing aims at ensuring that families and individuals meeting the requirements set out in the legislation (not exceeding the maximum amounts of income and property established by the Government) could acquire a dwelling in the market by themselves;
- *support for the rental of housing* is provided through renting social housing to low-income families and individuals. Provision of state support for the rental of housing involves increasing of the social housing stock and aims at ensuring that low-income individuals who have no dwelling and have no possibility to acquire own dwelling could rent housing from the municipality.

State support for the acquisition or rental of housing is financed from the appropriations envisaged in the state budget for the implementation of the Special Programme for Financing of State Support for the Acquisition of Residential Houses or Apartments and from the programme revenue.

State supported housing loans are granted by banks, registered in accordance with the prescribed procedure in the Republic of Lithuania and selected by the Ministry of Social Security and Labour, from bank credit resources to natural persons entitled to state support for the acquisition, construction or reconstruction of housing.



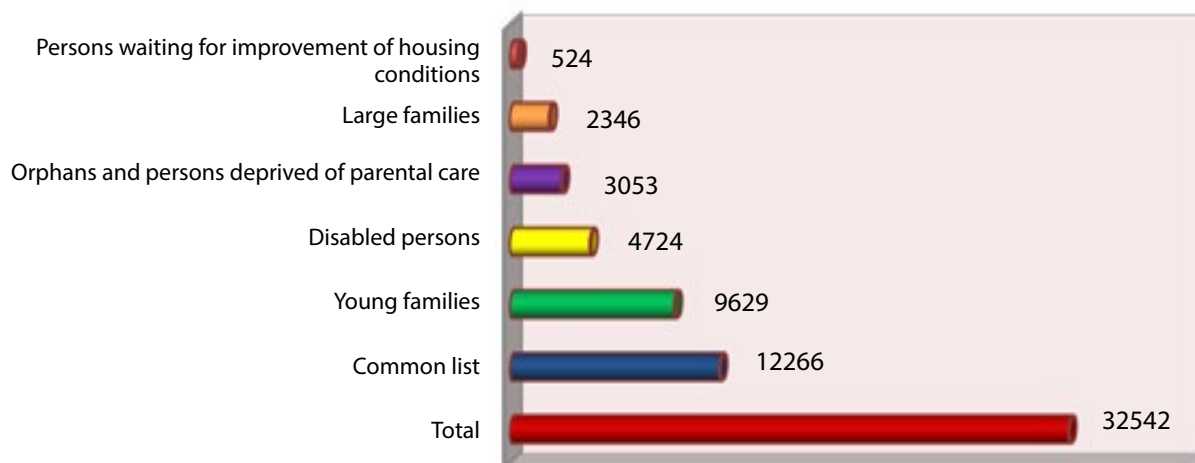
Data of the Department of Statistics

Figure 4.4-1

In 2013, the highest number of individuals and families took advantage of state supported housing loans in Vilnius City Municipality (22 per cent), Kaunas City Municipality (13 per cent) and Panevėžys City Municipality (11 per cent).

According to the Data of the Lithuanian Department of Statistics, in 2013, 32 542 individuals and families entitled to social housing and included in the lists drawn up in municipalities, requested to rent social housing, which is 3 per cent more than in 2012.

Waiting lists for social housing (individuals and families) as of 31 December 2013



Data of the Department of Statistics

Figure 4.4-2

The growing demand for social housing is influenced by new families which are not established in the labour market and insufficient income of individuals and families for the acquisition of own housing. The highest number of individuals and families willing to rent social housing was recorded in the municipalities of the cities of Vilnius (20 per cent), Kaunas (11 per cent) and Klaipėda (8 per cent).

Every year, municipalities provide social housing for around 980 individuals and families; however, the number of individuals and families entitled to social housing has been increasing by 1 620 individuals and families annually. In such case, low-income families and individuals may be provided with a possibility to rent social housing only 20–30 years after filing a request for the rental of social housing.

Pursuant to the legislation in force, the development of social housing stock is financed from target appropriations of the state budget and municipal funds. In 2013, LTL 18.7 million (LTL 5.4 million more than in 2012) were invested from the state budget of the Republic of Lithuania in the development of social housing stock. These funds were used to supplement the stock with 257 units of housing. The funds from the state budget, allocated for the development of social housing stock, meet as few as 0.8 per cent of the demand for social housing.

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. Currently, the Ministry of Social Security and Labour has been drawing up the Programme of the Development of Subsidised Housing Stock 2014–2020. LTL 173 million have been envisaged for the implementation of the programme from the European Regional Development Fund. These funds are planned to be used to acquire or equip 1 150 units of social housing. The implementation of the programme measure to increase housing availability to vulnerable groups of population will commence in 2016.

Having analysed and evaluated the functioning of the system of support for the acquisition or rental of housing, the decision was made that the effective legal regulation concerning support for the acquisition or rental of housing does not ensure adequately efficient exercise of a person's right to housing. In the light of the above, the Ministry of Social

Security and Labour drafted the Republic of Lithuania Law on Support for the Acquisition or Rental of Housing. The draft law governs a new form of provision of support for the acquisition or rental of housing, namely compensation of a part of rental or lease payments, and sets forth that families and individuals entitled to social housing and renting housing from natural or legal persons under market conditions become entitled to a compensation of part of rental or lease payments. Compensation of part of the rental payment will not only increase the possibilities for providing families and individuals with housing, but also create a possibility to rent a dwelling meeting their needs.

The objectives of the draft Law on Support for the Acquisition or Rental of Housing of the Republic of Lithuania are as follows:

- to support the possibilities of individuals and families entitled to social housing to have a proper dwelling;
- to establish (supplement) the forms of development of municipal housing stock and provision of support for the acquisition or rental of housing and sources of financing;
- to establish the conditions of compensation for part of housing rental or lease payments;
- to reduce the number of families and individuals who are evicted from the dwellings rented from municipalities by force and create conditions for more rational management and use of municipal housing and disposal thereof;
- to ensure that support for the acquisition or rental of housing was granted only to the families and individuals whose property and income are lower than the rates established by the Government.

Currently, the draft Republic of Lithuania Law on Support for the Acquisition or Rental of Housing has been submitted to the Seimas of the Republic of Lithuania for deliberation.

5

COMMUNITY, CHILD, YOUTH AND FAMILY AFFAIRS

5.1. DEVELOPMENT OF COMMUNITIES AND THE NON-GOVERNMENTAL SECTOR

5.1.1. IMPROVEMENT OF LEGAL CONDITIONS FOR THE FUNCTIONING OF THE NON-GOVERNMENTAL SECTOR IN LITHUANIA

The period of late 2013 – the first half of 2014 was particularly significant for the country's non-governmental sector, because the Seimas passed the Law on Development of Non-governmental Organisations⁶⁵, submitted by the President, on 19 December 2013. This Law does not replace or include the significant provisions from the draft Republic of Lithuania Law on the Provision and Control of Financing to Non-governmental Organisations, prepared by the Ministry of Justice a couple of years ago, yet the adopted Law regulates other important aspects.

The Law on Development of Non-governmental Organisations regulates the principles of formation and implementation of the policy of non-governmental organisations (NGO), the principles of cooperation between state and municipal institutions and agencies and non-governmental organisations, as well as other conditions for non-governmental organisations' activities which promote their development. The fact that the concept of a non-governmental organisation is defined is particularly important, because the definition was necessary both to NGOs and state and government institutions. The Law defines a non-governmental organisation as "a public legal entity, independent from state and municipal institutions and agencies, which acts on a voluntary basis for the benefit of society or its group, and which does not have the aim to seek political power or purely religious goals". The legal act also gives definitions of public and mutual benefit non-governmental organisations and sets out the principles of cooperation between the public sector and NGOs. The Law also enumerates entities that are not recognised as non-governmental organisations: political parties; trade unions and employers' organisations and their confederations; organisations founded in accordance with the procedure established by the law in which membership is mandatory for certain professions; confederations with more than 1/3 of members being private legal entities; associations of garden plot holders, associations of owners of multi-apartment residential buildings and other types of buildings, as well as other associations founded to manage shared real estate; social families.

⁶⁵ Republic of Lithuania Law on Development of Non-governmental Organisations No. XII-717.

In early 2014, in the course of implementation of the provisions of the Republic of Lithuania Law on Development of Non-governmental Organisations (hereinafter referred to as the “Law”), the Ministry of Social Security and Labour drafted the Resolution of the Government of the Republic of Lithuania “On the Approval of the Formation and Regulations of the Council of Non-governmental Organisations”, which was approved by Resolution No. 641 of the Government on 9 July 2014⁶⁶.

Drafting the Regulations and formulating the procedure for the selection of members was a serious challenge to both drafters of the Regulations and the non-governmental sector, which had to nominate ten representatives of NGOs “by joint agreement between national umbrella non-governmental organisations” to the Council.

Article 7(1) of the Law establishes the procedure of the formation of the Council of Non-governmental Organisations: “The Council of Non-governmental Organisations which acts on a voluntary basis shall be formed from representatives nominated by state institutions and agencies, national umbrella non-governmental organisations and the Association of Local Authorities in Lithuania”. Article 7(2) of the Law stipulates that “The Council of Non-governmental Organisations shall be composed of twenty members: nine representatives of state institutions and agencies, one representative of the Association of Local Authorities in Lithuania and ten representatives of non-governmental organisations”.

The resolution approved by the Government:

- sets forth the composition of the Council of NGOs, enumerating nine state institutions that delegate their representatives (the Office of the President of the Republic of Lithuania, the Office of the Government of the Republic of Lithuania, the Ministry of National Defence, the Ministry of Culture, the Ministry of Social Security and Labour, the Ministry of Education and Science, the Ministry of Justice, the Ministry of the Interior, the Ministry of Agriculture) and the Association of Local Authorities in Lithuania that delegates one representative. The resolution also provides that ten representatives are delegated to the Council by associations of national umbrella non-governmental organisations;
- sets forth that the personal composition of the Council of NGOs is approved by the order of the Minister of Social Security and Labour.

The Regulations of the Council of NGOs establish that NGO representatives shall be delegated by joint agreement by associations of national umbrella NGOs according to the Law. The Law establishes that no more than eight representatives from NGO associations and no less than two – representatives from other NGOs shall be delegated to the Council of NGOs.

The Council of NGOs will start its activities in the second half of 2014. By the end of the year, the Council is planned to hold one or two sittings which will mainly focus on the discussion of certain legal acts related to the non-governmental sector and/or preparation and deliberation of the issues most relevant to NGOs in the financial period 2014–2020.

⁶⁶ Resolution No. 641 of the Government of the Republic of Lithuania of 9 July 2014 “On the Approval of the Composition and Regulations of the Council of Non-governmental Organisations”.

5.1.2. FINANCIAL MEASURES FOR NON-GOVERNMENTAL ORGANISATIONS

The Action Plan of Development of Non-governmental Organisations and Communities 2014–2016⁶⁷ (hereinafter referred to as the “Action Plan”) was approved in early 2014. This Action Plan was drafted having accomplished two programmes of development of non-governmental organisations and communities 2011–2013, which were allocated about LTL 200 000 and LTL 800 000 each every year. The budget of the new Action Plan for 2014 is also LTL 1 million, whereas the 2015 and 2016 budgets will be considered and approved in accordance with the appropriate procedure.

The Action Plan has been drafted with regard to Aim 2.2 “Enhancing the Role of Communities and Non-governmental Organisations” of Priority 2 “Active and Solidary Society” of the National Progress Programme 2014–2020⁶⁸. The Action Plan pays considerable attention to the overview of the situation of the non-governmental sector and enumeration of problems that will be partially solved when implementing measures under the Action Plan. The major share of the budget of the Action Plan has been envisaged for the enhancement of institutional capacities of non-governmental organisations. Other small-scale activities were targeted at the improvement and maintenance of the NGO database, the research of the NGO sector, the training of social entrepreneurship for community representatives, NGO forums in regions and organisation of discussions of municipality and NGO representatives concerning the development of opportunities for involvement of non-governmental organisations in the provision of public services.

In implementing the Action Plan, the Minister of Social Security and Labour issued Order No. A1-332 on 23 June 2014 whereby he approved the Regulations of the Organisation of Tender for the Financing of Projects of Institutional Enhancement of Non-governmental Organisations in 2014.

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

LTL 15 000 was the largest amount that could be allocated for a project. The Ministry received 127 applications; financing was allocated to 74 organisations. The full budget of the tender – LTL 760 000 – was appropriated.

The projects envisaged the majority of activities for feasibility studies of the provision of services, creation of new services and products, planning and implementation of economic activities, the search for funds and planning and implementation of other measures of financial strengthening of the organisation. A smaller share of projects were targeted at the promotion of a dialogue with local self-government and/or state institutions, creation or strengthening of cooperation mechanisms, development of partnership and other activities of enhancing the capacities of NGO participation in public policy and representation.

⁶⁷ Order No. A1-179 of the Minister of Social Security and Labour of the Republic of Lithuania of 2 April 2014 “On the Approval of the Action Plan of Development of Non-governmental Organisations and Communities 2014–2016”.

⁶⁸ Resolution No. 1482 of the Government of the Republic of Lithuania of 28 November 2012 “On the Approval of the National Progress Programme 2014–2020”.

5.1.3. PROGRAMME FOR SELF-GOVERNMENT OF LOCAL COMMUNITIES

The Programme for Self-Government of Local Communities⁶⁹ (hereinafter referred to as the “Programme”) was launched in 2012 and has been implemented for the third year already. The Programme activities are aimed at encouraging Lithuanian communities to actively participate in making decisions on the use of Programme funds for satisfying the public needs of local communities. LTL 8 million are allocated from the state budget for the implementation of the Programme every year. The funds are distributed among municipalities according to the data submitted by the State Tax Inspectorate on the number of employed persons who pay personal income tax in municipalities.

The results of the 2013 Programme⁷⁰ and new aspects with regard to the 2014 Programme are presented in brief.

The general aims and objectives of the Programme remained the same in 2013. All 60 municipalities (551 elderships) participated in the implementation of the Programme. Local Community Councils (LCC) made and implemented 2 441 decisions on financed activities (which is almost 500 decisions more than in 2012). The majority of decisions concerned activities related to the improvement of the quality of public spaces and environment, organisation of cultural-educational events, increase of opportunities for occupying children and youth.

In 2013, LTL 7 960 600 (99.5 per cent) were spent for the Programme. Of these funds, LTL 5 257 200 were used for current issues, and LTL 2 703 400 – for the acquisition of fixed assets. 29 municipality administrations used 100 per cent of received funds, 29 municipality administrations used 99 per cent of received funds, whereas Ignalina District and Vilnius City Municipality used over 97 per cent of funds. Programme monitoring and evaluation were carried out by the following methods: on the basis of municipality reports, the Department of Supervision of Social Services (DSSS) drew up quarterly and annual activity and financial reports and submitted them to the Ministry and organised discussions on the implementation of the Programme, i.e. community forums in municipalities.

The purpose of the 2013 questionnaire survey (in total, 775 respondents from 55 municipalities filled in the questionnaire) and analysis of the implementation of the Programme was to evaluate the key aspects of practical Programme implementation in municipalities: formation of LCC, decision-making in LCC, implementation of decisions made in LCC, publicity of LCC activities. The findings of the questionnaire revealed that the majority of Programme participants did not encounter fundamental difficulties in relation to the formation of LCC (92 per cent), LCC decision-making (90 per cent) and implementation of LCC decisions (84 per cent). Among difficulties related to the formation of LCC, the respondents mentioned passiveness of residents, lack of potential representatives to LCC, retention of LCC composition proportions, and the rotation of LCC members. Difficulties related to LCC decision-making arose due to divergence of opinions regarding financed activities, different understanding of Programme goals, the aim to only meet the interests of a specific community (or organisation) rather than the public needs of a local community. In implementing LCC decisions, difficulties arose in relation to public procurement procedures and the problems of planning funds and distribution on the quarterly basis.

Seeking to ensure a more efficient implementation of the Programme, the use of allocated funds for the purposes of the Programme and programme benefits to a bigger number of community members, the new version of the Description of Implementation of the Programme⁷¹ was approved by the order of the Minister of Social Security and Labour in early 2014. It was drafted with regard to the analysis of implementation of the Programme of the previous year, conducted by the Communities Affairs Division, respective recommendations from the National Audit Office and DSSS proposals.

⁶⁹ Order No. A1-543 of the Minister of Social Security and Labour of the Republic of Lithuania of 21 December 2011 “On the Approval of the Programme for Self-Government of Local Communities 2012”.

⁷⁰ Order No. A1-71 of the Minister of Social Security and Labour of the Republic of Lithuania of 25 February 2013 “On the Approval of the Programme for Self-Government of Local Communities 2013–2015”.

