



**SEIMAS OF THE REPUBLIC OF LITHUANIA**

**RESOLUTION No XIII-82**

**ON THE PROGRAMME OF THE GOVERNMENT OF THE REPUBLIC OF  
LITHUANIA**

13 December 2016  
Vilnius

Pursuant to Articles 67(7) and 92(5) of the Constitution of the Republic of Lithuania and having considered the Programme of the Government of the Republic of Lithuania, the Seimas of the Republic of Lithuania, has resolved:

**Article 1.**

To approve the Programme of the Government of the Republic of Lithuania, presented by the Prime Minister of the Republic of Lithuania Saulius Skvernelis (as appended).

Chairman of the Seimas

Viktoras Pranckietis

APPROVED by  
Resolution No XIII-82 of the Seimas  
of the Republic of Lithuania of  
13 December 2016

## **PROGRAMME OF THE SEVENTEENTH GOVERNMENT OF THE REPUBLIC OF LITHUANIA**

During the last 26 years Lithuania has recorded impressive achievements, such as the re-establishment of the state of Lithuania, important memberships in NATO and EU, status of a country that belongs to the western democratic world, successful completion of transitional period as well as successful response to challenges posed by unsustainable economic development and fluctuations of global economy.

Nonetheless, suicide rate, abuse, violence and poverty related statistics as well as low civil power index suggest that many citizens of Lithuania do not feel happy in their country. Low birth rates and mass emigration are the most threatening outcomes of dissatisfaction with life in Lithuania. The aim of the Government of the Republic of Lithuania (hereinafter referred to as the Government) consisting of the coalition (hereinafter referred to as the Coalition) between the Lithuanian Peasant and Greens Union (hereinafter referred to as LPGU) and the Social Democratic Party of Lithuania is to ensure that Lithuania is a good place to live in, where people are no longer bothered by far-gone problems, the independence of the State is reinforced by its membership in transatlantic organizations as well as by love of all the citizens to Lithuania, their wish to work, create and sacrifice for the welfare of the country.

The Coalition firmly believes that aiming to ensure that a person feels happy and dignified and the State is strong, the basis for cohabitation must be built by consolidating fundamental values, i.e. by safeguarding human life and health, ensuring coexistence with nature, upholding harmonious family and community, developing harmonious economic and political environment. The abovementioned fundamental values do not appear of their own accord, they are not the result of invisible market forces or of the State that controls everything. They are the result of conscious actions of individuals and communities prompted by common values and efforts of will. The role of the State is to empower individuals and communities to solve their own problems as well as surrounding related problems and to encourage behaviour that creates fundamental values and suppresses destruction by establishing proper legal framework.

The vision of State's development and proposed solutions are based on the principle of five harmonious elements, in particular harmonious individual, harmonious society, harmonious education and culture, harmonious economy and harmonious governance.

The Government identifies the maintenance of harmony as its fundamental goal. We regard harmony at a human level as well as at society, state or economic activity level as goal that we must achieve. We suggest to create harmonious Lithuania resting on five pillars, i.e. harmonious individual, harmonious society, harmonious education and culture, harmonious economy and harmonious governance.

**Harmonious individual** perceives his or her commitment to society to refrain from selfish actions, i.e. not to play upon others in order to gain personal benefit or pleasure, and to uphold common values. Guided by the abovementioned principle an individual commits itself to conserve and care for the environment as well as protect and rebuild its stocks instead of depleting environmental resources in pursuit of personal goals. The principle of harmonious relationship between an individual and its social and natural environment is called human ecology. Harmonious individual grows up in a harmonious and life giving family. Such a family is the fundamental basis of the State because the foundations of patriotism, civic, ecology related and other virtues as well as of culture are laid in the family. Thus our strategic priorities are to strengthen and support the institution of the family that is formed when a man marries a woman or is a result of family relationship and strives to protect life.

Members of **harmonious society** are united by mutual respect, sense of common destiny, standards of conduct and morality, public spirit, solidarity and concern about other members of society. The existence of harmonious society is impossible without the sense of togetherness and likeness. For this reason harmonious society is closely related to the unique connections of Lithuanians with nature as well as to the protection of traditional Lithuanian village and emotional attitude originating from it. In a harmonious society the State takes care of its citizens, families, communities and civil organizations, helps them to develop and promote active citizenship, involve in resolving community, municipality and State related issues as well as fulfil their patriotic obligations. Only active participation in transparent public policy can guarantee dignified life of citizens in their country.

The aim of **harmonious education and culture** is to raise an honest and educated citizen of the State who wants to live and create in Lithuania, who has necessary professional skills and know-how and, what is most important, has a value system that allows to use skills and competence in real life. However, as long as a teacher is only a formal provider of education services, harmonious education is impossible to achieve; we will ensure harmonious education by restoring

the teacher's standing built on knowledge and core set of values and by providing equal opportunities to receive value oriented quality education all over the country. Harmonious education is closely linked to cultural policy that mirrors our national identity and cultural awareness capacity and which must become one of the priorities of public policy. Culture is the fundamental basis for self-image of an individual and community, their values, lifestyle and quality of life. Culture reveals to a person opportunities that life brings to him or her, establishes and maintains his or her link with the people he or she is closely related to, the society, homeland, its history and fate. By developing creative and public-spirited society culture becomes the basis for harmonious society and State. Culture that gives sense to human life and the surrounding world is a culture of harmony by its very nature, thus it must receive priority attention of the State.

**Harmonious economy** is based on the principles of social market economy that help to boost initiatives and creativity of individuals and to ensure the possibility for all the citizens to contribute to economic development. In the presence of the abovementioned economy public administrations act as harmonizing institutions with the aim of building a welfare State. Harmonious economy means that added value generated in the State reaches citizens living in all the regions of the country and guarantees a life worth of human dignity. In addition, it is based on respectful attitude to environment and sustainable exploitation of its resources.

**Harmonious governance** means work of politicians and civil servants involving responsibility that is guided by the highest standards of ethics and efficiency. The aim of harmonious governance is to ensure the welfare of citizens, justice, security of the State and representation of national interests in foreign policy. Harmonious governance rests upon the accountability of the elected representatives of the people, i.e. politicians and civil servants, for their performance results to the society, transparency and openness of decisions taken in all the chains of state governance, subsidiarity of the State and solidarity among the citizens.

We believe that when Lithuania becomes a harmonious country, it will bring harmony to the European community of nations that also needs changes. Being on an equal footing with other European Union (hereinafter referred to as EU) Member States we can restore the faith of the Europeans in the original EU project and preserve the European Union by focusing on the future of Europe and actively participating in adopting decisions that are in line with national interests. In order to fulfil the commitments undertaken we strive to put much effort into renewing the European vision based on the values of Christian humanism as well as into building strong Europe that unites strong people.

## **CHAPTER I HARMONIOUS INDIVIDUAL**

### **SECTION ONE FOCUS ON FAMILY**

#### **Family friendly environment, reconciliation of work and family life**

1. Analysis of family policy implemented during the years of Independence shows that focus on solution of individual problems, for example provision of support to families at social risk, or solution of problems that come into focus of media has taken the place of active and integrated policy. The abovementioned problems and individual cases must receive immediate solutions. Our solutions to the problems are presented in the following chapters of the Programme, however families at social risk should not become the main axis of family policy.

2. We believe that family policy should not be merely identified with social benefits received by the families. Family policy should be oriented towards all the Lithuanian families, including families in which parents go to work every day, love their children, use no violence towards each other or their children, enjoy their life and teach their children to enjoy life despite daily challenges. Such families do not belong to the social risk group and need no benefits, but instead they need State support and respect in order to feel safe, want to give birth to children and raise them as well as to reconcile work, social activity and family life. The experience of France and other countries shows that support for such working families, taxation policy based on the number of children in a family as well as provision of social services to working families constitute a significant contribution to meeting demographic challenges and raise birth rates.

3. The demographic characteristics of Lithuania's population suggest that challenges and problems faced by families in Lithuania can no longer be solved by the family concerned and its close relatives alone. According to the data of the Statistics Lithuania over the last three decades the divorce rate in Lithuania has been constantly increasing and now almost 50 per cent of marriages end in divorce. In 2015 21 987 marriages (7.6 marriages per 1 000 inhabitants) and 9 371 divorces (3.2 divorces per 1 000 inhabitants) were registered. High divorce rate results in a large number of children living in one parent families. Almost one third of children is born in non-marital families.

4. Birth rate, though more stable and even slightly increasing, still accounts for 1.7 live births per woman and, if compared to the situation in other European countries, is among the lowest. It is evident that a harmonious generation change is not ensured. In order to ensure the

generation change the birth rate of 2.1 must be achieved. Low birth rates as well as emigration of youth result in rapid ageing of population. That means that in the long term it will become increasingly difficult to ensure the sustainability of social and health care systems.

5. Every newborn is very important to the parents as well as to the State. The State has made a commitment under the Convention on the Rights of the Child to guarantee special protection and care for every child, before and after the birth. For this reason the demographic policy of the State is inevitably linked with respect for human life from the very moment when it is given as well as with the promotion of openness of a family to a new life through regulatory framework, education and social advertising.

6. In Lithuania approx. 30 000 children are born and over 6 000 interruptions of pregnancy are made each year, which means that every fifth child is lost. Thus in Lithuania effective support for women affected by crisis must be ensured because this very group of women is most likely to interrupt pregnancy.