⁷¹ Order No. A1-125 of the Minister of Social Security and Labour of the Republic of Lithuania of 5 March 2014 “Amending the Approval of the Description of Implementation of the Programme for Self-Government of Local Communities 2013–2015”.

The new version of the Description of Implementation of the Programme, which describes eligible activities that satisfy the public needs of local communities in greater detail, supplements the provisions regulating the formation and activities of LCC (concerning the chairman of LCC and open sittings of LCC), specifies the obligations of the Ministry and elaborates on the obligations of the DSSS, specifies and supplements the obligations of municipality administrations concerning the provision of information and data, and the use of property acquired for Programme funds as well as the funds for implementation of the Programme. In cooperation with the DSSS, the report form has been specified in order to more thoroughly measure the qualitative aspects of implementation of the Programme.

As usual, Programme analysis will be carried out at the end of 2014. Its results will be the main criterion for the improvement of implementation of the Programme next year.

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

5.2.1. REORGANISATION OF THE SYSTEM OF CHILD RIGHTS PROTECTION INSTITUTIONS

With a view to forming a coherent and coordinated system of child rights protection institutions which ensure proper protection of child rights and legal interests as well as representation thereof, the Seimas passed the resolution⁷² thereby approving the Concept of Reorganisation of Child Rights Protection Institutions (hereinafter referred to as the “Concept”).

In implementing the Concept, the increased appropriations from the state budget for fulfilling the function of child rights protection were allocated for the establishment of 44 additional positions of civil servants in child rights protection offices of municipality administrations in 2013.

The system of child rights protection institutions will be reorganised in the following directions: the objectives, functions and role of ministries and other state institutions related to child rights protection in the system of state institutions will be clearly defined; concrete boundaries of responsibility will be established; the functions of management and control of the child rights protection system will be enhanced; the competence of municipal institutions will be reviewed and the structure of child rights protection offices will be improved; the key functions performed by child rights protection offices will be laid down in legal acts.

In the course of implementation of the Concept at the end of 2012 the Government approved the Plan of Measures Implementing the Concept of Reorganisation of the System of Child Rights Protection Institutions. Measures envisaged in this plan propose to improve legal regulation of child rights protection by: strengthening coordination of the activities of institutions which ensure child well-being; reconsidering the functions performed by the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour and child rights protection offices of municipality administrations; improving legal regulation of child guardianship (foster care) and adoption; promoting availability and diversity of social services in the area of child rights protection. Furthermore, efforts will be exerted in order to ensure consolidation of human resources of child rights protection institutions of municipality administrations by reducing the workload of specialists.

⁷² Resolution No. XI-1954 of the Seimas of the Republic of Lithuania of 29 March 2012 “On the Approval of the Concept of Reorganisation of Child Rights Protection Institutions”.

5.2.2. OVERVIEW OF THE SITUATION OF VIOLENCE AGAINST CHILDREN

Child rights protection offices (CRPO) collect and analyse reports about children who experience violence and abuse and children who commit acts of violence, initiate the necessary specialists' and institutions' assistance to these children and their parents, and apply to the respective law enforcement institutions regarding administrative action or criminal proceedings with respect to the person who poses threat to the child's safety and health. According to the data of CRPO, 1 365 children experienced violence in 2013 (1 454 total recorded cases of violence), whereas in 2012, 1 343 cases of violence against children were recorded. The number of children victims of violence has been growing over recent three years. The analysis of the data on distribution of violence according to gender reveals that in 2013, boys and girls equally experienced violence: 729 cases of violence against boys and 725 cases of violence against girls.

The annually increasing number of cases of violence against children and the number of children victims of violence shows that maybe not only violence against children has been exerted more frequently, but also victims of violence or other persons (neighbours, relatives, school staff, medical staff, etc.) have been more frequently reporting cases of domestic and other violence.

According to the CRPO data, the biggest number of violence recorded in 2013 concerned physical violence (717 cases), the respective figures in 2012 and 2011 were 667 and 698 cases. In 2013, the number of recorded cases of psychological violence was 647, in 2012 – 592, in 2011 – 547. Compared to other forms of violence, sexual abuse is most difficult to evaluate and disclose: 90 cases of sexual child abuse were established in 2013, 84 cases in 2012, and 102 cases in 2011.

Distribution of the types of violence against children according to the age groups

Age groups	Number of cases of possible violence against children	Sexual abuse	Physical violence	Psychological violence
0–3 years	158	6	31	121
4–6 years	213	15	54	144
7–9 years	209	8	96	105
10–14 years	554	33	330	191
15–17 years	320	28	206	89

Data of the State Child Rights Protection and Adoption Service

Table 5.2.2-1

In 2013, girls suffered from sexual abuse 9 times more often than boys; boys more often suffered from physical violence; whereas psychological violence was almost equally exerted against girls and boys in 2012, like in 2011.

Close family members (parents or either of them, brothers, sisters) have been mainly exerting violence against children over years. In 2013, physical violence against children was mainly caused by close adult persons – 417 cases (in total, 717 cases of physical violence); there were 564 cases of domestic psychological violence (in total, 647 cases of psychological violence); children were mainly sexually abused by adult strangers (e.g. their mothers' cohabitants) and close adults (e.g. family members).

Violence against children according to perpetrators of violence

Type of violence	Perpetrators of violence			
	Adult strangers	Underage strangers	Close adult persons	Close underage persons
Sexual abuse	45	15	21	9
Physical violence	121	141	417	38
Psychological violence	60	14	564	9

Data of the State Child Rights Protection and Adoption Service

Table 5.2.2-2

The provided data show that violence against children remains a problem in Lithuania.

5.2.3. ASSISTANCE TO CHILD AS A VICTIM OF VIOLENCE

It is important for a child victim of violence to receive assistance in time. Municipalities organise this type of assistance in Lithuania. Most often assistance to a child and his family is provided by specialists of various fields and from various institutions:

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

According to the CRPO data, children victims of violence and their family members were provided with assistance in 1 352 cases during the reporting period (1 365 children victims). Almost all children victims of violence were provided with assistance. Frequently, the legitimate representatives of the child seek for assistance to the child victim individually, e.g. they take the child to a private psychologist or psychotherapist and do not report the case to the child rights protection institutions.

In implementing the measure of the National Programme for Prevention of Violence against Children and for Assistance to Children 2011–2015⁷³, a tender for the organisation of complex services to children victims of violence and victims (witnesses) of indirect domestic violence and their family members was called in 2013, and it has been implemented by 7 non-governmental organisations. In 2013, when implementing the project, qualified specialists of

⁷³ Order No. A1-2 of the Minister of Social Security and Labour of the Republic of Lithuania of 3 January 2011 “On the Approval of the National Programme for Prevention of Violence against Children and for Assistance to Children 2011–2015”.

the field provided complex assistance (including continuous complex assistance) to 900 victims of violence from 627 families. 739 children, of whom 339 boys and 400 girls, became victims of direct violence; 161 children, of whom 79 boys and 82 girls, became victims of indirect violence.

5.2.4. CHILD HELPLINE

In implementing the National Programme for Prevention of Violence against Children and for Assistance to Children for 2011–2015, a special free child helpline was introduced in Lithuania. It is assistance by phone (and e-mail) to the most vulnerable groups of children: children from social risk families, children from child care institutions, risk children living on streets, criminally inclined children, children using psychoactive substances, drop-out children, and other children who suffer from violence and abuse.

In 2013, primary assistance consultants (Public Institution “Vaikų linija”) answered 177 916 calls. The call analysis of 2013 shows that girls and boys who called to “Vaikų linija” mainly indicated five problems: relations with their peers and family members, sexuality, violence and abuse, and psychosocial health.

In 2013, the number of calls referred to secondary assistance increased: 536 calls (455 in 2012), of which 50 were referred to secondary assistance after working hours (29 in 2012).

The short number 11 61 11 may be used not only by children who want to talk about relevant issues, but also by children who report about their abused friends or acquaintances. In 2013, there were 8 such calls referred to secondary assistance, compared to one call in 2012.

5.2.5. INTERNATIONAL COOPERATION

The Republic of Lithuania ratified the United Nations Convention on the Rights of the Child in 1995. The Ministry of Social Security and Labour has been submitting reports regarding the implementation of the provisions of the Convention to the UN Committee on the Rights of the Child every five years. On 23 September 2013, the Lithuanian Government delegation participated in the discussion of Third and Fourth Periodic Report of the Implementation of the UN Convention on the Rights of the Child in Lithuania at the 64th session of the UN Committee on the Rights of the Child in Geneva. On 4 October 2013, Lithuania received recommendations from the UN Committee on the Rights of the Child concerning the implementation of the UN Convention on the Rights of the Child. The Ministry of Social Security and Labour has disseminated these recommendations and considered them at the sitting of the Interdepartmental Council of Child Well-being, and has been drafting the plan of measures implementing these recommendations.

5.2.6. CHILD GUARDIANSHIP

According to the data of the Lithuanian Department of Statistics, there were 543 700 children at the beginning of 2013 in Lithuania. The majority (27.77 per cent) of children were aged 10–14; 22.41 per cent – aged 0–3; 15.31 per cent – aged 7–9; and 19.71 per cent – aged 15–17. At the beginning of 2013, the smallest group of children in Lithuania was aged 4–6 (14.8 per cent). Compared to the data of the beginning of 2012, the number of children decreased by 12 500 (2.2 per cent). About 2 per cent of them are deprived of parental care. Despite intensifying work with social risk families and provided assistance to children in such families, many children are still separated from their parents every year. Alternative guardianship must be ensured for these children. The United Nations Convention on the Rights of the Child establishes that the child’s guardianship (foster care) in family environment best meets his/her

interests. The possibilities for placing a child in a family of foster parents are often limited. The aim of the state is to place as few children deprived of parental care in child care institutions as possible.

Before 31 December 2013, 10 146 children were placed under guardianship. The number of such children has been falling annually: 10 542 children at the end of 2012 and 10 813 children in 2011. In 2013, guardianship was established for 2112 children, which is 57 children more than in 2012, but 193 children less than in 2011. There are three forms of guardianship in Lithuania: in a family, in a social family, and in an institution.

Guardianship in a family. According to the data of 31 December 2013, 5 906 children were placed under guardianship in a family (2 827 boys and 3 079 girls). In 2013, 834 children were placed under guardianship in families. The main motive of guardianship remains the same as in 2011 and 2012, i.e. blood relationship with the child. At the end of 2013, the SPIS database showed 3 248 families related to the child by blood and 1 400 families unrelated to the child by blood. The analysis according to age reveals that during the reporting year, like in the previous year, children aged 10–14 (244 children) and 0–3 (205 children) were mainly placed under guardianship in a family. In 2013, 635 families became child guardians; as few as 102 families of them took care of the child who was not their relative. In 2012, the respective numbers were 617 families, including 96 non-relative families. Therefore, the number of families appointed as guardians increased by 2.92 per cent in 2013, compared to 2012.

Guardianship in a social family. In 2013, there were 49 social families (48 in 2012 and 47 in 2011). They took care of 419 children. The number of children placed under guardianship in social families has been increasing in recent three years. The number of boys placed under guardianship in a social family was bigger than the respective number of girls (220 boys and 199 girls), like in the previous year. At the end of the reporting year, 106 children were placed under temporary guardianship in a social family, and 313 children – under permanent guardianship in a social family. The majority of children placed under guardianship in social families, like in families, are of senior school age – 10–14 years (162 children) and 15–17 years (119 children). The biggest number of children who were placed under guardianship in a social family in 2013 were under 3 years of age (15 children); however, the overall number of children of this age group placed under guardianship in social families is smallest, i.e. at the end of 2013, 24 out of 419 children placed under guardianship in social families were under 3 years of age.

Guardianship in an institution. In 2013, 1 234 children were placed under guardianship in families: 622 boys and 612 girls. At the end of 2013, 3 821 children deprived of parental care lived in child care institutions. The major share of children placed under guardianship in an institution are 10–14 and 15–17 years of age. In 2013, guardianship in an institution, like in the previous year, was mainly established for children less than 3 years of age and teenagers aged 10–14. The number of children placed under guardianship in an institution has been consistently falling every year. In 2013, there were as few as 14 cases (1.1 per cent) of placing children under permanent guardianship. In 2012, permanent guardianship was established in 1.5 per cent of cases. At the end of 2013, about 70 per cent of all children living in an institution were placed under permanent guardianship.

5.2.7. TRANSITION FROM INSTITUTIONAL CARE TO THE PROVISION OF SERVICES IN A FAMILY AND COMMUNITY FOR THE DISABLED AND CHILDREN DEPRIVED OF PARENTAL CARE

In implementing the provisions of the UN Convention on the Rights of the Child, UN Convention on the Rights of Persons with Disabilities, UN Guidelines for the Alternative Care of Children and Point 1 of Section “Ministry of Social Security and Labour” of Chapter “Drafted or implemented planning documents during the implementation of the Government Programme of the Republic of Lithuania” of the Priority Measures Implementing the Government Programme of the Republic of Lithuania 2012–2016, Order No. A1-83 of the Minister of Social Security and Labour of 14 February 2014 approved the Action Plan of the Transition from Institutional Care to the Provision of Services in a Family and Community for the Disabled and Children Deprived of Parental Care 2014–2020 (hereinafter referred to as the “Action Plan”).

One of the main aims of the Action Plan is 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 foster or adoptive parents or in social families and to receive assistance in the community. In order to achieve this aim, complex assistance provided to children and families in the community will be strengthened. Social, education, cultural, health and legal services will be provided in a complex manner, evaluating the needs of the development of children's and parents' social and positive parenthood skills, temporary housing, motivation to work and job search, treatment from addictive or other disorders, mediation or other services, and developing the infrastructure of complex services provided in municipalities and their accessibility to children and parents. The Action Plan shifts a particular focus on the strengthening of child's guardianship in a family; therefore, the system of professional guardians will be implemented. The model of activities of professional guardians will be developed, and it will cover the search for guardians, their selection, training and evaluation, the financing mechanism and assistance system, including the plans to provide "respite" services for families raising or caring of disabled children.

The implementation of the measures of the Action Plan will be financed from the European support funds.

5.2.8. SOCIAL RISK FAMILIES

On 31 December 2013, a total of 10 235 social risk families raising 20 664 underage children were included in the Register of Social Risk Families with Children of the Municipalities of the Republic of Lithuania. In 2013, 1 728 social risk families with 3065 children were included in the register. It should be noted that alcohol abuse and the use of psychotropic substances as well as the lack of social skills of families remained the main reasons for including the majority of families in the register across Lithuania in 2013, like in 2012.

In 2013, the biggest number of social risk families with children lived in the following municipalities: Vilnius City (572 families), Kaunas City (436), Kėdainiai District (347), Kaunas District (331), Klaipėda City (328), Radviliškis District (305), Vilnius District (280), Panevėžys District (270), Vilkaviškis District (267), Ukmergė District (249), Raseiniai District (241).

Over five years, the number of social risk families in Lithuania fell by 8 per cent, and the number of children raised therein – by 15 per cent.

In 2013, there were a total of 634.5 positions of a social worker for the work with social risk families. In Lithuania, 16 social risk families on the average fall on one social worker.

Like in the previous year, child day care centres (CDCC) actively provided services to both children and families. According to the data of the Ministry of Social Security and Labour, 203 CDCC projects were financed in 2013, compared to 175 projects in 2012 and 176 projects in 2011. In 2013, 6 274 children (5 011 in 2012 and 5 100 in 2011) were provided with day social care services at CDCC. Thus, an increasing number of CDCC projects have been financed every year and the number of children provided with CDCC services has been growing.

5.2.9. ADOPTION

On 31 December 2013, 1 803 children were included in the register of children subject to adoption: 753 girls and 1 050 boys. The majority of children subject to adoption are elder (aged 10–14) or these are children living in child care homes together with their siblings. As a rule, such children have learning difficulties; senior school age children often have special education needs, a disability due to minor or severe intellectual disorder, behavioural, emotional, language and communication, concentration, memory and adaptation disorders.

With regard to the interests of children, 307 of 1 803 children included in the register of children subject to adoption were qualified for being adopted in the families of citizens of the Republic of Lithuania or foreign countries. The reasons for not offering children for adoption include the following: disagreement to be adopted by the child himself/herself; objection to adoption by family members and relatives with whom children maintain close contact; a close relationship with the biological family; elder age; and difficult health condition.

In 2013, 98 families (persons) were included in the register of citizens of the Republic of Lithuania, residing in the Republic of Lithuania, wishing to adopt children.