7. Demographic situation urges to solve infertility related problems. We are convinced that the top priority of harmonious health care system shall be prevention of infertility, introduction of preventive measures aimed to maintain fertility and treatment of diseases that cause infertility. Lithuania's experts must co-operate with their counterparts in foreign countries with the aim of adopting the best practice of other countries that allows to fully exploit all infertility treatment possibilities and using such practice in Lithuania.

8. It was noted that young families in Lithuania decide to have children as late as possible or limit themselves to one or a maximum of two children because they face the problem of reconciling birth of a child and his or her raising with participation in the labour market. Postponement of childbirth results in increasing number of older women giving birth at the age of 30–44. This trend, high divorce rate and the fact that in case of divorce children usually are left to reside with their mother lead to an increasing number of single mothers. These are usually women aged 25–45, the prime-age female labour force, that consider it important to stay in the labour market and ignore the fact that they raise children alone. Support for single parents is important in order to ensure that such parents could work and properly take care of their children without risking the material well-being of their family.

9. In the light of the above considerations we will strive to create an environment that is friendly to family life by means of the following measures:

9.1. we will assess legal acts before their adoption in the Seimas of the Republic of Lithuania (hereinafter referred to as the Seimas), the Government or ministries in the light of their impact on family;

9.2. we will aim to create social environment that is friendly to family life by giving positive examples to be followed;

9.3. we will prepare and implement complex programmes on the strengthening of family institution and demography aimed at strengthening all the families in Lithuania, increasing birth rates and life expectancy of human beings;

9.4. the State will ensure support to families that is necessary to guarantee stability; such support will include psychological and related help to families affected by conflicts, possibility to acquire communication and co-operation skills, mediation services for a family in case of divorce as well as mediation services that are obligatory to a family with children that decides to divorce;

9.5. we will strive to introduce a legislative provision that ensures flat-rate support (so called 'child's money') for families in relation to every child depending on the financial capacity of the State. In such a way we will contribute to support provided to families and will reduce incentives to conceal income in order to receive benefits. Efforts will be made to monitor and to control, if necessary, money spent by families at social risk;

9.6. we will develop measures to help all young families (under 35 years of age) access the housing outside large urban centres whatever their level of income is. This measure will serve as means to facilitate the material situation of young families as well as to provide practical input to reduction of emigration, recovery of regions and establishment of balance among internal migration flows;

9.7. we will aim to expand the activities of centres that provide social services to families in municipalities to include assistance to families at social risk. We will encourage the spread of children day centres in settlements that are far away from the centre of municipality;

9.8. we will aim to help families with children by means of tax measures;

9.9. we will promote a responsible approach to life of an unborn child and aim to prevent families and pregnant women from facing critical situations when they are forced to consider interruption of pregnancy and keep the number of such situations to the minimum. We will ensure that families or single women being in a situation of crisis in case of pregnancy receive timely consultations and social services before a child is born and later;

9.10. we will encourage to apply infertility prevention measures and to ensure wider access to various means of infertility treatment by adopting the best practice of foreign countries;

9.11. we will increase access to various flexible forms of work (possibility to have flexible working time, to work part of working time at home, to work only part of working day, etc.). We will establish flexible forms of work in State institutions;

9.12. we will increase access to qualitative and flexible childcare and pre-school training services. These measures will be aimed at developing a pre-school training institutions network by encouraging work establishments and academic towns to establish day nurseries; encouraging the establishment of family nurseries by offering the possibility to a mother who is on a maternity leave to take care of several children for reward and not be subject to any maternity allowance reductions, by establishing night time nurseries etc.;

9.13. we will broaden the scope of qualitative and flexible services that are targeted at families with special needs (enhance accessibility to specialized children day centres, youth centres, 'relief' services provided at home not only in cities but in towns as well);

9.14. we will introduce compensatory education and activity oriented measures for children affected by adverse impact of living in one parent family.

### **Programme on Health, Sexuality Education and Preparation for Family Life based on respect for human dignity and human life**

10. The Framework Programme on Health, Sexuality Education and Preparation for Family Life was approved by the Order of the Minister of Education and Science on 25 October 2016. The aim of this Programme is to ensure successful health and sexuality education of a child and preparation for family life at school, contribute to emotional, physical, mental and social prosperity of a child as well as to successful functioning in the fields of employment, interpersonal relations and family. When implemented the Programme will play a preventive role, help the children to evolve their personalities to become honest, mature, independent, critically-minded, responsible for their acts, consumerism and mass culture resistant individuals, provide with skills necessary for the development of mature interpersonal relations and functional family as well as for the acquisition of skills that are the basis for responsible maternity/paternity. The Programme will enable to foster respect for human life and human dignity. The abovementioned advantages lead us to believe that the implementation of the Programme is one of family policy priorities. In addition we notice certain imperfections of the Programme that have to be addressed in order to achieve the goals of the Programme. Family of a child and his or her home are key elements in preparing of him or her for family life. It is the family where a child follows the example of his or her father and mother, learns about responsibility and life in a community. Participation of parents in the process of education is essential, thus preparation for family life and sexuality education should not be merely the responsibility of school. Moreover, rights of parents are enshrined in Article 26 of the Constitution of the Republic of Lithuania: 'Parents and guardians shall, without restrictions, take



care of the religious and moral education of their children and wards according to their own convictions.’ We will put our efforts to increase the role of parents and ensure their active participation in Programme implementation. The concept of inborn sexuality as means to show love and bring life presented in the content of the Programme should be better formulated and should rest upon the establishment of a family between a man and a woman (marriage). When planning the implementation of the Programme there is a need not only to make the abovementioned amendments to the content but also to constantly improve the qualification of teachers, increase motivation of teachers and school communities to implement the Programme and to ensure proper monitoring of its implementation. In the light of the above considerations we will:

10.1. review and improve the Programme aiming to ensure that sexuality education at schools is based on the concept of inborn sexuality as means to show love and bring life and rests upon the establishment of a family between a man and a woman (marriage);

10.2. increase possibilities for parents to participate in the process of Programme implementation and ensure willingness of school community to co-operate with parents of schoolchildren;

10.3. provide methodological and pedagogical guidance, including training, for parents who want to improve their knowledge and skills of talking with their children about family and sexuality;

10.4. ensure that methodological guidance meeting the education principles of the Programme to be used by teachers and schoolchildren is prepared as well as guarantee possibilities for teachers to improve their qualification so as to enable effective use of methodological measures and proper implementation of the Programme;

10.5. design and implement the Programme implementation monitoring mechanism to ensure feedback for teachers, parents and schoolchildren as well as constant improvement of the Programme in order to respond to changing needs of society.

### **Complex solutions to childcare and adoption related problems**

11. We are convinced that adoption is a key priority when solving problems related to children deprived of parental care because it is in the child’s best interest to grow up in family environment. According to the data of the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour on 1 August 2016 in Lithuania 589 children were ready to be adopted. 109 families or persons were waiting for the opportunity to adopt a child. Approximately 70 children deprived of parental care were adopted. Since only a little over half of

them was adopted by citizens of the Republic of Lithuania living in Lithuania, quite a lot of children are adopted by citizens of the Republic of Lithuania living abroad and by foreign families. One may conclude that in addition to the conditions for adoption, their complexity or flexibility the intention to adopt a child rests upon other factors as well, such as attitude towards the adoption itself, possibilities of potential adoptive parents to ensure environment that meets child's needs, etc. Thus, promotion of adoption should not only involve the simplification of adoption procedure but evaluation of possibilities to ensure a more attractive adoption procedure as well and should aim at helping children to adapt themselves in a new family more easily, contributing to psychological and social well-being of a child at least during the first months after adoption and providing services to a family that has adopted a child in order to ensure its safety.

12. Another aspect that should be considered is that although child care institutions house approximately 4 000 children (Ministry of Social Security and Labour has recently reduced this number by several hundreds stating that children were transferred to the community; this figure is not accurate since in reality children are accommodated in big flats that function as affiliates of child care institutions providing the same institutional services and employing staff for shift work), the number of children offered for adoption is relatively low. The reason for this discrepancy is the fact that in line with the procedures currently in force the majority of children is granted temporary childcare that is renewed year after year, work with a biological family is rather passive and gives no expected results.

13. Successful child care reform should be implemented by ensuring two parallel processes:

13.1. reduction of the number of children taken from families; this process requires an efficient early problem identification and family oriented team work algorithm involving all specialists and institutions concerned, namely children rights protection services, parishes, education institutions, health care institutions, law enforcement institutions, and co-ordinated by a single member of staff responsible for family management and assigned to perform that particular function;

13.2. guarantee of the right to family by reforming adoption and child care related procedures to ensure the provision of continuous assistance to family that receives a child before that child is settled in the family and after that (as long as necessary), by ensuring proper legal and social protection of social families and by naturally reducing the number of children in such social families to 8 (when children living in such families grow up and leave it).

14. Recognizing the fact that there are always children who are not adopted for any reason, it is important to narrow the scope of child care institutions network, promote the accommodation of children deprived of parental care in social families and families that take care of children and

carry out audit of cases when children are merely accommodated in flats that function as affiliates of child care institutions in order to evaluate whether such accommodation is in the interests of a child. The possibility to establish the Home of Generations in which children deprived of parental care and caredependent elderly people could live community life under one roof should also be assessed.

15. In the light of the above considerations we will:

15.1. give priority to the adoption of children and education of a child in family environment, simplify conditions for adoption, review the functions of the State Child Rights Protection and Adoption Service under the Ministry of Social Security and Labour and other institutions that participate in adoption procedure;

15.2. review adoption related procedures aiming to ensure clear safeguards that protect children from ill-disposed persons and to guarantee that evaluation of potential foster parents and placement of a child with a family follow minimum time-limits instead of maximum time-limits (the present 12 month waiting period during which a child is moulded in an institution will be replaced by a maximum waiting period of 6 months in case of children over the age of 7 years and a maximum waiting period of 3 months in case of children under the age 7 years. Babies and infants under the age of 3 years must be placed with the foster families immediately);

15.3. contribute to the well-being of adopted children by providing financial assistance, equivalent to the amount provided to support that child in a child care institution or a social family, to the family that has adopted a child during the first months after adoption;

15.4. aim to facilitate the adaptation of a child in a new family by ensuring that in case a child over the age of 3 years is adopted both parents are entitled to one month state-paid parental leave and one of the parents (at their own choice) is entitled to six month leave;

15.5. ensure training for persons seeking adoption who have already submitted adoption application as well as for persons who consider adopting a child or who have already adopted a child but lack certain knowledge and/or skills;

15.6. seek to ensure that families that have adopted a child are provided with timely access to services they are in need (for example psychological services, services provided by a social assistant, etc.);

15.7. set up guardians' and/or adoptive parents' oriented services in each municipality that will ensure continuous training of families of guardians and adoptive parents, adaptation of children in new families and will provide advice on parenting related matters;

15.8. ensure access to the network of individual family tailored services for families that have adopted a child or that foster a child;

15.9. encourage the establishment of social families with the aim to ensure that the environment in which a child is raised is as close as possible to family environment;

15.10. establish assistance schemes for children leaving child care institutions with the aim of ensuring better socialization of them.

### **Support to non-governmental organisations and communities that provide services to families**

16. Community in which a family lives is an important element that is able and must contribute to the well-being of the family. All the members of community who are competent, understand the problems of families living in the neighbourhood and are able to contribute to the development of capabilities of a family may provide assistance to the family. Community can reduce isolation of families at social risk by promoting their independence, ability to deal with any difficulty that may be encountered in the future as well as engagement in social life.

17. We highly appreciate the contribution of non-governmental organizations in upholding the Lithuanian family. Non-governmental organizations provide a wide range of services. In our opinion the activities of non-governmental organizations, in particular volunteering related activities, should be highly supported and promoted. We aim to ensure a more transparent provision of support as well as transparent activity of non-governmental organizations that receive support from state funds and that provide services financed from state funds.

18. State support granted with the aim of financing the activities of non-governmental organizations and incentives for communities to provide assistance to families is insufficient. Co-operation among social assistants active in communities, non-governmental organizations and communities themselves is not properly ensured. Aiming to ensure the availability of services for families we will:

18.1. support close social partnership based on community empowerment and its involvement as well as co-operation among various bodies by making use of the best practice gained by non-governmental organizations and by encouraging their involvement in the provision of services to families;

18.2. support non-governmental organizations and communities that provide services to families. To this end we plan to develop the Appropriations Manager Programme under which the activities of non-governmental organizations that provide support to certain groups of society will be financed, services from non-governmental organizations will be purchased and flexible services that better match individual needs will be provided;

18.3. support efforts of communities that are active in the regions to establish, in co-operation with non-governmental organizations, family centres that provide services to families and introduce the option of increasing financial support to the activities of such communities;

18.4. devote resources to the training of employees of non-governmental organizations who specialize in the field of family well-being and experts, including social assistants, as well as to the improvement of their qualification;

18.5. aim to review legislative provisions regulating social work to allocate additional powers to a social assistant, increase his or her autonomy, encourage the analysis of community settings, search for possibilities to provide additional assistance by pooling community efforts and facilitating the establishment of networks of volunteering-based assistance and support.

### **Management of violence**

19. Psychological and physical violence has become part of our life. Statistics show that each third woman was subjected to violence; every year 40 000 cases of domestic violence are registered; the incidence of taunting among Lithuania's teenagers is the highest in the Western world. Such statistics raise concern because the number of suicides a year amounts to the number of pupils in two school classes. Regrettably, only 5 per cent of those in need have the possibility to receive psychological help; development of such services is impeded by that fact that provision of psychological help is not regulated. Such a situation presents serious risk to relations between individuals as well as to the stability of the society and national security.

20. The part of the Programme aimed at reducing violence and strengthening social cohesion in society rests upon four complementary principles that ensure:

20.1. safe child;

20.2. healthy family;

20.3. responsible community;

20.4. strong State.

21. Development of family oriented national network involving efficient, timely and individual tailored services and assistance provided by competent service providers is a crucial objective in putting these principles into practice. Assistance should focus on early detection and prevention of problems by making use of human resources and competences available in public and non-governmental sectors. It is only by achieving this that we shall achieve the following two main objectives: ensure the development of society that opposes to violence, recognizes it and immediately seeks for assistance and guarantee that assistance is provided by competent and

efficient functioning institutions. In our opinion public education, reform of assistance provision mechanism and introduction of one-stop-shop scheme are the key steps towards suppressing violence. We will encourage the elimination of violence from public life at all levels.

### **Society able to recognize violence and taunting and to adopt an attitude of zero tolerance**

22. Violence as social phenomenon does not exist in isolation from society. Peculiarities of society make a significant contribution to the existence of violence and taunting, tolerance and their spread.

23. Our aim is to shape societal attitudes that could stop violence and taunting by social and, if necessary, legal instruments, punish those using physical and psychological violence, provide assistance to victims of violence and taunting, encourage reconciliation with former perpetrators and ensure their return to society.

24. For that purpose we commit to:

24.1. promote the broadcasting of targeted social advertisements by public and commercial television and radio stations. The function of such social advertisements that will involve the participation of well-known and reputable society actors will be to educate the society and to encourage action, assistance and correction of shortcomings of behaviour;

24.2. prepare and disseminate information on measures targeted at violence identification and suppression;

24.3. strengthen measures designed to help to prepare for maternity/paternity. We will support co-operation among responsible state authorities and non-governmental organizations in preparing and implementing initiatives on positive maternity/paternity including free positive maternity/paternity training for mothers-to-be and families with children;

24.4. strengthen the role of crisis centres. We take the view that the functions of information dissemination, provision of complex assistance to victims and rehabilitation of aggressors, help to restore relationships and develop positive maternity/paternity and anger management skills are of equal importance;

24.5. pay due attention to the prevention of a widespread phenomenon of taunting. We will make use of the best practice gained by Western Europe countries, ensure prevention of taunting and implement social skills acquisition programmes targeted at children.

### **Competent and effective assistance to a child and family**

25. Children of today are the future of the State. Child's abilities, behaviour and personality develop in a family. Families in Lithuania still fall into two categories: families that are supposed to need no assistance and families at social risk that usually face many emotional, social, economic problems with little potential to change. We have a situation where families in difficulty are gradually losing their ability to raise a dignified person. Neglected or abused children grow up as persons who do not feel safe, have no confidence either in themselves or in the world around them, often act in self-destructive manner; this results in depression, various addictions, increasing suicide rate or other problems leading to continuous dysfunctional relationships, violence and etc. Domestic violence usually mirrors more complex problems. We will aim to develop an effective family oriented assistance system.

26. We will shape the system on the protection of the rights of a child on the basis of the following principles:

26.1. child's interests are the top priority;

26.2. respect must be shown to all the families;

26.3. co-operation among various institutions must be effective.

27. When implementing the abovementioned principles we will:

27.1. develop effective measures to respond to violence against children. Such measures are to include co-operation between all the institutions concerned and non-state partners in ensuring effective identification of violence, quick response, clear functions of each institution and rules governing their interaction as well as measures that ensure continuous monitoring of problematic families;

27.2. strive to ensure that professionals working in the field of protection of children's rights meet excellent professional and ethical standards. Every professional working in the field of protection of children's rights must be able to properly understand and evaluate the state of child's development and family, be aware of the importance of affection and stable custody to the development of a child, properly identify and evaluate risk factors and damage caused by disruptive behaviour and physical, psychological or sexual violence and neglect, child's protection needs including possible separation from the family as well as must be able to prepare individual family support measures on the basis of assessment carried out by all the institutions monitoring that family;

27.3. give due attention to the need to ensure competence of professionals working in the system of protection of children's rights. We will ensure continuous improvement of qualification of professionals working in the field of protection of children's rights and provide sufficient funding

to the system, ensure its adequate scope and participation of volunteers, such as non-governmental sector organizations, and community in the implementation of common objectives;

27.4. prepare effective measures aimed at providing psychological help to families. Families facing psychological problems will be offered professional consultations and legal services; they will receive help of social assistants that are able to prepare commitments and family assistance plans stipulating the interaction of social assistance institutions and co-ordinate their implementation;

27.5. develop the system on prevention of and fight against domestic violence based on the one-stop-shop principle. Such a system that includes information of the public, provision of primary assistance around the clock via telephone hotlines, support and, if necessary, custody for victims of violence and training for experts will enable officers to choose the right response measures on a case-by-case basis and to harmonize actions of various institutions;

27.6. solidify the sense of initiative as the main principle of proper functioning of the system aimed at providing assistance to a child and a family. In case of birth of a disabled child, divorce, serious illness of a family member and in any other case when family life is affected the system aimed at providing assistance to a child and a family allows to identify such a family in need, ensures that such family is contacted by persons concerned and is offered necessary psychological, social and financial assistance. The implementation of the system will be conditional on the protection of data used by the system and confidentiality of beneficiaries;

27.7. prepare and implement a comprehensive Action Plan on the fight against all forms of sexual exploitation and violence against disabled children in the institutions as well as outside the institutions and develop widely available victims' assistance services, including telephone helplines, safe havens, information provision and complaints mechanisms, measures to raise awareness of police, health care professionals and social assistants and other persons and train on options for assisting victims of violence, i.e. disabled persons.