According to the data of 31 December 2013, 56 families were included in the list of citizens of the Republic of Lithuania, permanently residing in a foreign country, spouses, one of which is a citizen of the Republic of Lithuania and the other a foreign national, and foreigners.

In 2013, 59 citizens of the Republic of Lithuania, residing in a foreign country on a permanent basis, and families of foreign nationals adopted 80 children. The number of children adopted by foreigners in 2013 decreased, compared to the previous year. In 2013, like in the previous year, the majority of children were adopted by Italian, Swedish and US nationals. The majority of adopted children had special needs, i.e. they had severe health disorders or were adopted together with senior siblings. In 2013, like in the previous year, the age of many adoptive families ranged between 41–45 and 46–50.

By the end of December 2013, 11 authorised foreign state institutions, including four Italian, two US and one Swedish, one French, one Spanish, one New Zealandese and one Canadian, functioned in Lithuania. The majority of children, including children with special needs, were adopted by families represented by Italian, Swedish and US authorised institutions.

5.2.10. ACTIVITIES OF THE CHILDREN'S MAINTENANCE FUND

Pursuant to Article 38 of the Constitution of the Republic of Lithuania, it is “the right and duty of parents to bring up their children to be honest people and faithful citizens and to support them until they come of age”. Article 3.204 of the Civil Code of the Republic of Lithuania entered into force on 1 January 2002 providing that the state shall maintain underage children receiving no maintenance from their parents or adult close relatives, who are in a position to maintain the child, for more than a month. In 2006, in implementing the aforementioned provision of the Civil Code⁷⁴ and having evaluated the circumstances, the Law on Children's Maintenance Fund of the Republic of Lithuania was adopted⁷⁵ and took effect on 1 January 2008. The purpose of the law is to ensure the child's right to social security and to guarantee the state's commitment to pay a fixed maintenance allowance to a child in the presence of the grounds stipulated in this law. Pursuant to the law, children receiving no maintenance from their parents may receive an allowance in the amount of 1.5 BSB (basic social benefit, previously MSL – minimum standard of living), which currently is LTL 195/month. The state thereby acquires the right to require that the persons who are liable to provide child maintenance would repay to the state the child maintenance allowance paid by the state. The Children's Maintenance Fund (hereinafter referred to as the “Fund”), operating since 1 January 2008, was established while observing Article 27(4) of the UN Convention on the Rights of the Child. It stipulates that States Parties shall take all appropriate measures to secure the recovery of maintenance for the child from the parents or other persons having financial responsibility for the child, both within the State Party and from abroad.

During the period of 2008–2013, 44 382 new applications for payment from the Children's Maintenance Fund were received. During the first year of operation (2008), the Fund received 17 970 applications for payment, in 2009

⁷⁴ Civil Code of the Republic of Lithuania.

⁷⁵ Republic of Lithuania Law on Children's Maintenance Fund.

– 7 570, in 2010 – 5 039, in 2011 – 4 665, in 2012 – 5 099, in 2013 – 4 039. 23 304 children on the average received payments from the Fund in 2013.

In order to recover payments made by the Children's Maintenance Fund, the administration of the Fund initiates pre-trial investigations into criminal liability of the debtor for avoidance to pay child maintenance awarded by a court's decision or stipulated in a child's (children's) maintenance agreement approved by the court. In 2013, a total of 505 requests to launch a pre-trial investigation were drawn up and filed to law enforcement institutions. In 2013, a total of 326 pre-trial investigations were initiated. In 2013, 28 notifications of accomplished pre-trial investigations were received (cases were referred to adjudication before court). 34 pre-trial investigations were accomplished by delivering a criminal order.

In 2013, 213 debtors were notified of court decisions and their legal consequences through publication in the Official Gazette *Valstybės žinios*. In 2013, a total of 561 decisions were delivered to bailiffs for enforcement.

5.3. YOUTH POLICY

Youth policy comprises the activities targeted at finding solutions to youth problems and seeking to create favourable conditions for personality development of young people and their integration in social life.

Implementation of the National Youth Policy Development Programme 2011–2019⁷⁶ is important on the national level. The Programme sets out the activity directions that meet youth needs and seeks to create the harmonious environment as well as preconditions for the development of continuing youth policy in Lithuania. The Programme is implemented according to three-year action plans. In 2013, the Plan of Measures for 2011–2013 of the National Youth Policy Development Programme 2011–2019⁷⁷ was implemented and the Action Plan 2014–2016⁷⁸ was drafted. The new Action Plan, started to be implemented in 2014, focuses on youth employment, volunteering, the development of open youth centres and spaces, strengthening of regional youth policy, youth information and counselling, non-formal education, health promotion, etc. It envisages measures that help to promote cooperation of youth and public organisations, more active youth involvement in the civil and political life, and allocates support for the activities and initiatives of youth non-governmental organisations.

With regard to the recommendations of the European Commission, the system of employment guarantees for youth has been formed. In 2013, the Plan Implementing the Youth Guarantee⁷⁹ was approved. It aims to ensure that all young people up to age 29, who are capable and willing to work, receive an offer of employment, continued education, including the vocational training form of apprenticeship, traineeship or work placement for the purposes of acquisition of professional skills in the workplace within four months of leaving school or becoming unemployed.

In 2013, seeking to create the conditions for young people to participate in voluntary activities and acquire personal, social, professional competences and working experience, thus helping them to choose a profession, reintegrate into

⁷⁶ 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".

⁷⁷ Order No. A1-193 of the Minister of Social Security and Labour of the Republic of Lithuania of 12 April 2011 "On the Approval of the Plan of Measures 2011–2013 for the Implementation of the National Youth Policy Development Programme 2011–2019".

⁷⁸ 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".

⁷⁹ Order No. A1-692 of the Minister of Social Security and Labour of the Republic of Lithuania of 16 December 2013 "On the Approval of the Plan Implementing the Youth Guarantee".

a formal education system and/or prepare for the integration in the labour market, the National Programme for Voluntary Activities of Youth⁸⁰ was approved and began to be implemented.

Furthermore, the Programme for Intensive Long-Term Assistance for Young People Who Are Not in Education, Employment or Training⁸¹ was approved and began to be implemented. It is aimed at promoting integration of socially excluded youth in the labour market and/or education system providing services of social rehabilitation and preparation for employment in the labour market, using the experience of non-governmental organisations.

One of the most relevant current issues in the area of youth policy is the strengthening of regional youth policy. It should be noted that the strengthening of regions is also a common direction envisaged in the Government Programme of the Republic of Lithuania. In 2014, the financing of the function of the protection of the rights of youth in municipalities was increased by LTL 658 000: from LTL 2 050 000 (in 2013) to LTL 2 708 000 (in 2014). This opens up opportunities to fully finance the position of a youth affairs coordinator in municipalities. In 2014, the Ministry of Social Security and Labour planned to draft the Action Plan of Strengthening Regional Youth Policy 2015–2017 aimed at strengthening the implementation of youth policy in the regions, ensuring interdepartmental and cross-sectoral cooperation and infrastructure, with regard to youth needs.

5.3.1. NATIONAL YOUTH POLICY 2013–2014

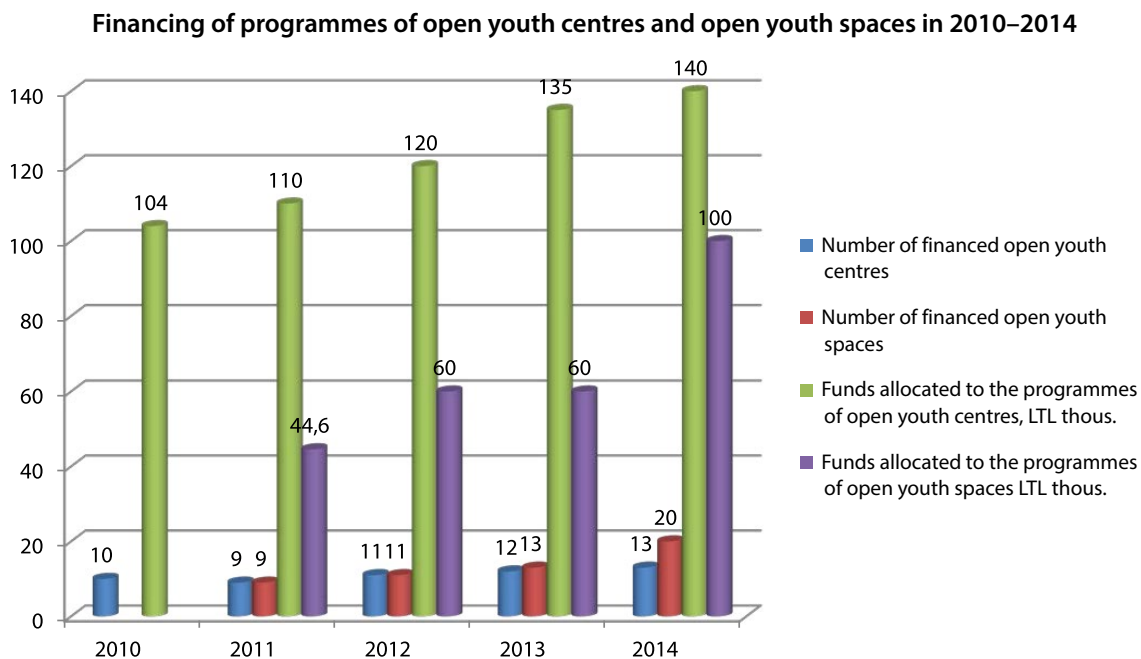
In 2013, the National Youth Policy Development Programme 2011–2019 was implemented. The process of coordination and interinstitutional cooperation was smooth and the Action Plan for the Implementation of the Programme 2014–2016 was drafted, approved and began to be implemented. The process of shaping and implementation of youth policy in 2013–2014 sought to create favourable conditions for youth to become an active part of society and promote youth socialisation processes. Among the key priorities of youth policy are the following: solving youth employment problems and promoting youth participation in projects on both national and regional levels, seeking to involve young people with fewer opportunities and inform them on relevant issues.

In order to consolidate youth organisations and encourage young people to participate in social life as well as be active and aware Lithuanian citizens, 88 youth organisations and organisations working with youth were financed under the tenders in 2013. 35 785 persons (including 30 374 young persons), 1 132 of them Lithuanians from abroad (including 800 young persons) participated in the projects of these organisations.

When implementing the National Youth Policy Development Programme 2011–2019, the activities of open youth centres and spaces were developed. 9 196 young people participated in the activities organised by open youth centres and spaces in 2013. In 2013–2014, the activity programmes aimed at ensuring successful functioning of open youth centres and spaces and involving young people in acceptable and meaningful activities in a youth-friendly environment were financed under the tenders for financing activity programmes of open youth centres and the tenders for financing activity programmes of open youth spaces. It should be noted that the number of open youth centres and spaces, financed in Lithuania, has been annually increasing (see Fig. 5.3.1-1).

⁸⁰ Order No. A1-73 of the Minister of Social Security and Labour of the Republic of Lithuania of 25 February 2013 “On the Approval of the National Programme for Voluntary Activities of Youth”.

⁸¹ Order No. A1-169 of the Minister of Social Security and Labour of the Republic of Lithuania of 17 April 2013 “On the Approval of the Programme for Intensive Long-Term Assistance for Young People Who Are Not in Education, Employment or Training”.

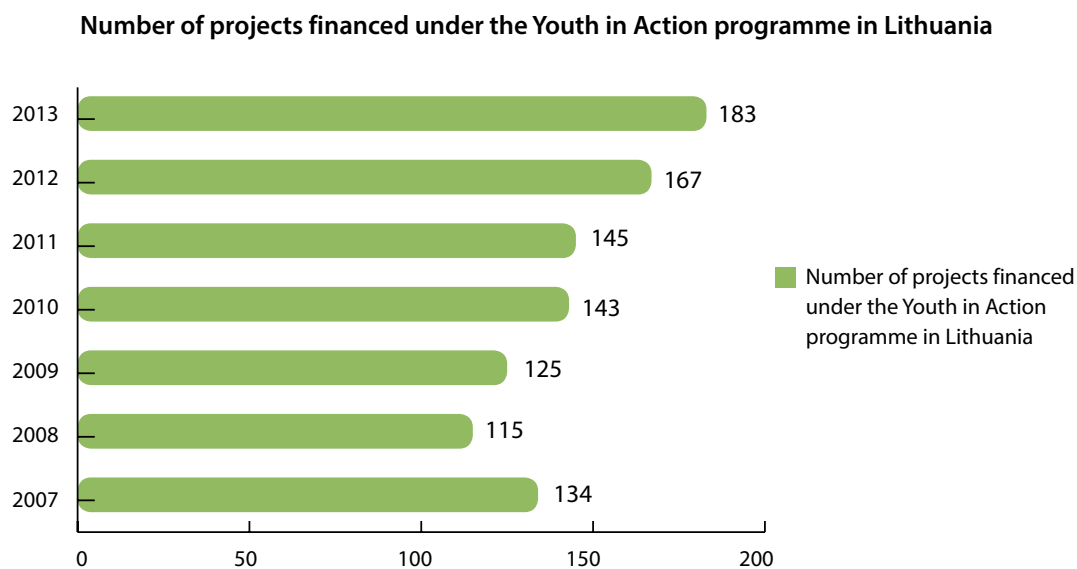


Data of the Department of Youth Affairs

Figure 5.3.1-1

5.3.2. EUROPEAN UNION PROGRAMME “YOUTH IN ACTION”

The European Union (EU) programme “Youth in Action” (2007–2013) aims to promote young people’s active citizenship (European citizenship in particular); develop solidarity and promote tolerance among young people; foster mutual understanding between young people in different countries; and promote European cooperation in the youth field. Compared with other initiatives on the national level, the EU Youth in Action programme has a considerable added value and is perceived by young people as one of the essential funding sources for youth projects.

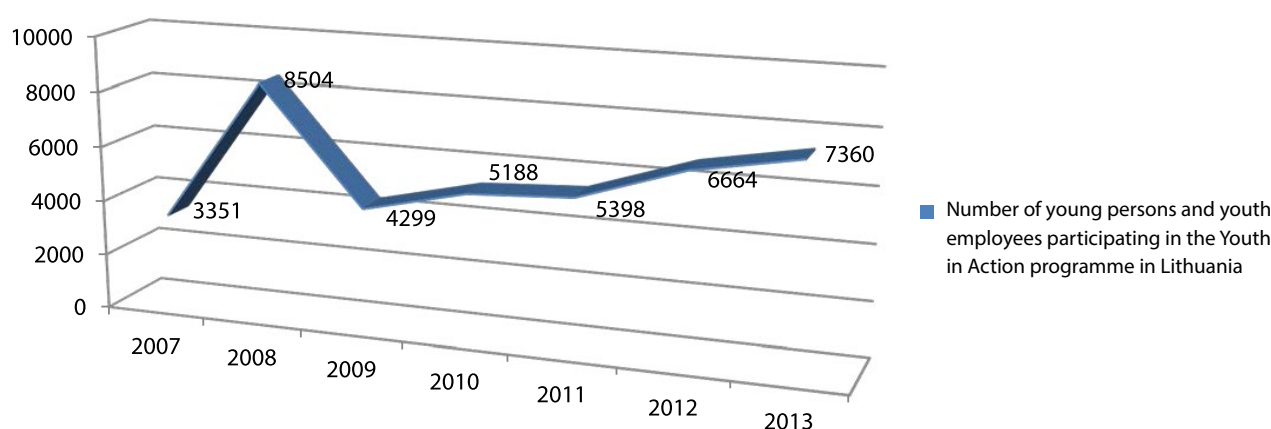


Data of the Agency of International Youth Cooperation

Figure 5.3.2-1

In 2013, while implementing the Youth in Action programme, 183 projects were funded and about 7 000 young people participated in their activities. During the programme period (2007–2013) the number of financed projects increased (see Fig. 5.3.2-1), with regard to the activities of the Public Establishment Agency of International Youth Cooperation which administered the programme, which had been properly evaluated by the European Commission. About 40 000 people from all 60 Lithuanian municipalities took part in the financed projects and trainings (see Fig. 5.3.2-2). The activities under this programme have been continued as of 2014, while implementing Youth in Action, part of the EU Programme “Erasmus+”.

Number of young persons and youth employees participating in the Youth in Action programme in Lithuania



Data of the Agency of International Youth Cooperation

Figure 5.3.2-2

In 2013, the information portal of the network coordinated by the Lithuanian Youth Council (www.eurodesk.lt), which provides information about the situation of young people in Europe, youth activities, problems and their solutions, was developed. In 2013, the portal was visited by more than 600 000 visitors; 418 enquiries by e-mail were answered; 1 106 young persons were consulted orally. The portal posted 655 news releases, sent 55 newsletters, participated in 136 events, and organised 5 trainings.