## **SECTION TWO**

### **HEALTH CARE**

#### **Scrupulous health care**

28. Health is not an end in itself, however, in case health deteriorates all other goals in life become meaningless. The obligation of the State is to ensure proper conditions and encourage people to adopt healthy lifestyles. Various studies conclude that one monetary unit invested into



health promotion programmes saves on average from 3 to 5 monetary units. In case of illness the most important thing is effective treatment. Effective treatment comes to the attention of every developed country that ensures the provision of health care services available to every citizen whatever his or her social status is. It is a goal of national importance that makes impact on the quality of life of society and macroeconomics. Right to health and health care is a fundamental human right enshrined in the Constitution of the Republic of Lithuania, Universal Declaration of Human Rights and United Nations Convention on the Rights of the Child. It is an obligation that the State must fulfil. Unfortunately, today health indicators of citizens of Lithuania are among the worst in Europe. The average life expectancy is 74 years and the average life expectancy of men is 65 years. It is a matter of particular concern that the last 5-8 years of life an individual are usually marked by disability, illness, pain, lack of care; elderly people do not feel dignified. High morbidity and mortality due to accidents at work, road accidents, sinking, freezing, murders and suicide is very costly for the State. We are in the leading position according to suicide rate and alcohol consumption. Physical and mental health of our children is a matter of particular concern. We are in the leading position in Europe according to suicide rate of children and teenagers and the incidence of taunting among Lithuania's teenagers is the highest in the Western world. Incidence of drinking of alcohol by young people has reached unprecedented levels and the level of physical activity is very low.

29. The main goal of our health policy is to increase life expectancy, improve quality of life and increase the number of healthy years of life. Health as a horizontal objective in all the fields of governance is a precondition for ensuring health at all the stages of life. Health care system has very little impact on health. Regulation of activities of business sectors that pose harm to public health, fiscal policy, education and training, environment protection and the like are factors that make greater influence on health. Many diseases and deaths may be avoided since they are caused by behaviour of a person or environmental factors. In 2013 Michael Marmot, expert of the World Health Organization, in his report on health status indicated three main reasons for health inequalities: 1) socio-economic inequalities of a society, 2) high alcohol consumption, 3) education related low health indicators. The abovementioned reasons indicate that first of all public health depends on education about health, i.e. on health policy in all fields.

30. The main causes of death in Lithuania are cardiovascular diseases, oncological diseases and external causes (suicide, road accidents, freezing, trauma, etc.). The majority of these problems could be solved by taking control of the main risk factors such as alcohol and tobacco consumption, lack of physical activity, unhealthy diet, psychosocial problems (stress and the like).

31. Moreover, it is important to introduce proper health monitoring system in Lithuania. Lithuania, being a leader for a long time, ceased to rely on studies carried out by the World Health Organization, performance of monitoring studies became uncoordinated, irrational use of financial and human resources is suspected and possibilities to make long-term comparisons are precluded. Thus it is important to recover our position, strengthen long-term monitoring capacities and envisage research possibilities taking account of the introduction of the eHealth System. This aim will be achieved by taking the following steps:

- 31.1. we will create efficient and transparent health protection system;
- 31.2. we will ensure the development of effective disease prevention system, early detection and family oriented medicine;
- 31.3. we will implement active programme on the fight against harmful addictions;
- 31.4. we will strengthen the provision of mental health services;
- 31.5. we will aim to implement health policy in all fields.

### **Effective and transparent health protection system**

32. Human health and quality of life mainly depend on the effectiveness of health protection system. It is effective medical help and not the distance to the health care institution that determines the quality of health protection system.

33. For many years there was no strong political will to ensure a more effective health care system. Many reforms initiated were never fully achieved due to the lack of resolution to take proper decisions. The reforms undertaken were minor ones excluding any attempts to ensure the effectiveness of the system. The aim of the Government in the field of health protection in Lithuania is to guarantee greater availability of primary health care services. The network of primary health care services must include general practitioners, intensive home-based care of patients and persons with poor health, outpatient clinics providing a wide range of services, public health and disease prevention services accessible to every citizen. We will strive to ensure that it is complemented by activities of non-governmental organizations active in the field of health protection. We will encourage the participation of communities and non-governmental organizations in the implementation of health policy and decision-making processes.

34. High quality specialized assistance will be provided in highly qualified centres and citizens will be transported to those centres within the shortest possible time. In relation to complex health protection services we assume that the highest importance should be given to high quality of services and patient safety instead of cost-effectiveness of institution. We aim to solve the distance

related problems of hospitals that provide services of higher quality by improving the organization of service provision and logistics network.

35. In addition, we will solve structural problems, such as excess number of beds in hospitals, and continue the consolidation of the network of inpatient health care institutions. In the field of health protection the following steps will be taken:

35.1. we will increase the availability and quality of primary health care services in all the regions by ensuring optimal planning of network of institutions that provide such services, strengthening and widening the competence of professionals who provide such services (by involving social assistants and other professionals);

35.2. we will aim to centralize the administration of inpatient health care institutions in the regions of Lithuania. This will help to ensure a more effective activity and use of funds;

35.3. we will encourage the introduction and application of principles of good governance;

35.4. we will ensure proper functioning of existing eHealth System and use of existing electronic instruments in public health care institutions;

35.5. we will improve the system under which quality indicators of Lithuania's health care institutions are monitored to ensure that quantitative as well as qualitative indicators are taken into account, i.e. assess the quality of health services, and will ensure their publicity and availability;

35.6. we will strengthen health monitoring system. For this reason we will foster health research and effective use of data generated by the eHealth System;

35.7. aiming to achieve efficient use of resources and taking into account the worldwide practice we will give priority to the development of outpatient health care services and increase their availability. When expanding the network of health care services to include the regions we will pay major attention to inpatient day services. The range of dental services for children and elderly people will be broadened. In addition, we strive to ensure that individuals belonging to groups at social risk and elderly people are transported to health care institutions;

35.8. we will ensure better accessibility to services provided by secondary and tertiary treatment institutions by supporting efforts of local municipality to transport the citizens of regions, small towns and villages who find it difficult to reach the institutions themselves;

35.9. we will increase the availability of services provided by the emergency medical service and efficiency of its activities. The experience of the past four or five years has proven the appropriateness of the decision to centralize the dispatcher office of emergency medical service. We are planning to make another step and change the principles governing the organization of work (such a change will not necessarily involve the amalgamation of emergency medical services) in such a way as to ensure the dissociation of the service territory from the boundaries of

municipalities and provision of services to several municipalities by emergency medical services. In the long term and as part of the regional governance reform we will put efforts to transfer emergency medical service to the regions in order to ensure rational use of resources;

35.10. we will focus on the quality of activities of emergency medical service;

35.11. we will promote organ donation. We will support awareness-raising initiatives on benefits of organ donation;

35.12. we will improve the system under which integrated health care services are provided by ensuring the provision of necessary highest level emergency aid within the 'golden hour'. We will encourage the formation of clusters of health care institutions that would ensure the possibility for citizens living in the cities as well as regions to receive good quality health care services. We will aim to ensure that in case of heart attack, stroke, trauma, intoxication, burn, serious transmissible diseases or in need of neonatal help patients are placed in a health care institution that provides services of a required level without any bureaucratic delay and within a given time limit;

35.13. we will prepare the methodology for the calculation of value of health care services based on evidence and international good practice and will recalculate the prices of services provided by health care institutions according to the said methodology. The price for health care services must reflect costs, including adequate salary for doctors, purchase of necessary equipment and materials as well as costs of keeping the existing infrastructure operational;

35.14. we will endeavour to ensure the possibility to every citizen to receive personal health care services as well as public health and disease prevention services. To this end we will strive to ensure that lifestyle medical professionals join the team of general practitioners. The scope of public health services will be broadened, citizens will have a possibility to learn about the basic principles of healthy lifestyles;

35.15. we will rationally use funds allocated for health protection. We will aim to ensure transparent public procurement, infrastructure of hospitals that meets citizens' needs, purchase of medicines and necessary medical equipment guided by the principle of the best price-quality ratio and incentives for state health care institutions to use their resources rationally. We will continue to apply the principle of centralized distribution of funds when fulfilling national tasks, constructing large health care centres or acquiring expensive and specialized equipment;

35.16. we will strengthen the network of institutions that provide outpatient medical services and social care services and broaden the scope of services, encourage co-operation with non-governmental organizations and patient organizations active in the field of health protection and aim to ensure a more active involvement of healthy society and patients into activities related to health protection and treatment of diseases. The opinion of representatives of doctors and nurses is

considered as one of the main quality indicators of the functioning of health care system. This synergy will allow to broaden the scope of services provided and ensure their quality. When implementing the concept of community oriented services we will seek to harmonize health protection, social, health promotion and other services in such institutions. We will ensure more favourable conditions for broadening the scope of volunteering in health institutions. The long-term objective of this activity is to ensure active participation of society, namely elderly people and infirm persons, in various health promotion initiatives, such as third-age universities, clubs, physical exercise groups, promotion of healthy behaviour, etc.;

35.17. in the field of health protection we will pay particular attention to cases related to increased social and medical risk. Persons facing social risk, mothers-to-be (especially in case of complications or addictions), elderly persons, persons suffering from multiple chronic diseases and disabled people will receive particular attention as well as integrated health and social services that meet their needs.