In 2013–2014, the Eurodesk network has been further developed in Lithuanian regions, enabling to reach local young people and youth employees. The existing network members in Molėtai, Kaunas, Panevėžys, Utena, Vilnius, Rietavas, Mažeikiai and Lazdijai were joined by new representatives, who attended a special introductory course, from these cities: Plungė, Biržai, Šiauliai, Alytus, Zarasai, Marijampolė, Kupiškis, Klaipėda District, Šilalė, Rokiškis, Radviliškis, Ukmergė, Visaginas. This year, network cities in representative regions have become pilot youth information points providing information to young people on relevant issues.

5.3.3. SHORT-TERM PRIORITIES AND ACTIONS IN RELATION TO YOUTH AFFAIRS

In 2014, Erasmus+ – the new EU education, training, youth and sports programme (2014–2020) – has been launched. One part of the programme – Youth in Action – is implemented in relation to youth affairs. The programme aims to enhance the key competences and skills of youth with fewer opportunities, encourage young people to participate in the democratic European life and labour market, promote active citizenship, cultural dialogue, social

inclusion and solidarity. It envisages financing of youth mobility projects, the activities of the European Voluntary Service, and the development of strategic partnerships. In 2014–2015, emphasis is placed on the development of high quality youth work, promotion of youth empowerment and participation (including e-participation) as well as promotion of entrepreneurship education, including social entrepreneurship among young people.

In developing youth policy, the following national youth policy priorities have been set out: to define and develop youth work, improve the activities of institutions working in the area of youth, involve young people in social life, promote active participation of youth at the national and regional levels. In 2014, seeking to implement these priorities, there are plans to submit the draft Law Amending the Law on Youth Policy Framework (new version)⁸² to the Seimas of the Republic of Lithuania for deliberation. The new draft proposes to define youth work and its performance principles, improve the activities of institutions working in the area of youth and strengthening regional youth policy.

The activities of the Council of Youth Affairs has been changed by expanding its composition to 14 members, involving representatives working in the field of youth entrepreneurship and strengthening the inter-departmental and cross-sectoral cooperation.

It is planned to improve the activities of the National Working Group on a Structured Dialogue with Youth⁸³, that was useful during the Lithuanian presidency of the Council of the EU. In 2014, the EU Member States and the European Commission for the first time undertook the initiative to grant a subsidy to finance the activities of these working groups at the national level, thus promoting the development and improvement of a structured dialogue with youth. The Lithuanian Youth Council, the Ministry of Social Security and Labour, the Department of Youth Affairs under the Ministry of Social Security and Labour, the Agency of International Youth Cooperation, the National Youth Affairs Coordinator Association, etc. participate in the activities of the National Working Group on the Development of a Structured Dialogue with Youth in Lithuania.

The short-term plans include the preparation and approval of the Action Plan of Strengthening Regional Youth Policy and the solution of the main problems related to the implementation of youth policy in regions, i.e. unemployment, leisure (occupation), lack of motivation, insufficient attention to youth policy, lack of interinstitutional cooperation, youth passiveness, and information dissemination. Furthermore, the amended Methodology of the Quality Assessment of Youth Policy in Municipalities⁸⁴ (hereinafter referred to as the “Methodology”) has been drawn up, which is aimed at the efficiency of programmes and measures implemented by the state and municipalities in the area of youth policy and sustainable development of youth policy in all municipalities. The Methodology envisages the collection of data on the situation of youth policy in municipalities, various youth-related programmes and measures implemented in municipalities; identification of the strengths and weaknesses of municipal youth policy; promotion of agreement on the development priorities of municipal youth policy among the institutions and agencies that shape and implement youth policy in municipalities and youth organisations as well as organisations working with youth.

In shaping and implementing youth policy, there are plans to further develop open youth centres and spaces, increase youth employment, support the activities of youth NGOs and youth initiatives, more actively encourage youth to participate in the civil and political life in regions, in particular focusing on youth with fewer opportunities, promote creativeness and innovation of youth. In the course of implementation of the programme of mechanisms of Norway and the European Economic Area (EEA) entitled “Risk Group Children and Youth” funds and support are allocated for the development of open youth centres and spaces in municipalities (both the adaptation of buildings

⁸² The draft was submitted to institutions for discussion on 7 October 2013: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=202815&p_org=&p_fix=n&p_gov=n.

⁸³ The composition and description of the activities of the National Working Group on a Structured Dialogue on Youth Policy Issues were approved by Order No. A1-321 of the Minister of Social Security and Labour of the Republic of Lithuania on 2 July 2010 (version of Order No. A1-88 of 27 February 2013).

⁸⁴ The currently effective Methodology was approved by Order No. A1-157 of the Minister of Social Security and Labour of the Republic of Lithuania of 19 May 2008 “On the Approval of the Methodology and the Description of the Assessment of Youth Policy Quality in Municipalities”.

to open work with youth and the training of specialists). Seeking to ensure a smooth transition of young people (not in education, employment or trainings or active labour market policy measures) after the period of unemployment, inactiveness or studies to the labour market or the education system through the development of open youth work in open youth centres and spaces, more efficient and effective use of EU funds has been envisaged.

5.4. FAMILY POLICY

Successfully implemented family policy remains an important goal of social policy. Sustainable development of the state is impossible without a family; therefore, the key objective of family policy is to seek family welfare and harmony.

With the aim of improving the demographic situation in the state and overcoming the consequences of population ageing, the joint Action Plan Implementing the National Demographic (Population) Policy Strategy in the Area of Family Welfare 2014–2015 and the National Strategy of Overcoming Ageing Consequences 2014–2015 (hereinafter referred to as the “Action Plan”) was prepared. The Action Plan envisages actions that seek to promote establishment of an independent and viable family based on mutual assistance and responsibility of family members and ensuring the alternation of generations, and to create legal, social and economic conditions which consolidate families and ensure their full functioning. The actions aim at creating better conditions for family members to reconcile professional and family life, promote the creation of the system of assistance to families, cooperation of the state, municipalities and society in the area of family welfare, and support the activities of non-governmental organisations (NGO) working in the area of family welfare and representing elderly people.

The actions envisage the drafting of legal acts regulating more flexible employment relations, seek to increase the employment rate of youth and elderly people (Interinstitutional Action Plan 2014–2016 Implementing the Employment Increasing Programme 2014–2020), and are related to the creation of the environment conducive to the promotion of entrepreneurship and the development of business.

With regard to the connections of problems, goals, and seeking continuity of actions, the Action Plan also includes actions contributing to the implementation of the National Strategy of Overcoming the Ageing Consequences.

The actions correspond to the provisions of the Lithuanian Progress Strategy “Lithuania 2030” and the National Progress Programme 2014–2020. The implementation of the Action Plan will contribute to the achievement of the indicators of the evaluation of the country’s progress specified in the planning documents.

In 2013, the projects of NGOs working in the area of family welfare were financed. In total, LTL 450 000 were allocated. 367 persons worked with families while implementing the projects in 2013. According to the reporting data presented by organisations in 2013, out of 21 project implementers, 11 organisations carried out activities in Vilnius, 6 organisations in Kaunas and 4 organisations in other Lithuanian cities (Šiauliai, Naujoji Akmenė, Klaipėda, Alytus).

Based on the data presented by organisations, in 2013, 21 project implementers organised 5 603 different events to families, engaged couples and individual persons. The activities included: educational activities (seminars, trainings, individual or public lectures, cultural events) – 4 292 in total; other activities (individual consultations, support campaigns, lessons for families, group sessions, trainings for project implementers) – 857 in total; entertainment events (excursions, celebrations, concerts, camps, meetings, gatherings) – 283 in total; informational events (interviews, reportages) – 171 in total.

Organisations indicate that the following events organised in 2013 attracted the biggest number of persons: seminars/trainings, individual/public lectures for engaged couples and pregnant women, parents and youth – 14 821 persons; entertainment events (excursions, celebrations, concerts, camps, meetings, gatherings) – 6 457 persons;

informational events (interviews, reportages) – 6 004 persons; other activities for spouses and children (individual consultations, support campaigns, lessons for families, group sessions) – 4 278 persons.

With the aim of strengthening families and ensuring their full functioning, project implementers carried out two types of activities:

1. Provision of complex services to beneficiaries: individual psychological, social and legal consultations; citizenship and spiritual-psychological development group sessions for spouses; lectures to engaged couples; formation of parenting skills; meetings-afternoon sittings with families.
2. Implementation of other activities unrelated to the services directly provided to families (educational activities, dissemination of information). While implementing the envisaged project activities, organisations published and distributed brochures, markers, articles; published announcements in the press and digital space, prepared video-reportages, participated in radio broadcasts about project implementation, prepared a training material cycle for pregnant women, parents with small children and future families; published newspapers.

When implementing the goals and objectives of the National Strategy of Overcoming Ageing Consequences, the Ministry of Social Security and Labour supports the activities of NGOs representing elderly people. In 2013, LTL 250 000 were allocated for the implementation of respective projects.

Seeking to achieve the aims and implementing the envisaged activities, project implementers organised various events. During the reporting period, 1 737 events were organised in different cities and districts of the country. The goal of NGOs representing elderly people is the national, patriotic, educational, social and cultural activities. Organisations seek to represent the interests of elderly people, share experience, collect information about the problems of elderly people, search for solutions, inform society and state institutions about the situation of elderly people.

In implementing projects and achieving the goals of their social activities, NGOs seek that elderly people more actively participate in the cultural and political life of their community; support their needs and activities and seek to form a positive image of elderly people, develop respect of society, particularly youth, towards the wisdom and life experience of the elderly; provide assistance and support to the disabled, as well as provide methodical and financial support to city and district branches, self-expression clubs and art amateur ensembles of elderly people; seek to fully make restitution of the property and civil rights of victims of Soviet occupation.

The activities of reducing the sore social problem, i.e. domestic violence, have been continued. The aims include reducing the level of domestic violence on the national scale, combating violence more efficiently and better protecting the interests of victims of domestic violence.

With the view of implementing the provisions of the Republic of Lithuania Law on Protection against Domestic Violence, the National Programme for the Prevention of Domestic Violence and Provision of Assistance to Victims 2014–2020 was drafted, and the action plan for this programme is being drawn up.

NGOs are active participants in the provision of assistance to victims of domestic violence. The network of specialised assistance centres (SAC), administered by NGOs, has been functioning in Lithuania since 2012. This network has been created in implementing the Republic of Lithuania Law on Protection against Domestic Violence. The SACs aim to ensure the provision of specialised complex assistance to victims of violence (help in overcoming the crisis; information and consultation on the type and place of assistance which may be received by the victim of violence; mediation and representation in other institutions; provision of psychological and legal assistance; assistance in restoring interpersonal relationships with the closest people).

In 2013, SACs provided assistance to more than 5 000 victims of domestic violence. The assistance mainly included: psychological, legal, information and consultation assistance, mediation and representation in health care and social support institutions, child rights protection and law enforcement institutions. In 2013, SACs drew up 3 900 individual assistance plans with regard to victims of domestic violence, including 55 children.

During the reporting year, assistance was provided to NGOs working in the area of reducing domestic violence, which also implement other different activities. NGOs working with and providing services to victims of domestic violence are supported in Lithuania. In 2013, 29 projects (24 NGO projects and 5 municipal institution (20 per cent) projects) were selected and co-financed. LTL 350 000 were allocated for project financing. NGOs carried out public awareness raising activities (conferences, seminars, round-table discussions, information campaigns, trainings), involved volunteers and organised various trainings for them.

Like every year, the Ministry of Social Security and Labour organised the award ceremony with respect to mothers of many children at the President's Office. The Ministry has been submitting candidacies of mothers, who gave birth to, raised and educated as honest citizens five and more children, for the award of the Medal of the Order for Merits to Lithuania to the President of the Republic of Lithuania, to mark the Mother's Day, for ten years already.



GENDER EQUALITY

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

The draft Law Amending and Supplementing Article 3 of the Law on Equal Opportunities for Women and Men has been prepared aiming to establish a mechanism so that state and municipal institutions develop and implement programmes and measures targeted at ensuring gender equality. State institutions are to ensure gender equality through measures provided in strategic planning documents, while municipal institutions are to employ municipal strategic development plans and/or municipal strategic action plans. The draft Law Amending and Supplementing Article 3 of the Law on Equal Opportunities for Women and Men was adopted on 2 July 2013 and will come into force on 1 October 2014.⁸⁵

6.1. IMPLEMENTATION OF THE PLAN OF MEASURES OF THE NATIONAL PROGRAMME ON EQUAL OPPORTUNITIES FOR WOMEN AND MEN 2010–2014

For the purpose of implementing the National Programme on Equal Opportunities for Women and Men 2010–2014 (hereinafter referred to as the “Programme”), the Plan for the Implementation of Programme Measures (hereinafter referred to as the “Plan”) has been adopted and is being carried out by all the ministries. Implementation of the Plan is being coordinated by the Commission on Equal Opportunities for Women and Men (hereinafter referred to as the “Commission”), which is composed of representatives from all of the ministries as well as representatives selected and delegated to the Commission as full members by non-governmental organisations.

In 2013, a total of 48 measures of the Plan were implemented in the following areas of gender equality: employment (18 measures), education and science (2), decision-making (5), European Union and international cooperation (6), national defence (1), health care (5), environment protection (2), development of methods and mechanisms for the implementation of equal opportunities for women and men (6).

⁸⁵ The Law Amending and Supplementing Article 3 of the Republic of Lithuania Law on Equal Opportunities for Women and Men.

The Lithuanian Labour Exchange under the Ministry of Social Security and Labour, the Ministry of Economy and the Ministry of Agriculture implemented seven measures, aimed at increasing opportunities for women, especially rural women, to start and develop a business, and promote economic participation by rural women and men. In 2013, the employment rate for women aged 15–64 was 62.8 percent (versus 64.7 percent for men), which is an increase of 0.9 percent from 2012 (the employment rate for men increased by 2.2 percent).⁸⁶ Compared to 2012, the unemployment rate for women dropped by 1 percent to 10.6 percent (the unemployment rate for men decreased from 15.2 percent in 2012 to 13.4 percent in 2013).⁸⁷ Women held approximately 30 percent of management positions within small- and medium-sized enterprises.⁸⁸ In 2013, women made up 4 percent of the executives at the largest companies (EU average – 3 percent),⁸⁹ 8 percent of the board chairs at the largest companies (EU average – 5 percent),⁹⁰ and 16 percent of the board members at the largest companies (EU average – 18 percent).⁹¹

The “Super Tėvelis” (*Super Father*) information campaign is being continued. An ongoing Facebook discussion about the benefits of positive and responsible fatherhood for both society and one’s personal environment has been initiated. The Facebook page “Super Tėvelis”⁹² already has 1 100 followers. Information about the educational measure being carried out and the ideas of responsible fatherhood has reached 500 000 people through this social network. 22 fathers participated in the “Super Tėvelis” competition, and three of them were selected as winners.

A total of 113 candidates participated in the “Lygiausia darbovietė” (*Best Equal Opportunity Employer*) competition. The jury selected two winners: the Kybartai Correction House and UAB “Plius”. The competition was promoted online via *15min.lt*, *zmones.lt* and *lygus.lt* as well as on the Lithuanian radio station. The banner ad for the competition on *15min.lt* and *zmones.lt* reached an audience of 409 000 people, while Facebook page has reached nearly 470 000 unique users.

The Plan is being implemented by all of the ministries. The results of the extended comparative impact assessment of the Programme will be presented in Q4 2014.

6.2. EU AND INTERNATIONAL OBLIGATIONS

A high-level conference “Gender Equality *de facto* as a Contribution to “Reaching Europe 2020” targets: the Effectiveness of Institutional Mechanisms”, aimed at a review of institutional mechanisms for gender equality and ways of promoting their efficiency, was hosted by the Lithuanian Presidency of the Council of the European Union (13 September 2013, Vilnius).

Lithuanian position was presented at the two High-Level Working Group on Gender Mainstreaming meetings of the EU high-level gender equality officials. On 11–12 September 2013, the main provisions of the Council Conclusions on the Effectiveness of Institutional Mechanisms for Gender Equality were discussed in Vilnius. At a meeting of the High-Level Working Group on Gender Mainstreaming in Athens on 6–7 February 2014, discussions were held on gender equality and gender mainstreaming in the Strategy Europe 2020 and on the position of the EU at the 58th

⁸⁶ Department of Statistics, <http://osp.stat.gov.lt/statistiniu-rodikliu-analize1>.

⁸⁷ Department of Statistics, <http://osp.stat.gov.lt/statistiniu-rodikliu-analize1>.

⁸⁸ Publication of the Department of Statistics “Moterys ir vyrai Lietuvoje 2010” (“Women and Men in Lithuania in 2010”).

⁸⁹ October 2013 data. EC webpage: http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/executives-non-executives/index_en.htm.

⁹⁰ October 2013 data. EC webpage: http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/supervisory-board-board-directors/index_en.htm.

⁹¹ October 2013 data. EC webpage: http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/supervisory-board-board-directors/index_en.htm.

⁹² <https://www.facebook.com/SuperTėvelis>.

session of the United Nations (UN) Commission on the Status of Women and the key aspects of the “Women and Economy” study.

The two meetings of the European Commission (EC) Advisory Committee on Equal Opportunities for Women and Men discussed the EU Report on Progress on Equality between Women and Men in 2013, introduced the EC “Equality Pays Off” campaign, and presented the priorities and activities of the Trio countries.

Negotiations for a Directive of the European Parliament and of the Council on Improving the Gender Balance among Directors of Companies Listed on Stock Exchanges and Related Measures were continued. Four meetings of the Council of the EU Working Group on Social Issues were devoted to these negotiations.

In order to increase the effectiveness of institutional mechanisms so as to accelerate progress in the field of gender equality, and thus, contribute to implementation of the objectives of Europe 2020, the Council Conclusions on the Effectiveness of Institutional Mechanisms for the Advancement of Women and Gender Equality have been drawn up. The Conclusions were discussed at the two meetings of the Working Group on Social Issues and were adopted at the Employment, Social Policy, Health and Consumer Affairs Council meeting on 9 December 2013.

Lithuanian position was presented at the two meetings of the Council of Europe (COE) Gender Equality Commission (in November 2013 and April 2014). Discussions were held on COE gender equality priorities, activities and results, as well as on cooperation with international organisations and countries that are not COE members. The COE Strategy on Gender Equality was deliberated and approved.

Lithuanian position was also presented at the 58th session of the UN Commission on the Status of Women, which was held to prepare for the 20th anniversary of the Beijing Platform for Action and to promote gender equality in implementing the Millennium Development Goals. During the session, a report was delivered on the challenges and achievements of implementing the UN Millennium Development Goals for women and girls in Lithuania.



USAGE OF THE EU STRUCTURAL SUPPORT

7.1. SUPPORT FROM THE EUROPEAN UNION STRUCTURAL FUNDS

7.1.1. MEASURES UNDER PRIORITY 1 “HIGH QUALITY EMPLOYMENT AND SOCIAL INCLUSION” OF 2007-2013 OPERATIONAL PROGRAMME FOR THE DEVELOPMENT OF HUMAN RESOURCES

The support allocated to Lithuania from the European Union (hereinafter referred to as “the EU”) Structural Funds provides possibilities for achievement of the national long-term goal, namely, ensuring continuous growth of the national economy and reduction of economic development disparities between the Lithuanian average and the EU average. To this end, efforts have been made to improve the indicators of the growth of the gross domestic product (GDP) in the Lithuanian economy and create more new and better jobs.

In implementation of Priority 1 “High Quality Employment and Social Inclusion” (hereinafter referred to as “Priority 1”) of the Operational Programme for the Development of Human Resources for 2007–2013 (hereinafter referred to as the “OPDHR”) administered by the Ministry of Social Security and Labour of the Republic of Lithuania (hereinafter referred to as “the Ministry”), the following tasks were sought:

Task 1 – to increase the adaptability of employees and enterprises to labour market needs;

Task 2 – to promote population employment and participation in the labour market;

Task 3 – to enhance social inclusion.

7.1.1.1. INCREASE OF YOUTH EMPLOYMENT

In 2013–2014, particular attention was paid to the increase of youth employment. The employment rate in 2013 amounted to 64.3% (among persons aged 20–64), however, unemployment remained high and reached 11.4% at the end of 2013. In 2013, youth unemployment rate in Lithuania reached 21.9% (among persons aged 15–24).

During the period of 2014–2020, the National Progress Programme (hereinafter referred to as “the NPP”) aims at achieving that in 2020 this indicator does not exceed 16%.

The NPP youth is distinguished as a separate social group; therefore, in 2013–2014 the funds of the European Social Fund (hereinafter referred to as “the ESF”) were allocated for the programmes for increase of employment of residents, in particular, youth employment.

Youth employment is promoted in several directions.

In 2013, a new measure “Promotion of Youth Employment and Motivation”⁹³ under Priority 1 of the OPDHR was approved.

This measure is aimed at motivating socially vulnerable young people to integrate into the labour market and/or formal education system; provision of personal, social, professional competences and creation of conditions for development of their social employment and professional activity. Engagement of young people into voluntary activities will create conditions not only for the promotion of their citizenship and active participation in public activities, but also will provide them with possibilities for self-expression and additional possibilities for acquisition of knowledge, skills, which will help them more easily integrate into the labour market. It is also expected that it will open wide paths for employment. LTL 8 million of the EU funds were allocated for the implementation of the measure.

The implementation of two projects under this measure was launched in the second half of 2013.

The project “Youth Voluntary Service” is implemented by the Department of Youth Affairs under the Ministry of Social Security and Labour. The project is aimed at creating conditions for unemployed young people aged 16–29 to participate in voluntary activities and obtain personal, social and professional competences and work experience, as well as helping them to choose a profession, reintegrate into the system of formal education and (or) get prepared for integration into the labour market. The priority is given to young people without basic education, with basic education, with secondary education, registered with the Lithuanian Labour Exchange (hereinafter referred to as “the LLE”), having finished vocational training programmes, and persons with higher education. About 115 young persons were engaged in activities before 1 May 2014. They perform voluntary activities in 100 various organisations (Aukštaitija National Park, Youth and Community Centre, kindergartens, oncological organisations, etc.). Volunteers choose such activities as monitoring of visitors in parks, area cleaning, tree pruning, organisation of activities for children, visiting of patients, project implementation, administrative activities, etc. At present, about 250 organisations hold accreditation to accept volunteers for voluntary activities.

The project “Be Self-Confident” implemented by the LLE, seeks to promote youth integration into the labour market and (or) the education system by providing social rehabilitation and preparation for employment services in the labour market through the experience of non-governmental organisations. The project is aimed at young persons aged 16–25 who do not work, do not study and do not participate in active labour market measures.

Over 1.1 thousand young persons were engaged in these activities before 1 May 2014. In the process of the project implementation, 264 persons were employed, 74 persons were sent to take participation in active labour market policy measures.

In order to increase youth employment, the projects under the measure “Integration of Jobseekers into the Labour Market” of the OPDHR were implemented.

On 30 November 2013, the implementation of the project “Increase of Youth Employment”, the aim of which was to help inexperienced youth obtain missing skills directly at the workplace and anchor in the labour market, was accomplished. The project activities (support of working skills acquisition and employment through subsidies)

⁹³ Resolution No. 323 of 17 April 2013 of the Government of the Republic of Lithuania “On Resolution No. 789 of 23 July 2008 of the Government of the Republic of Lithuania “On the Approval of the Annex to the Operational Programme for the Development of Human Resources”.

engaged 6,600 young persons under 29 years of age, and the 86% level of employment was achieved within 6 months after participation in supported employment programmes.

Young persons under 29 years of age participated in other projects implemented by the LLE, for example, the problem of unqualified youth was addressed in a 32 months duration project “Promotion of Integration into the Labour Market”, which was accomplished on 28 February 2014. During the project, 8.5 thousand jobseekers were planned to be integrated into vocational training with at 6,000 of them being young unemployed persons under 29 years of age.

Before the end of the project implementation, over 6 thousand young persons under 29 years of age participated in vocational training. 71.8% of these persons found employment.

In April 2014, the financing and administration agreements of the project “Stay in the Labour Market” was revised. Having amended the agreement, it is planned to engage 6,200 young unemployed persons under 29 years of age into active labour market measures (employment through subsidies, working skills acquisition support, job rotation) before 1 July 2015.

Pursuant to Minutes No. 30 of the meeting of 6 May 2013 of the Government of the Republic of Lithuania on the allocation of additional (more than LTL 60.5 million) funds from the ESF to Priority 1 of the OPDHR, a new LTL 31.5 million value project “Employment Support” engaging youth, long-term unemployed persons and persons facing durable unemployment was launched. This project helped engage more than 7 thousand unemployed persons into the labour market by applying active labour market measures.

The major share of participants in working skills acquisition and employment through subsidies measures consisted of vulnerable Lithuanian residents of working age: over 4.4 thousand young persons without working experience, over 1.4 thousand long-term labour market outsiders seeking for work for more than one year. Support was also provided to over 1.3 thousand persons facing long-term unemployment. As on 1 May 2014, 3.2 thousand unemployed persons participated in the project. Over 2 thousand of the participants, having acquired or recovered their working skills, integrated into the labour market.

The measure of global grants “Support for the First Job” is implemented since the end of 2012. The main aim of this measure is to increase youth employment by creating additional financial incentives for employers to employ young persons. During the implementation of the measure, support is granted for compensation of part of wages 16-29 year old persons employed for the first time and having never worked under employment contract for the period lasting not longer than 12 calendar months. The employer employing a young person has part of the wage paid to this young person compensated. The amount of LTL 32 million has been allocated for the implementation of the measure from the EU funds. From the beginning of the measure implementation to 1 May 2014, the compensation of part of expenditure on wages (about LTL 13 million) was allocated to about 2 thousand employers for about 11 thousand employees. From 1 June 2013 to 1 May 2014, the compensation of part of expenditure on wages (about LTL 9 million) was allocated to about 975 companies for 6,157 young persons.

In order to encourage entrepreneurship and self-employment, the Entrepreneurship Promotion Fund pays the greatest attention to young persons, the unemployed, the disabled and elder persons. The use of this fund creates better financing conditions for very small and small enterprises, natural persons to start, and for social enterprises – to develop their business. About 3,960 persons have participated in entrepreneurship trainings since 2010. 2,455 of them were persons belonging to the priority group: youth under 29 years, persons above 50 years of age, the unemployed and the disabled.

In the period from 2010 to 1 May 2014, 801 loans were granted out of which 362 loans were granted to persons belonging to priority groups (264 – to young persons under 29). Since the launch of the measure implementation (2010), 1,625 new jobs were created.

In the period from 1 June 2013 to 1 May 2014, 341 persons participated in the trainings, 310 loans were granted and 674 new jobs were created.

In IV Quarter 2013, a new measure of global grants “Subsidies for Entrepreneurship Promotion” was launched. The aim of this measure is to create additional financial incentives for beneficiaries of grants from the Entrepreneurship Promotion Fund in order to help them anchor in the market at the outset of their independent activities. Under the measure, beneficiaries of the Entrepreneurship Promotion Fund have part of their employees’ wages compensated. The amount of LTL 10 million was allocated for the implementation of the measure from the ESF. In the period from the end of the 2013 to 1 May 2014, 118 companies had part of their 290 employees’ wages compensated. About LTL 600 thousand were allocated to companies.

7.1.1.2. OTHER MEASURES OF PRIORITY 1 OF THE OPDHR

With a view to creating and developing high quality integral assistance (social care and nursing) in houses for the disabled, elderly people and consulting assistance to family members taking care of their close people, in May 2013, the implementation of pilot projects under the measure “Reconciliation of Work and Family Commitments: Development of Integral Assistance” was launched in 20 municipalities: Anykščiai, Biržai, Kaunas, Kretinga, Pasvalys, Radviliškis, Šakiai, Šilalė, Šilutė, Tauragė, Telšiai, Trakai, Ukmergė, Vilkaviškis districts, Alytus, Klaipėda, Šiauliai, Visaginas, Vilnius cities and Elektrėnai municipality.

On 1 October 2013, a 22 month duration project in the municipality of Raseiniai was launched. A total of LTL 20 million of the ESF were allocated for the implementation of all projects.

Seeking to perform an analysis of the efficiency, effectiveness and applicability of pilot projects providing integral support services and to present strategic proposals with regard to the directions of development of social support to elderly persons, in September 2013, the Ministry launched the implementation of the project “Analysis of Efficiency and Applicability of Integral Support”.

During the implementation of the projects, high quality social care and nursing services were provided to 560 disabled and elderly people and counselling services to 329 family members nursing these persons. 62 mobile teams were created, 278 nursing specialists were included into the teams of social workers, who, together with social workers, their assistants and volunteers provided integral support (social care and nursing) to the disabled and elderly persons. Technical equipment and transport were acquired to provide integral support, general and special trainings were organised for 362 workers of mobile teams (social workers, assistants of social workers, nurses, assistants of nurses, physical therapist, specialists of massage) and volunteers, with whom voluntary work agreements were concluded for the period not shorter than 3 months. 347 persons of the above mentioned persons successfully accomplished the improvement of their qualification.

In April 2013, the Department of Supervision of Social Services under the Ministry of Social Security and Labour launched the implementation of a project under the measure “Development of competences of employees of social services institutions” of Priority 1 of the OPDHR. LTL 5.1 million were allocated for the implementation of the measure. It is planned that 4,400 employees of various social services institutions will improve their qualification by September 2015.

In order to ensure the quality of the services of rehabilitation, social reintegration and their accessibility to persons addicted to psychoactive substances, in October 2013, the implementation of a project under the measure “Psychological and Social Rehabilitation of Persons who Suffer from Addiction to Psychoactive Substances” of Priority 1 of the OPDHR was launched. LTL 10 million were allocated for the implementation of the project. It is planned that by July 2015 540 of persons addicted to psychoactive substances will take participation in the programme of social and psychological rehabilitation.

The Ministry also continues further implementation of other measures of the OPDHR.

In the period from 1 June 2013 to 1 May 2014, 84 projects were financed under the second call for proposals under the measure “Development of Human Resources in Enterprises” of Priority 1 of the OPDHR, which is aimed at improving employees and managers’ qualifications, knowledge and skills in companies, increase employees abilities to adjust to the needs of a company and the changes in the labour market. LTL 48 million was allocated for these projects. In September 2013, the last project financing and administration agreements with project promoters were signed.

In the period from 1 June 2013 to 15 May 2014, over 3 thousand employees of enterprises participated in the trainings. From the beginning of the measure implementation (2009), over 30 thousand employees participated in the trainings, with over 29 thousand of them participated in trainings awarding or improving professional qualification, special professional knowledge and skills.

From 1 June 2013 to 1 May 2014, during the implementation of the measure “Integration of Jobseekers into the Labour Market” of Priority 1 of the OPDHR, work places were retained for 4,943 disabled and 129 assistants (sign-language interpreters), who helped 340 disabled perform their functions. EU support was allocated to 129 social enterprises.

During this period, over 15 thousand unemployed persons participated in active labour market policy measures, 50.1% of whom were young unemployed persons. 52.5% of the unemployed found employment after participation in the above measures.

In order to develop social partnership skills of employers, employers’ organisations and their associations, trade unions and their confederations, to improve collective labour relations, to encourage the conclusion of collective agreements, to raise awareness of trade union members and the public about the development of the social dialogue, the second call for proposals under the measure “Promotion of Social Dialogue” of Priority 1 of the OPDHR was announced in July 2013.

The ESF allocated LTL 6 million to finance projects under this call for proposals. The call for proposals was launched for companies, enterprises, organisations seeking to promote social dialogue, conclude collective agreements, create Safety and Health Committees. The applicants under the second call for proposals are employers and trade unions representing their employees.

The managers and employees of companies, enterprises, organisations, as well as managers, members and employees of trade unions participated in trainings on drafting of collective agreements, tactics of negotiations, conflict and crisis management, prevention of illegal work, introduction of flexible and innovative forms of work, assurance of gender equality, occupational safety and health, improvement of work conditions, as well as on other issues related to the improvement of social dialogue skills. Campaigns for promotion of the introduction of partnership principles aimed at sharing experience or taking it over from foreign partners will be implemented, and round table discussions will be organised.

The implementation of 13 projects under this call for proposals was launched in 2014. The total value of these projects is about LTL 1.51 million.

In the course of implementation of the projects under the first call of proposals, in the period from 1 June 2013 to 6 May 2014, 2 sectoral collective agreements, 97 collective agreements were signed, 39 Safety and Health Committees were established, 7 bilateral and trilateral councils and commissions in counties and municipalities were formed. About 5.6 thousand representatives of employers and employees participated in the trainings, and 82.2% of persons accomplished the trainings successfully.

7.1.2. 2014–2020 OPERATIONAL PROGRAMME FOR THE EUROPEAN UNION STRUCTURAL FUNDS INVESTMENTS

During the new financing period, funds of the three EU structural funds, i.e. the ESF, the European Regional Development Fund (hereinafter referred to as “the ERDF”) and the Cohesion Fund, will be allocated to finance improvement of human capital, infrastructure and public governance.