### **Evidence-based quality medical treatment that is accessible to everyone**

36. In our opinion prompt provision of quality and accessible services is the main goal when ensuring the functioning of health protection system.

37. According to the criterion related to the use of diagnostic medical equipment Lithuania appears in the middle of the list of European countries. However, the existing equipment is used ineffectively, thus we have fallen behind the other EU Member States in terms of this criterion. One of the reasons of such ineffective use is irrationally organized network of intensive treatment institutions. The problem of reimbursement of medicinal products is also a very pressing problem. By failing to take into consideration the increased life expectancy and improved quality life related indicators we prevent modern medicines that are used in other developed countries for quite a long time from appearing on our market. Introduction of eHealth System would help to achieve transparency in the field of medicine prescription and ensure that no priority is given to medicinal products of a particular pharmaceutical company when prescribing medicines.

38. To achieve this aim the following steps will be taken when improving health protection system:

38.1. we will concentrate services that are related to the treatment of severe diseases in main centres in Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys to ensure efficient use of existing technical medical equipment. In addition, we aim to concentrate services related to the treatment of serious diseases or performance of risk related surgeries in centres that have the greatest experience;

38.2. taking into account the importance of availability of medical services and positive impact on the quality of life in locations away from major cities we will strive to ensure that primary health care services and offices of general practitioners are physically easily accessible to the greatest number of citizens. We will aim at effective provision of electronic cardiovascular screening services (telecardiology) that are provided within the frameworks set up in Eastern, Central and Western Lithuania without any additional expensive infrastructure;

38.3. taking into account the fact that profession of a doctor requires continuing professional training and periodic update of knowledge we will concentrate investments on improvement of qualifications, pay due attention to the development of qualifications of medical and managerial staff as well as to competence in the field of health management, economics and leadership;

38.4. we will aim to ensure that material facilities of residency (medicine) studies include regional and district hospitals. We will expand the scheme under which health care professionals are given incentives to work in the regions (by providing social support for the newly arrived professionals, consumer loans with privileged terms, municipal housing on the basis of tripartite contracts on residency (medicine) studies);

38.5. we will substantially revise the policy on medicinal products. We will aim to ensure that decision concerning the reimbursement of medicinal products taking into account the State's capacity is contingent on an independent pharmaco-economic evaluation, guidance of societies of health professionals is public and transparent and innovative medicinal products are used more widely. We will ensure that members of the Compulsory Health Insurance Council that takes decisions on the inclusion of medicinal products in the list of reimbursed medicines act independently and without any external influence;

38.6. we will introduce transparent policy on the use of reimbursed medicines and will make minutes and decisions of the Board of Medicines Reimbursement, including sound recordings and audiovisual items, publicly available;

38.7. we will aim to achieve a significant reduction in prices of generic medicinal products;

38.8. with a view to reducing the price of medicines and medical devices we will explore the possibility of co-operating with neighbour countries in organizing joint procurement activities, aim to ensure transparency in the field of medicines prescription through the eHealth System by ascertaining that no preference is given to medicines produced by one particular pharmaceutical company when prescribing medicines.

### **Good working conditions for medical practitioners**

39. Effective functioning of health protection system requires good working conditions for medical staff. These include salary, technical equipment and its effective use. Thus, we will reapply humanity, ethics and holistic approach to the health protection system as well as ensure decent working conditions by taking the following steps:

39.1. we will improve working conditions of medical staff. This will include technological measures that will facilitate the work of doctors to the maximum and reduce the scope of technical work, such as eHealth, telemedicine and mobile health related technologies, as well as improvement of psychological climate and provision of assistance; in addition, issues related to corruption in medicine will be solved;

39.2. we will endeavour to ensure such salary of medical staff that would enable them to live with dignity. For this purpose we will assess the possibilities to optimize the service provision network and use the amounts saved from efficient infrastructure maintenance for salaries. Salaries of staff employed in health protection system will be related to the number of services provided as well as quality of services and health indicators. First of all this scheme will be applied to general practitioners;

39.3. we will solve the unsolved legal problems, in particular problems related to regulatory framework for compensation of damages without fault and insurance coverage of a medical practitioner. These steps will allow to avoid the flawed practice of making efforts to conceal errors and suing practitioners for errors he or she has made;

39.4. we will put in place measures to encourage general practitioners and their groups to work in the regions while implementing regional policy that is oriented towards the revitalisation of regions. To this end we will assist general practitioners who want to provide services in the regions in getting accommodation and establishing the office of general practitioner. This will ensure physical availability of medical services and favourable conditions for general practitioners to reconcile work and better family life in the regions;

39.5. taking into account the particular needs we will solve health protection related problems that arise in particular regions in a flexible manner, for example we will solve issues related to training and mobilization of additional human resources in the areas that are in need of practitioners. This requires a better planning of the number of practitioners or adoption of international good practice according to which addiction experts are trained and integrated into the health protection system at municipal or parish level (practice in Poland);

39.6. with a view to strengthening disease prevention services we will pay much attention to the functioning of public health offices. We will make the most of the potential of activities of public health offices by ensuring better integration of offices into the health protection system. We

will ensure permanent evaluation of activities of public health offices taking into account concrete achievements made in the field of public health.

### **Effective disease prevention, early detection and family oriented medicine**

40. We will strive to ensure that disease prevention and promotion of healthy lifestyle become the basis for the entire health policy. The State must encourage and support initiatives and policies that contribute to the preservation of health of Lithuania's citizens. We will put efforts to ensure the participation of communities and non-governmental organizations in health preservation and disease prevention related activities.

41. Research indicates that ability to take control of the main health related risk factors would make it possible to avoid approx. 80 per cent of cardiovascular diseases and approx. 30 per cent of cancer related diseases. Problems related to cardiovascular diseases should receive special attention due to the fact that cardiovascular disease is the most common cause of death in Lithuania, researchers know its roots and can suggest means that could get the situation under control. The main causes of the abovementioned diseases are bad diet, food rich in unsaturated fats, insufficient physical exercise, use of tobacco and alcohol. The third cause of death that comes after fatal accidents, i.e. cancer, should be eliminated by means of early diagnosis and implementation of preventive programmes. With a view to improve the control of risk factors and early diagnosis we will increase funds provided for the provision of such services and define the application of preventive measures as a more important criterion used when assessing the activity of the chain of primary health care institutions in its entirety.

42. The activity of the existing chain of primary health care institutions is inefficient due to a great extent to the fact that general practitioner has not become the central part of it. Some institutions still employ second level professionals in addition to general practitioners. Such a situation does not encourage general practitioners concerned to improve their qualification, on the contrary, it opens the way to stagnation. Such organization of activities prevents from implementing the most important principle, i.e. holistic approach towards a sick person, that determines the quality of health protection. Application of defective provisions of the Law on the Rights of Patients and Compensation for the Damage to their Health resulted in the phenomenon known as 'fend off medicine'. General practitioners avoid expanding their functions thus second level professionals and inpatient institutions are flooded by patients that are directed to them without any reasonable ground. Duplication of work increases costs of maintaining the system, rightfully outrages people



who have to wait for a long time in order to obtain consultation of a professional and presents serious threat to patients who are seriously ill and need urgent help.

43. We commit ourselves to ensure that our activity in the field of health protection is targeted to achieve the following objectives:

43.1. if possible, we will apply tax measures to limit the activity that undermines health of citizens, such as production and trade in tobacco and alcohol products, production and trade in food products that are detrimental to health, use of polluting installations, etc. We will limit any form of support provided to the abovementioned sectors;

43.2. we will aim to facilitate the work of doctors in particular by reducing technical workload. We plan to achieve this aim by ensuring the widest possible use of eHealth and mHealth measures and by reviewing and simplifying legislation governing procedures carried out by doctors;

43.3. we will aim to reduce the number of patients per one general practitioner. He or she will have a possibility to devote more time to a patient and his/her health problems;

43.4. we will aim to increase salaries of medical staff in all the chains. To this end we plan to review the procedure applied for the calculation of salaries, increase funds allocated in relation to the number of citizens registered in the institution concerned as well as services provided. We will consider the possibility to introduce incentives for medical staff in case of good health indicators in the expectation that it will lead to a more active control of risk related factors;

43.5. in the future we will propose lifestyle medical professionals to join the team of general practitioners. In addition, we will look into the possibility of developing competences of lower-tier medical staff (nurses, carers, etc.) and training so called smart nurses with the aim of reducing the workload of doctors;

43.6. we will pay particular attention to the prevention of cancer and other diseases as well as early diagnosis. We will ensure wider application of effective and research-based breast cancer, cervical cancer, prostate cancer and colorectal cancer checks with the view to reduce the need to apply intervention treatment and open up possibilities to cure them in case they are diagnosed in early stage;

43.7. we will reduce quality imbalances of health protection services by ensuring qualitative cancer prevention services, we will be actively involved in the planning and implementation of effective and systematic solutions that allow to ensure performance and co-ordination of effective health checks and assessment of results at national level. Aiming to help those who reside in places away from major centres to arrive and have cancer checks we will look into the possibility of acquiring a mobile cancer checks lab that could visit rural areas according to a timetable and perform on-site checks.