EU Member States are ready, without increasing financial resources, to create added value on the funds allocated by the EU budget to the EU cohesion policy to most efficient extent. Therefore, during the new programming period, the relation of the EU cohesion policy with the aims of the strategy “Europe 2020”, i.e. encouragement of the economic growth and creation of jobs, is emphasized. By relating them, it is expected to approach advanced, sustainable and integrated growth.

About LTL 23.56 billion from EU structural funds have been allocated to Lithuania for the implementation of EU cohesion policy aims in 2014–2020, and LTL 392.67 million – for the aim of European territorial cooperation.

In implementing the Operational Programme for the European Union Structural Funds Investments, the Ministry will be responsible for the implementation of measures under Priority 7 “Promotion of High Quality Employment and Social Inclusion” and Priority 8 “Increase of Social Inclusion and Support in Fight Against Poverty”. More than LTL 1.9 billion of EU funds have been allocated for the implementation of these measures.

Attention will be paid to the increase of employment of the unemployed, especially long-term unemployed and those without sufficient qualification, and the disabled; long-term integration of young persons, especially those young persons who do not work and do not study, into the labour market; implementation of the youth guarantee initiative; reduction of social exclusion; improvement of quality and accessibility of services of labour market institutions; increase of accessibility of social housing to the most vulnerable groups; increase of the accessibility and quality of community services, by transition from institutional care to community services; development of services rendered to family; encouragement of entrepreneurship of persons facing difficulties in the labour market; promotions of initiatives aimed at increasing social entrepreneurship and social responsibility, etc.

7.1.3. MEASURES OF 2007–2013 OPERATIONAL PROGRAMME FOR THE PROMOTION OF COHESION FINANCED FROM THE EUROPEAN REGIONAL DEVELOPMENT FUND

The aim of Priority 2 “Quality and Accessibility of Public Services: Health Care, Education and Social Infrastructure” of the Operational Programme for Promotion of Cohesion (hereinafter referred to as “the OPPC”) is to ensure the accessibility and high quality of the key public health care and education services, social services and services for the disabled provided by institutions implementing state employment support policy.

Supported measures and funds allocated from the implementation thereof

Financed measures	Amount of EU funds allocated for the measure, LTL, million
Development of the infrastructure of non-institutional social services	153.00
Development of the infrastructure of institutional social services	129.00
Modernisation of the infrastructure of the Territorial Labour Exchanges of the Lithuanian Labour Exchange (implementation of the measure is accomplished)	77.00
Development of institutions providing services to the disabled	80.00

Data from the Ministry of Social Security and Labour

Table 7.1.3-1

Since the start of the financing, 204 financing and administration agreements of infrastructure development projects were signed under the measures of Priority 2 of the OPPC administered by the Ministry. On 1 May 2014, the total amount of the ERDF allocated to the projects amounted to LTL 431.42 million. The implemented measures of Priority 2 of the OPPC are intended for the following target groups: adult disabled persons, children with disabilities and mental disorders, elderly persons, families at social risk, adult persons at social risk, children deprived of parental care, elderly persons, oncological patients and their family members, employers and jobseekers eager for a professional career.

The funds allocated for the implementation of the measures “Development of the Infrastructure of Institutional Services”, “Development of Institutions Providing Services to the Disabled” contributed to the improvement of public services quality and development thereof in the whole Lithuania. Up to 230 objects for social services provision are being modernised or constructed in the country. It is planned that, after the accomplishment of the projects, services will be rendered to 527 thousand persons. They will become more accessible and will better meet the needs of service recipients.

As on 1 May 2014, 93 projects were accomplished, 108 objects were renewed, 1,875 places of provision of services for service recipients were created, 478 new jobs across the country were established. The number of the remaining projects to be accomplished before the end of the reporting period is 108.

Projects by target groups as on 1 May 2014

Target group	Number of projects	Amount of EU funds allocated for the measure, LTL, million
Adult disabled persons	41	125.64
Families at social risk	32	38.8
Elderly persons	10	13.1
Disabled children	6	10.27
Adults at social risk	13	15.74
Children deprived of parental care	14	28.7
Institutions providing mixed social services	83	139.31
Employers and jobseekers eager for a professional career	1	73.19

Data from the Ministry of Social Security and Labour

Table 7.1.3-2

In 2013, the implementation of 4 projects started under the measure “Development of Institutions Providing Services to the Disabled, Including Vocational Rehabilitation Services” and the activity “Development of Sign-Language Translation Centres”. The financing (almost LTL 4 million of the ERDF) was allocated to Sign-Language Translators Centres in Šiauliai, Kaunas, Klaipėda and Panevėžys. It is planned to equip all reconstructed premises with necessary equipment and furniture. It is planned that having improved the infrastructure of these centres, 18 new job places will be created, the quality and efficiency of interpretation services as well as the intensity of communication with the deaf will improve, and possibilities for improving sign-language interpreters’ qualification and assuring information confidentiality when communicating with the deaf and hearing-impaired persons will be provided. It is expected that these four renewed centres will provide interpretation services to over 1,750 persons with hearing disabilities.

7.2. OTHER EU SUPPORT

7.2.1. EUROPEAN GLOBALISATION ADJUSTMENT FUND

The European Globalisation Adjustment Fund (hereinafter referred to as “the EGF”) is aimed at supporting workers dismissed as the result of essential structural changes in the world trade tendencies influenced by the globalisation and the financial and economic crises, when the dismissal of such workers causes significant damage to the regional or local economy. The key aim of the EGF is the development of an individual labour market measure encouraging workers to return back to the labour market as soon as possible.

In 2013–2014, the projects financed from the EGF were not implemented. In 2013, it was prepared to implement the EGF during the new Multiannual Financial Framework (2014–2020); active work was implemented with regard to the preparation and negotiation over the new EGF regulation, which was approved during Lithuanian’s EU Presidency.

7.2.2. EUROPEAN REFUGEE FUND

The European Refugee Fund is one of the four parts of the General Programme “Solidarity and Management of Migration Flows”. The programme is aimed at gradual introduction of the integrated management of the external borders of the EU and implementation of general asylum and immigration policy directions. Four funds have been established on the basis of the mentioned programme: the External Borders Fund; the European Return Fund (hereinafter referred to as “the RF”); the European Fund for Integration of Third-Country Nationals (hereinafter referred to as “the EIF”); the European Refugee Fund (hereinafter referred to as “the ERF”).

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

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

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

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

During the implementation of the above priorities from the funds of the ERF, the following actions are financed: improvement of acceptance conditions and asylum procedures; promotion of integration of foreigners granted asylum in the Republic of Lithuania; improvement of the abilities of Member States to develop, monitor and assess their asylum policy on their path to practical cooperation between Member States.

At present, 6 projects of the ERF Programme for 2012, the total value of which is LTL 2.4 million, are approaching full accomplishment, and 5 projects under the ERF Programme for 2013, the total value of which is LTL 2.4 million, have been launched. Project activities under the ERF programmes for 2012 provide representatives of target groups with services of a social worker, children – with services of a social pedagogue. The provision of medicine services is organised as well as the Lithuanian language and IT courses are offered, informative courses meetings with specialists of various institutions and various leisure activities are organised. Seeking to provide information about Lithuania, cognitive trips and social events are organised together with the local community. Current repairs of the dwelling

premises of asylum seekers have been implemented. Social and material support is provided to foreigners granted asylum. They are also provided with legal, psychological and other actual consultations. Vocational training is organised; reports on the country of origin are drafted. A methodology of work with asylum seekers included into the groups of most vulnerable persons has been developed.

In 2013–2014, over 150 foreigners granted asylum and over 500 asylum seekers participated in projects financed under the ERF 2012 programme.

7.2.3. THE EUROPEAN FUND PROGRAMME FOR THE INTEGRATION OF THIRD-COUNTRY NATIONALS

The aim of the programme is to support the efforts made by Member States in enabling third-country nationals of different economic, social, religious, linguistic and ethnic backgrounds to fulfil the requirements for residence and to facilitate their integration into the European societies.

Three priorities are established in the programming documents of the European Fund for the EIF:

- Implementation of actions designed to put the “Common Basic Principles for Immigrant Integration Policy in the European Union” into practice.
- Establishment and development of indicators and evaluation methodologies to assess progress, adjust policies and measures and to facilitate the co-ordination of comparative learning.
- Policy capacity building, co-ordination and intercultural competence building in the Member States across different levels and departments of governing authorities.

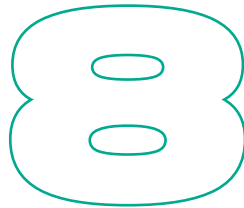
The above-mentioned priorities are implemented through actions, one part of which is dedicated directly for third-country nationals, and the other part – for the strengthening of public as well as institutional, organisational capacities related to the integration of third-country nationals, for example, the EIF supports projects, which encourage third-country nationals legally residing in Lithuania to learn the Lithuanian language, provide knowledge on Lithuanian history, culture and conditions of life, study and employment in Lithuania. The EIF also supports projects aimed at performing studies and research related to the integration of third-country nationals and the assessment of the integration policy development as well as projects which promote cooperation and relations between competent authorities and organisations and the enhancement of intercultural competence.

The support under the programme of the EIF is provided in accordance with a multiannual (2007-2013) and annual programmes drafted by the Ministry and approved by the EC. A total amount of LTL 23.3 million (out of which LTL 17.9 million are allocated by the EU) is allocated for the multiannual programme implemented through annual programmes. The total value of the EIF Programme 2012, the implementation of which will be accomplished on 30 June 2014, amounts to LTL 3.88 million and the total value of the EIF Programme 2013, the implementation of which will be accomplished on 30 June 2015, amounts to LTL 3.66 million. 81 projects were financed and implemented during the implementation period of the EIF multiannual programme. Over 600 third-country nationals legally residing in Lithuania as well as over 1000 Lithuanian society members, including students, pupils, pedagogues, workers of the police system, specialists of municipalities and other institutions participated in projects financed under the EIF programme 2012 in 2013–2014. Activities under projects implementing the EIF Programme 2012, provide third-country nationals with various services and consultations and strengthen intercultural skills of specialists of Lithuanian institutions and society.

In order to successfully cope with common internal affairs challenges and having regard to the consistent approach to migration and safety at the EU level, two EU funds – Asylum, Migration and Integration Fund (hereinafter referred to as “the AMIF”) and the Internal Security Fund are established under the new Multiannual Financial Framework for 2014–2020. The Ministry shall be responsible for the implementation of the AMIF programme.

The AMIF will consist of the ERF, the EIF and the RF operating in 2007–2013. The aim of the AMIF is to support efforts of EU Member States in contributing to the efficient management of migration flows in the EU. About LTL 33 million will be allocated for the implementation of the AMIF actions in Lithuania in 2014–2020. Lithuania will have to allocate a 25% co-financing (about LTL 11 million).

Specialists of the Department of European Union Structural Support of the Ministry participated in technical and trilateral political dialogues when preparing and negotiating over the Establishment Regulation and the Horizontal Regulation implementing the Establishment Regulation.



EU MEMBERSHIP

8.1. ACTIVITIES RELATED WITH THE MEMBERSHIP IN THE EUROPEAN UNION

In the period from 1 July till 31 December 2013, Lithuania held Presidency of the Council of the European Union (hereinafter EU) for the first time in its history.

The Council of the EU (hereinafter the Council) is one of three major institutions involved in the EU decision-making process. The central function of the Council, together with the European Parliament (hereinafter EP), is initiation and adoption of EU legislation. The Council usually makes compromise decisions eventually agreed after long discussions among the representatives of the Member States.

During the Lithuanian Presidency, about 200 meetings and other events attended by over 25 thousand guests were organised. The Ministry of Social Security and Labour (hereinafter the Ministry) hosted 12 events during the Lithuanian Presidency.

8.1.1. ISSUES OF THE EU AGENDA IN THE FIELDS OF SOCIAL, EMPLOYMENT AND YOUTH POLICIES

In the employment and social policies, the Ministry defined several priority fields, which received major attention during the Presidency.

8.1.1.1. LARGER EMPLOYMENT OPPORTUNITIES - FOCUS ON YOUTH

The Lithuanian Presidency aimed at securing top political attention to the initiative of Youth Guarantee and its supplementing Youth Employment Initiative. The purpose of the Youth Guarantee initiative was to deal with the youth employment problems by ensuring quality job offer, offer for continuation of studies, offer for traineeship or apprenticeship to all persons under 25 in four months from the formal training completion or becoming unemployed.

The European Social Fund (hereinafter ESF) conference⁹⁴ held in November, in Vilnius assessed the successful methods of work with youth, discussed the role of the ESF and Youth Employment Initiative in dealing with urgent

⁹⁴ Conference Reduction of Youth Unemployment in Europe by Creating Better Future for Youth.

challenges of the high youth unemployment level. Possibilities of the most effective ways to turn plans into reality were introduced at the conference. The conference participants were provided with a possibility to exchange experiences, practices and plans how to use ESF funds to finance innovative tools of assistance to youth and how to integrate them into the national context. The agreement was reached with the EP on the Youth Employment Initiative.

Informal EPSCO⁹⁵ Council held in July in Vilnius initiated a discussion with social partners and Member States on the establishment of the European Alliance for Apprenticeships which would combine the actions of the Member States, social partners, business community, other concerned entities and the European Commission (hereinafter EC), by developing the possibility for high-quality apprenticeships and skill training through vocational education. The purpose of the alliance is to ensure possibilities to young people in the Member States for effective and quality acquisition of necessary working experience and skills. Lithuanian Presidency, the EC and social partners signed a declaration of intention in early July, in which further actions regarding the European Alliance for Apprenticeships were planned. To secure achievements of the goals set for the alliance in the Member States, in October the EPSCO Council adopted the declaration drawn in Lithuania.

During the Presidency, Lithuania planned to secure agreement between the Council and EP on improvement of cooperation between Public Employment Services⁹⁶ which would contribute to tackling with youth unemployment issue. In December, a common attitude was achieved in the EPSCO Council on this issue which enabled initiating tripartite negotiations in early 2014.

Lithuanian Labour Exchange's under the Ministry of Social Security and Labour EURES service together with the EC organised a meeting of the European Employment Services (EURES) working group, where the issues on implementation of the EURES reform were discussed, experiences in contributing by the European Employment Services to implementation of the goals laid down in the Europe 2020 strategy were exchanged, financial possibilities for the ESF perspective 2014-2020 were assessed. At the other event, meeting of the Heads of the European Public Employment Services (HOPES), the following issues regarding employment were discussed: implementation of the Youth Guarantee initiative, enhanced cooperation between the Public Employment Services, efficiency assessment, action plan for implementation of the Europe 2020 strategy.

8.1.1.2. WORKERS' RIGHTS

In order to improve implementation of the minimum protection of posted workers, Lithuania continued the negotiations on the Directive of the EP and of the Council on Posting of workers⁹⁷, in pursuit of agreement with the EP. The directive was called "failed" because of two opposing groups of countries formed. The tactic of informal meetings and negotiations chosen by Lithuania helped to establish a dialogue between the opposing sides and to come back to this issue. After prolonged discussions at the EPSCO Council held in October, the Lithuanian proposal did not receive the support needed for adopting a common position. The negotiations were continued and after immense efforts shown by Lithuanian and other delegations, the goal was finally reached at the EPSCO Council's meeting held in December. Following the compromise reached at the EU Council, negotiations with the EP could be initiated.

Consensus has been reached with the EP on improving the acquisition and preservation of supplementary pension rights. The latter initiative is aimed at removing labour mobility obstacles, ensuring fair behaviour regarding acquisition and preservation of the right to supplementary retirement pension.

Willing to express its solidarity with workers sacked at the result of structural changes caused by globalisation in the world's production sector, and to support their active reintegration into labour market, Lithuania agreed with the

⁹⁵ Employment, Social Policy, Health and Consumer Affairs Council.

⁹⁶ The decision of the European Parliament and of the Council on enhanced cooperation between Public Employment Services (PES) (COM(2013) 430; 2013/0202 (COD)).

⁹⁷ The Directive of the European Parliament and of the Council concerning the posting of workers ((COM(2012) 131; 2012/0061 (COD)).

EP on launching application of the Regulation on the European Globalisation Adjustment Fund (2014-2020) from 1 January 2014.

Lithuania reached an agreement with the EP also on the Directive concerning free movement of labour⁹⁸. The latter proposal is aimed at fighting against discrimination regarding nationality and improving implementation of free movement of labour.