### **Effective counter-measures against harmful addictions and assistance to victims**

44. Alcohol and tobacco are two out of four leading risk factors that cause the majority of chronic communicable diseases. Any responsible Government must pay particular attention to the control of the abovementioned risk factors.

45. Use of alcohol is one of the leading risk factors that negatively affects public health the others being lack of physical activity and unhealthy diet. Alcohol is considered to be the cause of cancer, intoxication, cardiovascular diseases, traumas, suicide and murder. In Lithuania every sixth male over 15 years of age suffers from disorders caused by alcohol. Therefore, even a slight reduction of alcohol consumption leads to speedy and significant improvement of public health and economics related indicators. The most effective means to reduce its consumption that are based on scientific evidence, economic studies and experience of many countries are well known in Lithuania for a long time. Prevention of alcohol and psychotropic substance abuse involves two essential elements, i.e. reduction of supply and demand. Reduction of demand sought by means based on scientific evidence can only be achieved efficiently if targeted in parallel with the implementation of demand reduction policy at State level.

46. Scientific evidence suggests that knowledge itself does not change the behaviour of a person. It is well-known that in childhood, when the basic norms of lifestyle and conduct are formed, example plays the most important role (in the family, at school, among friends, in public spaces, etc.). We will aim to eliminate advertisements of tobacco, alcohol or gambling activity and ensure that health related public communication when shaping standards of society applies efficient and professional methods that are equal to those used by the abovementioned industries. We will aim to introduce effective social skills acquisition programmes that will help to develop personal characteristics, such as self-confidence, critical thinking, and social behavioural skills.

47. Addiction treatment is particularly relevant now, however it is not very easily accessible. In practice the rehabilitation centres of non-governmental organizations are not certified and receive no funding from the State. Many amateur initiatives have been started that give rise to non-scientific illusions and require substantial resources.

48. Aiming to remedy the deficiencies in public education and addiction prevention practices we will:

48.1. develop the scheme under which addicts and people who want to break their harmful habit will receive help. The scheme will include early detection and minimum intervention measures in the chain of primary health care institutions, expansion of consulting services in mental

health centres, increase in the number of addiction experts employed in the regions, effective and research-based assistance in addiction treatment centres, compensation of addiction treatment and medicines, development of inclusive social services, better use of probation mechanism for treatment, psychological help and psychotherapeutic treatment via telephone hotlines, etc.;

48.2. raise general public awareness about harmful effects of alcohol, tobacco, gambling. We will support social advertising aimed to prevent from harmful habits, promote public information on harm caused by alcohol, tobacco and gambling as well as related social threats by ensuring intensive social advertising, supporting initiatives of non-governmental organizations and communities aimed at solving alcohol addiction problems and introduction of education measures at schools. Share of funds collected from excise tax applied on alcohol and tobacco products as well as taxes applied on gambling will be devoted to this activity;

48.3. aim at prohibiting advertisements of alcohol and tobacco products. It is a very important step seeking to reduce the consumption of alcohol by children and increase the age at which one starts drinking alcohol. Since the development of television and internet takes away our opportunities to regulate the age of recipients of advertising, time spent watching it and the like, application of advertising restrictions requires excessive administrative costs and are only moderately effective, only total prohibition on advertising could be considered as the most effective measure;

48.4. strengthen the fight against illicit trade in alcohol, tobacco products and narcotic substances. For this purpose plans are underway to introduce the marking and tracing system that is independent from any tobacco producer, ensure better exploitation of ePolice potential, increase public awareness about the harm caused by smuggling to the society and award persons informing about cases of smuggling and trade in smuggled goods;

48.5. impose more stringent obligations on sellers for selling alcohol and tobacco products to minors. We will seek to adopt appropriate legal measures to withdraw the authorisation of an entity in case of single infringement as well as impose more stringent individual liability on anyone infringing or inducing to infringe these provisions. We will aim to supplement the existing legal framework with the concept of simulated administrative offences that will enable co-operation between the police and minors and apply the method of secret shopper that has proved effective in United Kingdom, Sweden, Germany, USA and other countries.

### **Special measures under alcohol control policy to be applied**

49. The key objective of our alcohol control policy is to guarantee that minors, individuals at the state of psychological development have no possibility to buy alcohol in Lithuania and ensure that the very use of alcohol becomes less attractive to all the members of society. For this purpose we will:

49.1. increase excise taxes on alcoholic beverages. In that respect we will take into account the development of prices of different beverage groups and defective taxation practice applied on different types of beverages. Part of excise duty revenues will be used for social advertising, efforts to shape healthy lifestyles of society and compensation of loss of revenue from alcohol advertising incurred by media;

49.2. limit access to alcoholic beverages. For this purpose we seek to ensure that alcoholic beverages are sold only in special shops the number of which has to be determined on the basis of the number of inhabitants. In case this measure proves to be ineffective we will consider the possibility to ensure that alcohol is sold within the state alcohol retail monopoly network;

49.3. aim to increase the legal age at which one can buy and drink alcohol up to 20 years, limit the late night trading in alcohol and reduce the number of points of sale. We will impose more stringent obligations on sellers for the breach of rules governing the sale of alcohol and ensure that in the event of further breach of rules governing 'take-away' alcoholic beverages sold in catering undertakings the authorisation is withdrawn. We will promote alcohol-free events as means to raise awareness and prove that alcohol is not a must-have in order to have fun, have a rest or relax;

49.4. reduce the attractiveness of alcoholic beverages. We will follow the practice applied to tobacco products and introduce mandatory markings of alcohol products by labels containing information on their harmful effects. With a view to reduce the interest of children and teenagers in harmful addictions we will support the application of measures that boost employment of minors;

49.5. enhance prevention against drink driving. We will analyse the possibility to reduce the legal blood alcohol content limits to 0,00 per cent to be applied to all the drivers, encourage the introduction of modern automatic systems allowing to identify the case of intoxication of the driver with the integrated facial recognition function, establish an obligation to participate in the recovery from addiction programme in case of breach of rules, enhance the application of random driver testing methods;

49.6. pay much attention to alcohol abuse prevention in high risk groups (alcohol abuse prevention targeted at pregnant women, women of child-bearing age as well as alcohol spectrum disorders prevention).

### **Special measures under tobacco control policy to be applied**

50. The key objective of our tobacco control policy is to implement the provisions of the World Health Organization Framework Convention on Tobacco Control, recommendations and protocols in Lithuania and ensure that the very use of tobacco becomes less attractive to all the members of society. For this purpose we will:

50.1. increase excise taxes on tobacco products. This measure should be implemented hand in hand with the strengthening of fight against smuggling of tobacco products and development of tools to motivate officers;

50.2. introduce common packaging for tobacco products;

50.3. adopt appropriate legal measures to ensure that retailers do not offer tobacco products for sale in a manner that permits a customer direct access to them. We will promote passive smoking prevention and expand the smoke-free zones. We will strive to ensure that smoke-free zones include areas around blocks of flats, outdoor coffee-houses, other indoor common areas or public spaces.

### **Special measures to be applied in the field of gaming control**

51. The key objective of our gaming control policy is to guarantee that the most vulnerable groups of society are prevented from adverse impacts of gaming, protection of interests of lottery players is increased and ensure that the very gaming becomes less attractive to all the members of society. For this purpose we will:

51.1. tighten up requirements for the protection of vulnerable groups of society from adverse impacts of gaming, including requirements applied to gaming advertising, limitations on time spent in gaming houses, etc. In addition, we will increase gaming control based on advanced technologies;

51.2. improve regulation of organization of lotteries with the view to ensure the protection of interests of lottery players.

52. We are witnessing a situation when other groups of society face problems caused by gaming and there is no systemic approach to this problem, thus we will:

52.1. initiate detailed studies of gaming (including lotteries, gaming machines, etc.) prevalence to identify gaming related problems, analyse systemic assumptions, precise reasons and possible solutions;

52.2. aim to ensure that state institutions collect detailed and objective data related to the situation in the gaming sector and make this data available to research institutions and other stakeholders when anonymised.

### **Easy access to psychological help ensures better mental health**

53. So far mental health indicators in Lithuania have been poor; the percentage of mental disorders is high, taunting is widely spread in schools, among adults as well as in public space. Persons suffering from mental disorders are still stigmatised, people are afraid to ask for help in fear of rejection and condemnation. All that lead to high suicide rates among adults as well as among children.

54. A wide range of substantive issues remains to be solved in the field of mental health. In practice outpatient mental health care centres and inpatient health care institutions do not cooperate. Outpatient mental health care centres continue to function passively, communities have no access to specialized outpatient care services. Relations with relevant social welfare and child rights protection services as well as with general practitioners remain poor or are missing. Thus a person suffering from mental disorders receives no care, his (her) quality of life deteriorates and in most cases illness relapses.

55. Due to the abovementioned reasons as well as due to poorly developed, inadequately funded psychological help and psychotherapeutic treatment services that are difficult to access mental health care is extremely ineffective. In addition, quality of mental health care is undermined by insufficient level of qualification of psychologists employed in such centres. The system of mental health care requires licensing of psychologists and analysis of performance outcome achieved.

56. From the structural point of view outpatient mental health care centres as well as mental health care institutions are not oriented towards a final and common goal of overall health system. The objectives of institutions that function within the health care system are not harmonized with the objectives stipulated in the Health Programme of Lithuania as well as the objectives of the State.

57. We commit ourselves to:

57.1. increase the effectiveness of psychological help. We will deal with issues concerning licensing of psychologists and assessment of quality of work and support the creation of jobs for psychologists in municipalities and health care institutions;

57.2. pay much attention to the prevention of taunting among children and adults. For this reason we will support social advertising aimed to prevent taunting, introduction of special children

oriented programmes in schools and maternity/paternity skills acquisition programmes for parents. We will introduce stronger measures used when providing help for persons in certain emotional condition, including availability of help by means of telephone helplines and psychological help;

57.3. implement effective suicide prevention policy and provide assistance to persons prone to suicide. We will ensure better availability of psychological help services, exploit the potential offered by voluntary activity and non-governmental sector, encourage the business sector to contribute to the activities undertaken at State level as well as to the activities of communities and voluntary psychological help services by developing the principle of corporate social responsibility;

57.4. raise public awareness on threats of taunting, support the deinstitutionalisation of provision of psychiatric and psychological help for victims of taunting and stigmatization prevention, increase availability by involving members of community;

57.5. encourage to apply suicide prevention and postvention models based on good practice, increase the availability of psychiatric and psychological services;

57.6. rely on the principles of deinstitutionalisation, community-based help and empowerment when reinforcing the provision of psychiatric services and aim to expand the scope of psychotherapeutic treatment services;

57.7. aim to ensure adequate State support for mental health helplines so as to guarantee psychological help for every citizen in need;

57.8. ensure the availability of psychological help for people who undergo inpatient treatment and aim to achieve effective integration of psychologists into the health care system.

### **Health as a horizontal objective in all public policy areas**

58. The determinants of human health lie not only in medicine, but also far beyond it. The factors that are detrimental or beneficial to human health are found in different spheres of economic and public life. Since a third of the functions performed by municipalities affect human health, public health will be considered a horizontal objective covering all areas of public life.

59. The state's economic structure, the level of income, unemployment level and social disparities are closely linked to health status. To achieve this objective, we are considering an ambitious review and harmonization of the activities of individual ministries:

59.1. we will carry out a fundamental review of the principles governing the activities of social protection services (including, but not limited to, the Ministry of Social Protection and Labour, Labour Exchange and the child's rights protection services). Our goal is to help substitute

the psychology of the working-age healthy dependants for the motivation to change their lifestyle, cure addictions, get employment and start business;

59.2. we will encourage the inclusion of healthy lifestyle promotion in teaching programmes. As statistical data show, the more educated the society becomes, the better its health indicators are. The school is the primary and major institution, which may help offset the adverse impact from the environment, including bad example set in the family, and help develop healthy lifestyle skills;

59.3. we will encourage a wider use of extra-curricular activities for health preservation, including the promotion of physical activity, social skills development programmes and etc.;

59.4. having assessed the available possibilities, we intend to encourage the activities that directly contribute to the improvement of public health indicators as well as preservation and strengthening of public health;

59.5. we will give much attention to public education on the benefits of active lifestyle. We will encourage institutions and organizations to pay attention and provide support to their employees' purchasing of long-term public transport tickets, non-motorized vehicles, gym membership cards and etc.;

59.6. we will define and implement an efficient healthy food policy, encourage the production and consumption of organic food and strive to limit the use of harmful additives and raw products in foods. This initiative, due to its horizontal nature, must include all sectors and different stages of human life. The healthy food policy initiatives will cover the activities from birth (e.g., development of hospitals that are favourable to new-born children, encouragement of natural food catering), subsequent education on healthy food and its healthy preparation in educational institutions to public information during the process of the introduction of a clearer labelling of food products. In cooperation with responsible businesses, we will seek to minimize the salt levels in food products.

### **Real support to children with disabilities and their families**

60. Following the principle that the attitude of the public towards its weakest members is a sign of its maturity and that today's children are the creators of the future state, we will pay particular attention to the organization of support for disabled children and their families. In order to facilitate the living conditions of children with disabilities, comprehensive measures are needed. To implement them, we will propose the case management paradigm, i.e. a system and methodology on the basis of which a personalized and comprehensive service is provided to a disabled child, his/her



family or guardians. Thus, by means of organization of services, coordination of their provision, constant review of the services being received, individual needs and capabilities of disabled persons, the family is helped to live through the stress, brought about by the birth of a disabled child, ensuring proper development, education and training of the child.

61. For that purpose:

61.1. we will provide conditions for children with disabilities to receive the necessary assistance in the specialized nursing and care homes in cases where the child's family cannot provide proper care and nursing;

61.2. we will create conditions for disabled children who have reached the age of maturity to receive the necessary social services and assistance, taking into account their independence so as to ensure that they have a decent living in the community;

61.3. we will support the relatives and family members of disabled adults, facilitate reception of social and psychological assistance, establish, on a wide scale, respite (short-term social care) services and support informal care services;

61.4. we will provide more comfort for the dependent persons. Taking into account the best international practices, we will ensure that such persons are living in homes in groups of not more than 10 persons and that in such institutions they can learn to live with illness or disability and are encouraged to develop independent living skills (cleaning and hygiene maintenance, planning of their personal money) as well as part-time employment skills, while those living in care homes in groups can also make an extensive use of the services provided in the community;

61.5. we will facilitate the provision of community-based services in municipalities, create social care services that are alternative to residential care, such as day care centres, sheltered accommodation, supported housing, social rehabilitation centres, group homes, respite service (short-term social care), children crises centres and etc.;

61.6. we will encourage the deinstitutionalization of care through the inclusion in that process of the dependants themselves, together with their children, family members, relatives, and thus ensuring the maximum involvement of disabled persons in decision making.

### **Environment and services adapted to persons with special needs**

62. The attitude of the society towards its weakest members is a sign of its maturity. We will achieve that older persons and persons with disabilities are not isolated as a consequence of their age or disability. Therefore, we intend to promote inclusive social services and extend the

application of the universal design principles to the physical environment, accessible housing and transport both in urban and rural areas, thus ensuring equal access for all persons with disabilities.

63. We plan a targeted development of social infrastructure and services:

63.1. we will implement the provisions of the United Nations Convention on the Rights of Persons with Disabilities, which will contribute to a better enforcement of the rights of the disabled in all spheres of life;

63.2. we will ensure that adequate resources are allocated for the safeguarding of the rights and quality of life of the disabled;

63.3. we will introduce the World Health Organization's international classification of functioning, disability and health, which will allow for a more objective establishment of disability and special needs;

63.4. we will increase the scope and quality of health care services in families and communities;

63.5. we will ensure that disabled children and their families receive a proper assistance, necessary for their individual needs. We will invest in the development of new services and in increased access to the existing services, ensure that adequate range of services is provided in the community to disabled persons, including children with intellectual or psychosocial impairment. We will protect their right to live independently in a community and ensure, as far as possible, the provision of free and accessible health-related goods and services, intended for developing abilities and functions as well as rehabilitation;

63.6. we will devote considerable attention to training of healthcare professionals as well as practical implementation of the integrated model of disability based on human rights. Implementation of the model in respect of all disabled persons, regardless of the disability type, should ensure the right to free and informed consent to treatment, accessibility of healthcare institutions and equipment, including hospitals and the services of dental practitioner, gynaecologist and midwife;

63.7. we will develop monitoring of the activities of social care homes and psychiatric institutions. The aim of strengthened supervision of the activities of social care and custody services, including independent monitoring and checks, is to ensure the prevention of violence and abuse against disabled residents;

63.8. we will integrate the principles of assistance to the disabled into civil protection policy. We will ensure that provisions on proper assistance to persons with all types of disabilities are incorporated into disaster risk reduction strategies and emergency response planning;

63.9. we will encourage public transport enterprises to purchase vehicles that are adapted to people with special needs;

63.10. we will improve adaptations of buildings to people with special needs and ensure a wide application of the universal design principles in architecture and urban development. For this purpose, we will review construction technical standards and encourage an appropriate use of the existing buildings. Our objective is to achieve that, by 2020, all public buildings are adapted to people with special needs;

63.11. we will develop the programme for the adaptation of housing to people with reduced mobility and ensure that those who are on the queue for housing adaptation according to the said needs wait no longer than 6 months;

63.12. we will encourage the adaptation of public spaces such as streets, squares and footpaths to the people with special needs and families with children. We will give due attention to the efforts of municipalities as well as public sector institutions and commercial organizations to make the following adaptations: install tactile surface indicators (guidance paving) on footpaths, adapted to the blind and partially-sighted persons, low and sloped edges of sidewalks, adapted to wheelchair users, low wheelchair ramps next to stairs and other assistance measures for overcoming height barriers;

63.13. the information medium of the national and commercial television will be adapted to the needs of the people with hearing disabilities, the programmes will be interpreted into Lithuanian sign language and subtitled, the scope of sign-language broadcasts will consistently increase to 50 per cent;