In order to ensure further efficiency of the occupational health and safety system and to protect workers' health and to ensure their safety against exposure to hazardous chemical substances, Lithuania agreed with the EP and EC on updating five EU directives⁹⁹ to harmonise them with the effective EU legislation on classification and marking of chemical substances.

At the informal EPSCO Council in Vilnius, the ministers shared their experiences on contribution of the wage-setting systems to the increase of workers' productivity, whether minimum wage coordination in terms of economic stability is needed, advantages and shortcomings of indexation mechanisms.

State Labour Inspectorate under the Ministry of Social Security and Labour organised a meeting of Senior Labour Inspectors Committee (SLIC) to discuss the impact of the economic recession on occupational health and safety.

8.1.1.3. SOCIAL INVESTMENTS

Lithuania continued the discussions in the Council on the Social Investment Package aimed at improving implementation of the ESF programmes and social inclusion. Informal discussions were organised during the Lithuanian Presidency over the EU at the EPSCO Council with the Social Platform and Member States on the aspects of the Social Investment Package, special attention focusing on the section of the document "Investing in Children: Breaking the Cycle of Disadvantage". The fields where efficiency of social expenditure requires improvement, good practices of the countries, the role of the NGOs in reducing children's poverty were discussed.

In order to reduce poverty and to promote social cohesion, Lithuania agreed with the EP to establish a Fund for European Aid for the Most Deprived. The aim of the Fund for European Aid for the Most Deprived is to fight against poverty, to promote social cohesion and to provide ongoing support to the most deprived people. Financial resources amounting to nearly EUR 3.5 billion will be divided among all Member States for the period of 7 years (2014-2020) in the beginning of the programme implementation period.

8.1.1.4. SOCIAL DIMENSION OF THE ECONOMIC AND MONETARY UNION

Lithuania continued the discussions launched during the Irish Presidency on the social dimension of the Economic and Monetary Union (hereinafter EMU) and organised informal discussions at the informal joint meeting of the Social Protection and Employment Committees held in Kaunas in pursuit of common agreement of the EU Member States. The meeting participants discussed the reforms of the fields requiring stronger coordination, measures to be exerted in order to prevent imbalance between the social sphere and labour market, potential contribution of the Employment and Social Security Committees to enhanced control of the chosen supervisory measures. Discussions on the same issue were held also at the EPSCO Council and at the Tripartite Summit of Social Affairs. Lithuania was the first country to name this issue as the priority of its political programme and made the right choice - discussions

⁹⁸ The Directive of the European Parliament and of the Council on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers (COM(2013) 236; 2013/0124 (COD)).

⁹⁹ Directive 2014/27/EU of the European Parliament and of the Council of 26 February 2014 amending Council Directives 92/58/EEC, 92/85/EEC, 94/33/EC, 98/24/EC and the Directive 2004/37/EC of the European Parliament and of the Council to harmonise them with the Regulation (EC) No. 1272/2008 regarding classification, marking and packing of chemical substances and mixtures.

organised at various levels helped making specific steps towards the social dimension of the EMU: in December, the EPSCO Council approved the Scoreboard of Employment and Social Indicators which for the first time was included into the European Semester management cycle of 2014.

8.1.1.5. GENDER EQUALITY

Lithuania aspired enhanced efficiency of institutional mechanisms in the field of gender equality to ensure faster achievement of the actual gender equality. On this issue, Lithuania convened a ministerial conference in Vilnius and drafted EU Council's conclusions which received approval.

Lithuania supporting the goal of increased female representation in decision-making process continued the negotiations at the Council started during the Irish Presidency regarding the Directive on gender balance on corporate boards, aimed at improvement of female representation in decision-making. On this issue, same as on Anti-discrimination directive, a progress report was presented to the EU Council. Anti-discrimination directive is aimed at realisation of the principle of equal attitude towards individuals disregarding their religion or belief, disability, age or sexual orientation.

The high level gender equality working group met in Vilnius, where they exchanged opinions regarding further implementation of the Beijing Platform for Action, shared experiences on gender aspect integration in the Europe 2020 strategy and multidimensional financial programme 2014-2020, introduced the latest gender equality changes in the Member States and the whole EU.

8.1.1.6. RECOMMENDATIONS ON EFFECTIVE ROMA INTEGRATION MEASURES

EC presented recommendations to the Member States regarding recommendations on effective Roma integration measures which aimed at promoting national Roma integration strategies based on the outcomes of the pilot group of the Member States reflecting the geographical balance and various circumstances of the Romain the EU and at determining the best Roma integration practice and effective methods. The recommendations were approved at the EU Council.

8.1.1.7. SOCIAL INCLUSION OF YOUTH NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEETS)

EU Youth Conference, held in Vilnius, was dedicated to this youth policy, the outcome of which was joint conclusions. Also a meeting of Directors-General on Youth Matters was held, during which examples of good practices were introduced and the need of working plan in the youth sphere was discussed. Based on the joint conclusions drawn at the Conference, EU Council's conclusions regarding enhancement of the social inclusion of young people not in employment, education or training (hereinafter NEET) were drafted and approved. Agreement on the measures and actions to be taken in the field of NEET youth prevention, education, vocational training and informal learning, transit from educational system to the labour market and employment is reached in the conclusions. Youth matters were further discussed at the event called "Innovative Ideas for Youth - New Technologies and Social Media", held in December 2013, in Vilnius, which ended in Vilnius declaration on innovative actions for youth.

8.1.1.8. EASTERN PARTNERSHIP

The Ministry together with the Agency of International Youth Co-operation organised the first Eastern Partnership Youth Forum. Role and importance of informal education for labour market were discussed at the Youth Forum where

participants shared their successful examples of implemented projects. Furthermore, conclusions on recognition of informal education were drawn, since the present labour market needs competences that are not offered in the formal education system. EC representatives introduced the latest EU programme for youth Erasmus+ at the Youth Forum, under which youth co-operation projects between the EU and Eastern Partnership countries will be financed.

8.1.2. COORDINATION OF THE EUROPEAN UNION SOCIAL SECURITY SYSTEMS

Social security for persons moving within the EU is regulated by the EU regulations on the coordination of social security systems, i.e. the Regulation (EC) No. 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems and Regulation (EC) No. 987/2009 of the European Parliament and of the Council of 16 September 2009 on the implementation of the Regulation (EC) No. 883/2004 (hereinafter the coordination regulations). The main purpose of the regulations is to coordinate the social security systems removing obstacles to free movement of persons, ensuring social protection for migrating individuals. The coordination regulations apply to all EU nationals. The rules established in the regulations cover all major fields of social security: sickness and maternity benefits, old-age, disability and widows/orphans pensions, benefits for accidents at work and occupational diseases, benefits in case of death and family benefits. Matters related with the implementation of the coordination regulations are discussed at the EU Administrative Commission for the Coordination of Social Security Systems (hereinafter referred to as the Administrative Commission), in which all EU Member States are represented.

8.1.2.1. ACTIVITIES OF THE ADMINISTRATIVE COMMISSION

In 2013, the Administrative Commission focused its substantial attention on electronic information exchange. The coordination regulations stipulate electronic exchange of information between the competent authorities of the Member States. But transitional period was established regarding implementation of the latter provisions, which in March 2004 was extended. During the transitional period, electronically completed E forms can be used, provided E forms contain complete information required by the new regulations, as well as printed structured electronic documents (SED) can be used. Institutions must follow the principles of good cooperation, pragmatism and flexibility. The main purpose is to secure social rights for persons subject to the regulations. The Administrative Commission decided on the following formula for calculation of the transitional period: date X (e.g. the date, when the European part of the electronic information exchange system is developed and installed) + two years.

In December 2013, the Administrative Commission held a meeting and decided to supplement the Practical Guide on the Applicable Legislation with a new section on the permanent residence. The latter section contains description of the residence criteria established in Article 11 of the Regulation (EC) No. 987/2009 by applying the clauses of the coordination regulations and provides examples. The supplement of the Practical Guide with the new section should help the experts of competent institutions of the Member States in determining the place of residence of applicants.

In 2013, the Administrative Commission adopted several new decisions and recommendations:

- **Recommendation No. H1** concerning the Gottardo judgement, according to which the advantages enjoyed by a State's own nationals under a bilateral convention on social security with a non-member country must also be granted to workers who are nationals of other Member States;
- **Decision No. R1** concerning the interpretation of Article 85 of the Regulation (EC) No. 987/2009;
- **Decision No. S9** concerning refund procedures for the implementation of Articles 35 and 41 of the Regulation (EC) No. 883/2004.

The Foreign Benefits Office of the State Social Insurance Fund Board (hereinafter SSIFB) is a competent body awarding pensions and establishing the applicable legislation in accordance with the EU regulations on the coordination of social security systems. In the period from 1 June 2013 till 31 May 2014, the SSIFB Foreign Benefits Office received 6595 applications in total for awarding pensions or prolonging payment of already awarded pensions according to the EU regulations on the coordination of social security systems. Including:

- regarding old-age pensions - 3847 applications;
- regarding widows and orphans pensions - 941 applications;
- regarding disability pensions - 1807 applications;

Two thousand two hundred and thirty eight pension applications were sent to other EU and European Economic Area Member States in accordance with the above-mentioned regulations. Including:

- regarding old-age pensions - 1304 applications;
- regarding widows and orphans pensions - 242 applications;
- regarding disability pensions - 692 applications.

During the period in question, 657 certificates of E104 LT form for aggregation of insurance periods were issued. 18 088 applications for A1 documents were received, 18 539 A1 documents were issued.

Regarding award and payment of family benefits following the EU regulations on the coordination of social security systems, the SSIFB Foreign Benefits Office received and forwarded 3805 inquiries to social assistance departments of the municipalities.

SSIFB territorial branches in the period from 1 June 2013 till 31 May 2014 in order to collect arrears to the State social insurance fund budget, applying the above-mentioned regulations, sent 290 inquiries to competent institutions of other Member States, 6 inquiries were received from other countries.

Individuals receiving unemployment social insurance benefits in Lithuania and moving in search for employment to any other EU or European Economic Area Member State, as well as foreign nationals arriving to the Republic of Lithuania in search for employment and receiving unemployment insurance benefits in other EU or European Economic Area Member States are issued E 300 series forms or U series SED.

In the period from 1 June 2013 till 31 May 2014, the territorial labour exchanges issued 365 documents to EU migrating persons, certifying the length of unemployment insurance (U1 document, SED U002 document). Persons with the documents in question travelled to the following countries (or institutions of the following countries directly requested for the documents in question): Ireland - 45, Austria - 13, Belgium - 18, Bulgaria - 3, Denmark - 4, Estonia - 4, Greece - 1, Iceland - 2, Spain - 27, Italy - 3, United Kingdom - 21, Latvia - 7, Poland - 7, Malta - 1, Netherlands - 25, Norway - 43, Portugal - 3, France - 19, Slovakia - 2, Finland - 15, Sweden - 7, Switzerland - 1, Hungary - 1, Germany - 93. The mentioned documents were issued to 219 female and 146 male applicants. 44 documents were issued to persons under 25 year old, 161 documents to persons of the age group from 26 to 35, 89 documents to persons of the age group from 36 to 49, and 71 documents to persons aged 50 and over.

Accordingly, 1458 documents for approval of unemployment insurance length were received from other EU and European Economic Area Member States. Documents were received from the following countries: Ireland - 227, Belgium - 5, Czech Republic - 3, Denmark - 49, Estonia - 4, Greece - 4, Iceland - 5, Spain - 38, Italy - 15, United Kingdom - 809, Cyprus - 14, Latvia - 15, Poland - 4, Malta - 2, Netherlands - 86, Norway - 48, Portugal - 1, France - 5, Finland - 3, Sweden - 37, Switzerland - 8, Germany - 76. The mentioned documents were issued to 725 female and 733 male applicants. 292 documents were issued to persons under 25 year old, 575 documents to persons of the age group from 26 to 35, 358 documents to persons of the age group from 36 to 49, and 233 documents to persons aged 50 and over.

Territorial labour exchanges also issued 32 documents certifying information on applicants' family members and their incomes (SED U006 document). Persons with the documents in question travelled to the following countries (or institutions of the following countries directly requested for the documents in question): Spain - 6, United Kingdom - 1, Norway - 25.

Territorial labour exchanges issued 132 documents regarding the export of unemployment insurance benefits to the Lithuanian nationals travelling to other EU or European Economic Area Member State in search for jobs. Including 97 documents issued to female and 35 male applicants. Territorial labour exchanges received 311 documents regarding the export of unemployment insurance benefits from other Member States. 127 female and 184 male job seekers arrived to Lithuania with the documents in question, including 297 Lithuanian nationals and 14 foreign nationals.

8.1.2.2. ACTIVITIES OF THE MISSOC

On 17-18 October 2013, the meeting of the national speakers of the EU mutual information system on social protection (hereinafter MISSOC) was held in Vilnius. The Lithuanian pension system and reform were introduced at the meeting, international experts and state representatives shared their insights about the pension systems. Further cooperation with the social policy network and various social issues were discussed. The next MISSOC meeting was held on 27-28 May 2014, in Athens (Greece), where the national legal measures designed to guarantee the stability of the social protection system were introduced by the hosts. At the meeting relevant changes and trends in the social security observed in the EU and Member States were discussed, Lithuanian representative introduced the cash social assistance reform. In July 2013 and January 2014, the Ministry published the latest information about the Lithuanian social protection in MISSOC tables. In May 2013 the MISSOC website¹⁰⁰ contained the information on the Lithuania social protection of 1 July 2013. Information of 1 January 2014 on the social protection of all countries will be published on the MISSOC website a little bit later in the near future.

8.1.3. EUROPEAN COMMISSION WORK PROGRAMME 2014

One of the main tasks set by the EC in its work programme for 2014 is economic growth and employment creation. The EC defined three priority initiatives, which the legislators should begin with: enhancing cooperation between Public Employment Services (PES), posting of workers, free movement of workers.

Quite substantial progress was achieved in these fields during the Lithuanian Presidency - all legal acts were adopted in first half of 2014.

The Commission has planned several new initiatives in the employment and social policy fields for the second half of 2014. One of them is the labour mobility document set. This initiative is expected to contribute to free movement of persons within the EU, as the social security systems will be better coordinated, thus ensuring more efficient assurance of citizens' rights and rise of incentives for economic growth and employment creation. The document set will consist of the recent progress outlook, documents on reconsideration of the Regulation (EC) No. 883/2004 and Regulation (EC) No. 987/2009 on the coordination of social security systems and the initiative concerning highly mobile labour. The Commission is also drawing a Communication regarding green employment initiative: job creation potential of the green economy. The Communication will discuss the key actions supporting employment creation and improving efficiency of resource consumption at work - one of the most important tasks of competitiveness in Europe.

¹⁰⁰ <http://www.missoc.org/MISSOC/INFORMATIONBASE/COMPARATIVETABLES/MISSOCDATABASE/comparativeTableSearch.jsp>

In the field of equality, the Commission has started dealing with the issue of gender pay gap. This initiative should encourage and improve conditions of efficient practical applications of the principle of equal pay and should help the Member States in finding adequate models for reducing any remaining differences in wages for women and men.

8.1.4. PRIORITIES OF THE GREEK PRESIDENCY

For the first half-year of 2014, Greece took over the rotating Presidency of the Council of the EU from Lithuania, while from 1 July 2014 Italy will hold Presidency. Priorities set by Greece:

1. Promotion of employment with special focus on youth employment.

Continuing the work launched by Lithuania, the EPSCO Council under the Greek Presidency of the Council of the EU adopted the Council Recommendation on a Quality Framework for Traineeships. The recommendation contains guidelines and measures aimed at making traineeships effective tool facilitating transition from education or unemployment into labour market.

Special attention is devoted to fighting undeclared work. Initiatives were taken in this respect to ensure timely adoption of a decision on European Platform to enhance cooperation in the prevention and deterrence of undeclared work. The issue of undeclared work was discussed at the informal EPSCO Council, held in April, in Athens.

Efforts aimed at accelerating implementation of the Youth Employment Initiative were prioritised, as well as monitoring of Youth Guarantee Implementation Plans. Progress made in this field will be reviewed by EPSCO Council in June. In May, the ministers at the Youth Council discussed potential ways for improving youth entrepreneurship, adopted the conclusions on promoting youth entrepreneurship in order to enhance social inclusion of young persons. The conclusions encourage the Member States to focus special attention on entrepreneurship development, the EC is invited to create conditions for good practice spread, entrepreneurship opportunities promotion and support.

2. European Semester, social security.

In this field, Greece, as the country holding Presidency, concentrated its attention in deepening of the political dialogue concerning the social dimension of the Economic and Monetary Union. Efforts were made to promote better coordination of the economic policy, employment and social policies, to increase the role of social partners, social investments, social innovations, children and youth matters were highlighted.

The goal of Greece is to include vital social issues into the agenda, for example, development of adequate and harmonious social protection systems, assurance of minimum security guarantees in order to deal with such social phenomena as ageing population, unemployment, undeclared work and poverty.

In June 2014, EPSCO Council is expected to approve Country-specific Recommendations 2014 regarding the Member States' employment and social policies, based on the findings of the assessment of the National Reform Programmes.

In March, EPSCO Council organised the first exchange of opinions on the mid-term review of the Europe 2020 strategy, considering the Communication published by the Commission on the review of the situation regarding the Europe 2020 strategy for smart, sustainable and inclusive growth.

The Tripartite Social Summit held in March emphasised the necessity for further pursuit of sustainable economic growth by joint efforts ensuring social cohesion and quality employment. Further steps in the field of the European Semester and social partners' importance enhancing the social dimension of the Economic and Monetary Union and securing effective implementation of the reforms at the European and national levels were discussed.

Strong social dialogue is an effective measure in fighting such complex challenges as corporate restructuring. In the next semester, this issue will be included into the European agenda; EC Communication Social Dialogue and Business Restructuring is expected.

3. Gender Equality, Equal Opportunities and Anti-discrimination.

Fighting against discrimination, during the Greek Presidency, the Proposal for a Directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation was further discussed; the Proposal for a Directive on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures was discussed.

In the field of gender equality, Greece highlighted the need for equal participation of women in the labour market, enhancement of the protection of fundamental women's rights special attention focussing on gender-based violence.

In cooperation with the European Institute for Gender Equality and EC in order to create new female employment rates, the Presidency country drafted initial conclusions regarding "Promotion of women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources" to have them adopted at the EPSCO Council in June 2014. This initiative will be supported by the Europe 2020 strategy and by the tasks completed by the countries that held Presidency before.

8.2. MEMBERSHIP IN OTHER INTERNATIONAL ORGANISATIONS

Lithuania is a member not only of the European Union but of other international organisations as well, it is actively involved in the activities of the International Labour Organisation, Council of Europe, United Nations, etc. At present, Lithuania is entering the stage of technical preparations for negotiations on membership in another international organisation - Organisation for Economic Cooperation and Development (hereinafter OECD).

8.2.1. MEMBERSHIP IN THE INTERNATIONAL LABOUR ORGANISATION

On 13rd June 2013, Lithuania ratified the Maritime Labour Convention 2006 (hereinafter the Convention) of the International Labour Organisation (hereinafter ILO) and became the 45th country having ratified this latter. The ILO Convention 2006 is aimed to ensure proper working conditions for seafarers. It regulates the procedures of employment, accommodation, recreation, health protection, medical care, welfare and social security protection, seafarers' complaint investigation. The Convention embraces majority of the maritime conventions adopted by the ILO since 1920 and applies to over 1,5 million seafarers all over the world, employed in state and private ships. The Convention will become binding for Lithuania 12 months from the day of registration of its ratification documents, i.e. from 20th August 2014. The Convention has been ratified by 57 states so far.¹⁰¹

On 1st and 3rd October 2013, Minister of Social Security and Labour Algimanta Pabedinskienė had a meeting with the heads of the ILO. The meeting of Minister of Social Security and Labour Algimanta Pabedinskienė and ILO Director-General Guy Ryder was held at the office of the ILO. The meeting was attended also by Ambassador, Permanent Representative to the United Nations Office in Geneva Rytis Paulauskas. At the meeting with ILO Director-General G. Ryder, the objectives of the Lithuanian presidency of the EU Council, youth employment, migration, changes in labour law were discussed. Furthermore, an agreement has been reached that Lithuania will cooperate with the ILO in the fields of undeclared work and youth employment (these two issues are the ILO's priorities) and will exchange information. Meeting with the Head of ILO Research Department Raymond Torres ended in a commitment in the nearest future to sign the Agreement between the Research Department, Ministry of Social Security and Labour of the Republic of Lithuania and the Institute for Social Policy on the research cooperation in the fields of social security and labour law. On 21st January 2014, the ILO published its annual report *Global Employment Trends 2014*. The report highlights insignificant growth of employment, with unemployment rate continuing to grow, especially among young people. It is noted in the report that in 2013, the number of unemployed was 202 million. Taking the current trends into consideration, about 200 million jobs are forecasted to be created by 2018, but this effort is not enough in order to include new persons entering the labour market for the first into the market, therefore employment policy needs urgent rethinking. The ILO report highlights that lack of coordination of the monetary and fiscal policy deepened uncertainty of the labour market. Employers are frequently reluctant at hiring employees or making long-term investments. According to the ILO, active labour market policy measures need implementing in order to draw attention to inactive persons and inadequacies of their skills. More friendly labour market policy and growing labour incomes would contribute to economic improvement and job creation.¹⁰²

On 13-27 March 2014, the 320th session of the ILO Governing Body took place in Geneva. At the session, in addition to regular matters, the issue of improvement of youth employment and skills, labour migration, technical cooperation perspective for Europe and Central Asia regions, ILO technical cooperation in fragile States, as well as International Labour Conference reform, Standardisation Committee reform were discussed. During the meeting of the Governing Body, it was decided which conventions and recommendations need reports to be drawn in 2015, continuation of the issues discussed at the 102nd International Labour Conference regarding the fundamental principles and rights

¹⁰¹ http://www.ilo.org/dyn/normlex/en/f?p=1000:11300:0::NO::P11300_INSTRUMENT_ID:312331

¹⁰² http://www.ilo.org/global/research/global-reports/global-employment-trends/2014/WCMS_233953/lang--en/index.htm

at work, sustained development, adequate working and environmentally-friendly working places, the agenda of the 103rd International Labour Conference to be held in June 2014, other relevant matters were discussed.¹⁰³

8.2.2. MEMBERSHIP IN THE COUNCIL OF EUROPE

The Ministry of Social Security and Labour participates in the activities of the following committees and commissions through its representatives: European Committee for Social Cohesion (hereinafter CDCS), Government Committee of the European Social Charter and European Code of Social Security (hereinafter GC)¹⁰⁴, Committee on the Rights of Persons with Disability (hereinafter CS-RDP), Committee (hereinafter T-ES) of the convention of children's protection against sexual exploitation and sexual abuse of the Council of Europe (hereinafter referred to as the CE) and Gender Equality Commission (hereinafter GEC).

8.2.2.1. ACTIVITIES OF THE CDCS

At the meeting of the CDCS Committee held in November 2013, after additional consulting and adjustments, the members of the CDCS Committee office and Working group finally approved the CE recommendation on the wording of the shared social responsibility project and it was submitted to the Committee of Ministers. In addition to other matters, special attention was focused on reorganisation of the Committee. Despite Director of the CE Directorate General of Democracy, Snežana Samardžić-Marković informing about the intention of the CE Secretary General to expand the limits of the Committee's activities in order to ensure better representation of the CE priorities, by including the issues of children's and family and gender equality and attributing certain CE conventions, many member states believe this to be more like fundamental reorganisation of the Committee, at the same time reducing the importance of social cohesion and highlighting the priority legal and gender equality aspects.

On 4-5 November 2013, Director of the International Affairs Department of the Ministry of Social Security and Labour R. Skrebiškienė, in the capacity of the chair of CDCS, participated in the conference organised by the CE and European Commission's "Responding Together: Citizens' Engagement in Reducing Poverty and Inequality", held in Strasbourg. The challenges faced in reducing poverty and insecurity in today's Europe, diversity and potency of civil initiatives - resources, strategies and legal basis, aimed at dealing with poverty and insecurity issues during the crisis, possible modes for developing the impact of civil initiatives were discussed at the conference. R. Skrebiškienė delivered a speech in the final session on further actions. Employment creation, reduction of low-wage risk, joint and individual responsibility for actions - everything that can help to reduce poverty and to strengthen social cohesion. Innovative decisions would enable effective use of social potential.

8.2.2.2. GC ACTIVITIES

In 2014, the Ministry of Social Security and Labour in cooperation with other institutions prepared and submitted to the CE the eleventh report of the Republic of Lithuania regarding implementation of the Articles 2, 4, 5, 6, 21, 22, 26, 28, 29 of the European Social Charter belonging to the third group of the Labour Law, with the reporting period of 2009-2012.

On 26th May - 1st June 2013, a representative of Lithuania participated in the 127th session of the GC in Strasbourg, where the ILO experts' conclusions for the countries on implementation of the European Code of Social Security

¹⁰³ <http://www.ilo.org/gb/decisions/GB320-decision/lang--en/index.htm>

¹⁰⁴ The committee united the Governmental Committee of the European Social Charter (T-SG) and the Expert Committee of Social Security (CS-SS).

(hereinafter the Code) and draft resolutions for the Committee of Ministers based on these conclusions were discussed. Lots of discussions were caused by the document drafted by the secretariat, which encourages countries, Code countries to ratify the parts of the Code that have not been joined yet, as some countries (Netherlands, Denmark, Great Britain, Greece, etc.) are strictly against intervention into the countries' sovereignty to decide which parts of the Code they should join. The Lithuanian representative informed about the analysis conducted in 2012 regarding conformity of the Lithuanian legislation to the European Code of Social Security, on the conclusions of which the decision to refrain from ratifying the Code was made. Because of the above-stated, the present Government's programme measures stipulate analysis to be conducted in 2015 in order to assess the possibilities for the Code ratification.

Negative conclusions of the European Committee of Social Rights (hereinafter ECSR) 2012 regarding implementation of the European Social Charter (hereinafter the Charter) by the countries were discussed in the Committee. It must be noted that this year was the first year in over 10 years of the Charter implementation when Lithuania received highly positive assessment from the ECSR regarding implementation of the Articles 1, 9, 10, 15, 18 (Paragraphs 1 and 4), 20, 24, 25 belonging to the first group of the Charter - Employment, training and equal opportunities.

The 128th session of the GC was held on 29 September - 5 October 2013, in Strasbourg. During the latter session of the Committee, a Lithuanian representative has been elected to the Committee's Board for the first time. Board members not only manage the Governmental Committee and represent the Committee in the CE and other organisations but also discuss the most pressing issues in exercising social rights jointly with the ECSR. From now on, Lithuania will have better opportunities for influencing decisions and sanctions regarding exercising social rights in Europe. Committee members elect the Board of the Governmental Committee for two years term of office with unlimited number of terms. The new composition of the Board from 2014: Chair - French representative, First Vice-Chair - Russian representative, Second Vice-Chair - Polish representative, members - Danish and Lithuanian representatives.

In 2013, Lithuania signed the CE Convention 2011 on preventing and combating violence against women and domestic violence. The goals pursued by the Convention include protection of women against any kind of violence and combating any signs of violence against women and domestic violence, reduction of women's discrimination, promotion of gender equality, etc.

In 2013, Lithuania ratified the CE Convention 2007 on protection of children against sexual exploitation and sexual abuse. The goals pursued by the Convention include prevention and combating children's sexual exploitation and sexual abuse, protection of the rights of children subjected to sexual exploitation and sexual abuse, promotion of national and international cooperation in combating children's sexual exploitation and sexual abuse. In order to ensure effective implementation of the latter convention, a special monitoring mechanism is established.

8.2.3. MEMBERSHIP IN THE UNITED NATIONS ORGANISATION

Lithuania is a non-permanent member of the United Nations (hereinafter UN) Security Council for 2014-2015.

On 17-19 July 2013, the 5th session of the conference of the States Parties to the Convention on the Rights of Persons with Disabilities, was held in New York and attended by the Director of Social Inclusion Department, Ministry of Social Security and Labour V. Toleikienė. The issues of implementation of the United Nations Convention on the rights of persons with disabilities were discussed at the conference, the Lithuanian representative shared the experience and plans for the convention implementation.

The 2nd periodical report on implementation of the provisions of the international economic, social and cultural rights of the United Nations (hereinafter referred to as the Pact) of the Republic of Lithuania was successfully defended at the 52nd session of the United Nations Committee on Economic, Social and Cultural Rights (hereinafter

the CESCR). During the session, the members of the Lithuanian Governmental Delegation introduced the report, gave comprehensive answers to the questions of the CESCR Committee members, providing updated information on implementation of various rights of the Pact in Lithuania. The report defence was important fulfilment of the international commitments made by Lithuania.

8.2.4. COOPERATION WITH THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Organisation for Economic Co-operation and Development (hereinafter OECD) is an international organisation founded in 1961. The Headquarters of the OECD is in Paris.

In September 2002, Lithuania submitted an official application for joining the OECD to OECD Secretary General Donald Johnston. At present, Lithuania is launching the stage of the technical preparation for negotiations on OECD membership, which officially should start in the mid-2015.

The Resolution on Strengthening the OECD's Global Reach of 30th May 2013 of the OECD Council officially included Lithuania for the first time into the organisation's development plans.

The Ministry of Social Security and Labour sent a letter on 29th May 2013 to the OECD expressing the will to participate in the activities of the Committee for Employment, Labour and Social Affairs. In June 2013, the Ministry of Social Security and Labour was invited to participate in the Committee and its working groups with the invitee's rights. At present, all OECD Member States are members of the Committee for Employment, Labour and Social Affairs. Representatives of the CE and ILO participate with the invitees' rights. Apart from Lithuania, Columbia, Brazil, India, Indonesia, China, Latvia also participate with the invitee's rights. Russia participates with the participant's rights.

In the field of activities of the Ministry of Social Security and Labour, the following OECD legal documents have been adopted:

1) Recommendation on gender equality in the fields of education, employment and entrepreneurship (hereinafter referred to as the Recommendation). The Recommendation encourages gender equality in the field of education, creation of family-friendly policies and working conditions, increase of female representation in decision-making process, elimination of any signs of gender discrimination regarding wages, active implementation of measures eliminating sexual harassment at work, reducing gap between genders in the spheres of entrepreneurship, financial literacy, invites focussing attention on women belonging to minorities, integration of the gender equality aspect into development, planning, assessment of directly-related policies and budget, strengthening of reporting mechanisms and coordination initiatives in the field of gender equality.

2) Youth action plan, with two main goals established: to overcome the present youth unemployment crisis and to strengthen long-term youth employment perspectives. The above-mentioned goals are to be pursued through stimulation of public demand and new jobs creation. Furthermore, proper financial support, effective employment services and other active labour market measures must be secured. Prerequisites for achievement of long-term goals include more effective investment into education and training in order to provide youth with necessary skills, to strengthen interrelations between educational system and labour market, to apply labour market measures which would help young people finding permanent and well-paid jobs.

In April 2014, the Ministry of Social Security and Labour applied the OECD Secretariat with a request to join the above-mentioned documents.

8.3. BILATERAL COOPERATION

In 2013, the negotiations with the Republic of Moldova on the Treaty on Social Security (hereinafter referred to as the Treaty) and the administrative agreement on the application of the Treaty have been finalised. The Treaty and administrative agreement are under preparation for signing by carrying out necessary legal procedures stipulated in the national legislation of the Parties to the Treaty. The Treaty and administrative agreement are planned to be signed in the second half of 2014.

On 1st April 2013, agreement between the Governments of the Republic of Lithuania and of the Republic of Latvia on taking account of insurance periods of the former USSR, signed on 16th May 2012 in Vilnius, came into effect. The purpose of the agreement is to prevent double accounting of the periods of employment acquired in the territory of the former USSR (when such periods can be accounted in both Lithuania and Latvia or not accounted in any country at all).

In 2013, the draft agreement on social protection between the Government of the Republic of Lithuania and the Government of the United States of America (hereinafter the draft agreement) was prepared. The purpose of the draft agreement is to regulate the system of awarding and paying old-age pensions and payment of social insurance contributions for persons moving from one country to the other country for residence and (or) employment, and to ensure payment of pensions to persons living in the territory of any of the countries and having accumulated the period of state social pension insurance according to the legislation of one or both countries. When establishing the entitlement to pension (benefit), the state social insurance periods accumulated in both countries are combined, while the share of the pension (benefit) is calculated by each country separately, in proportion to the period of state social insurance acquired in each country; the calculated benefit share is sent to the country of permanent residence of the person. The draft agreement covers the matters of old-age, disability, widows and orphans pensions, as well determining applicable law (regarding payment of social insurance contributions). In May 2014, the Draft Agreement was introduced to the United States of America through diplomatic channels, inviting the US to start negotiations on the Agreement.

Negotiations with the Russian Federation on new wording of the agreement on payments of pensions broke off in 2012 following changes in the position of the Russian Federation on the matter relevant for both countries, regarding reimbursement of damage to persons (their family members) caused during the occupation, to individuals injured or killed during their service in the soviet army. Russia refused coming back to this issue.