63.14. the state will ensure that children, diagnosed with hearing impairment or hearing loss, and, also, the parents/guardians/carers of such children have access to and are provided with an expeditious, integrated assistance as well as integration services in the whole country and that the costs of acquisition of the hearing aids that correspond to personal needs are reimbursed. The state will provide the persons with hearing disability with free services of interpretation into Lithuanian sign language around the clock. Training of different specialists (especially social workers, medical workers, policemen, firefighters, teachers, psychologists, lawyers) will also incorporate training in Lithuanian sign language;

63.15. we will ensure real implementation of the right to inclusive, quality and free education through adaptation of the environment of educational institutions, teaching materials and programmes and by teaching future trainers and already working teachers the principles of inclusive education. We will provide state support to the disabled students of higher education schools not

only by improving physical access, but also by assisting in career planning and looking for jobs; we will promote the employment of people with disabilities in the labour market;

63.16. we will promote greater employment of people with disabilities. To this end, we will target public investment to professional training and proper adaptation of working conditions and training of private as well as public sector employers. We will endeavour to ensure for persons with disabilities and their families sufficient income, equivalent to that of other residents, by reimbursing the disability-related expenditure. We will expand the network of services provided to the disabled. We will introduce social business and employment models, which will ensure the employment for persons with disabilities in special workshops as well as jobs in social enterprises and elsewhere, taking into account their abilities. We anticipate that, consequently, the number of the disabled people in employment will increase by one fifth.

## **CHAPTER II**

### **HARMONIOUS SOCIETY AND SUSTAINABLE ENVIRONMENT**

64. The trends of depopulation of Lithuania's regions and uneven distribution of economic welfare that have been observed over the last few decades constitute a serious threat to Lithuania's consistent demographic and economic development. Already for three decades, in Lithuania the population distribution structure has been shifting from fairly balanced, with less than 20 per cent of the whole population living in the country's largest city, more than 10 per cent – in the second largest city and more than 5 per cent – in two other cities, including medium-sized cities (with populations of 30 to 60 thousand), to one large city model with population density increasing only in the country's capital.

65. This situation, coupled with subsequent economic imbalances and decline of the quality of life, complicates the economic and social development perspectives of the whole country. The disparities between the levels of development that have become apparent in Lithuania in the recent couple of decades, with the GDP growth rate exceeding the country's average by 140 per cent in the country's richest region and being only around 50 per cent in the poorest region, encourage internal and external migration, create among the citizens a sense of disappointment with the country and public authorities.

66. The centralization of regional policy, with the regional development policy being planned in Vilnius and entrusting to municipalities only subordinate, mostly supporting, functions, has contributed significantly to the crisis faced by the whole Lithuania. Given the continuation of such trends and the absence of ambitious regional development vision, Lithuania has, in essence,

reached a stage where only one growth region has remained, i.e. the Vilnius region, and where very few municipalities can be referred to as “growing”.

67. Over the twelve years of EU membership, Lithuania has arrived at a situation where all regional investments, with rare exceptions, are made only with European Union funds. These trends as well as centralization of regional policy may have grave consequences for Lithuania already after the UK’s exit from the EU due to possibly reduced share of EU support.

68. In response to these threats and challenges, the Government is setting itself a regional policy objective to create an efficient regional policy system and ensure the competitiveness of the Lithuanian regions and a high quality of life within them. In order to avoid the development of a situation where the majority of the population is concentrated in one city and the development of the regions is dependent solely on EU-level agreements, it is important to strengthen social, demographic and economic framework as well as the expert network in the regions so that each of them becomes a strong centre of growth, business and population. Our long-term vision is Lithuania where in the regions there are comfortable living conditions and infrastructure ensuring a high quality of life, where high quality social services are being provided and where there is a viable economy that draws on local and international opportunities and contributes to the creation of a decent life, and the regions themselves are attractive investment locations for local and foreign businesses, offering a competent workforce, a well-developed modern infrastructure and where competent local and, in the long-term, also regional authorities are present.

## **SECTION ONE**

### **CIVIL POWER AND SELF-GOVERNMENT**

69. In order to achieve regional sustainable development, the proactive approach and competence of the very regions as well as municipalities, their residents, politicians and non-governmental organizations have a key role to play. The Seimas, President and the Government cannot know what specific decision is best for each of 60 municipalities. Within Lithuania, there are many citizens who love their country and are concerned about its well-being, so the task of the central government is to provide conditions for revealing this potential. In the future, Lithuania’s regional policy should incorporate and empower local partners, communities, businesses and non-governmental organizations.

#### **Independent local self-government that takes responsibility for its decisions**

70. Effective policies are unthinkable without the public administrations that possess sufficient powers and capacities. However, until now, Lithuania's local self-government, despite being the level of governance closest to an individual citizen able to offer the best solutions for each specific problem, has had both legal and financial limitations. Up to now, Lithuania remains a highly centralized state where all decisions are essentially taken in the capital, while the directly elected local government is left, at best, with the duty to minimally adapt them to the specific local needs.

71. In shaping the regional policy, we are setting ourselves a goal to enable the full use of the local self-government's potential, while granting sufficient powers and financial instruments to municipal institutions:

71.1. we will improve the methodology of municipal budget formation to motivate municipalities to plan their investment based on cost and benefit analysis, improve business environment, encourage local business and attract foreign and local investors to create new jobs;

71.2. we will rectify the defective provisions of the procedure for the allocation of the personal income tax to municipal budgets. We will reform it to encourage the job creation efforts and results of municipalities by higher budgetary revenues;

71.3. while strengthening the financial independence of municipalities, we will consider the possibilities of expanding the tax base of municipal budgets; we will clearly identify specific taxes to be paid from municipal budgets; we will enable municipalities to apply local taxes on a wider scale and participate in tax administration. Thus, self-government will be provided with a clearer financial perspective and a greater financial independence and functional autonomy, while the participation of municipalities in tax administration will also ensure a better collection of tax;

71.4. we will assess the possibilities of expansion of the tax base of municipal budgets by including a part of the taxes that depend on business activity into municipal revenues. By strictly adhering to the principle that the municipal tax revenues, exceeding the preliminary forecasts, may not be taken from municipal budgets, and that municipal councils shall be entitled to use that surplus at their discretion for the well-being of the local people, we will encourage the financial interest of municipalities in business activity and success as well as in the creation of new jobs and fair payment of taxes;

71.5. we will create financial conditions to enable municipalities to ensure good quality of the local roads. We will abandon the defective practice of many years of municipalities accruing less than 30 per cent (to which they are legally entitled) from the funds collected for the Road Maintenance and Development Programme, which results in pitted roads in towns and bare

municipal budgets intended for their maintenance. We will make sure that municipalities are provided with sufficient funds for the maintenance of streets and local roads;

71.6. we will enable municipalities to perform, on a wider scale, the independent functions related to the improvement of business environment and the use of local economic potential. We will offer them financial incentives to clarify the conditions of their activity and to promote initiatives for ensuring greater budgetary independence;

71.7. we will grant municipalities the right to dispose of the state land. The land is a key tool likely to encourage business investment, therefore, municipalities, as the level of authority closest to each citizen, shall be enabled to make use of that tool for encouraging local development;

71.8. we will retain the regional planning model of EU funds' investments aimed at eliminating the competition between the public sector projects. We will also encourage regional development councils to select responsibly the projects that are the most relevant for the region and ensure compliance with the long-term strategic regional goals as well as a long-term effect on the region's competitiveness and the quality of life;

71.9. we will give more powers to regional development councils, municipalities and communities in decision-making about the use of EU investments in the regions according to the needs of a specific area. We will allocate more support using the already established and based on the European good practice community-led local development models to implement the LEADER approach, thus achieving a deconcentrated management, stronger administrative capacities of municipalities and communities and a better involvement of citizens in the utilization of EU investment;

71.10. we will encourage an efficient use of public finances and the reduction of the bureaucratic apparatus through joint municipal activities. We will provide legal conditions for the municipalities to share and jointly use the available administrative resources in order to perform the municipal functions, i.e. set up and use joint services in the area of the child's rights protection, environmental protection, construction supervision and other areas;

71.11. we will actively involve municipalities in the reduction of unemployment and increasing of employment by connecting financial incentives with the dynamics of municipal economic indicators;

71.12. we will analyse the possibility of the introduction of elections of elders by combining it with the general state administration reform and ensuring that such a reform is aimed at reducing the bureaucracy and state administration costs.

72. Regional policy shall be understood not only as the use of EU funds, but, in the first place, as national, legal and economic tools for encouraging the development of specific regions. Regrettably, even after 12 years of EU membership, Lithuania's regional policy seems to be largely determined by EU membership. A total of 70 per cent of all investments in regional policy are financed from the EU budget, which is the third highest indicator in the EU (after Spain and Croatia). These data indicate a huge dependence of the whole regional policy on EU funding.

73. The regional policy is still overly centralized, with not only major decisions being made in the capital, but also decisions regarding the feasibility of projects that are important to regional development. This is also reflected in financial statistics. In the period of 2007–2013, regional development councils were able to decide the allocation of only some 10.5 per cent of EU funds' investments.

74. The state at least in the near future will not be able to allocate to the regional policy as much support as is received from the EU, therefore, we are prepared to seek ways to compensate that imbalance with tailor-made regulatory, tax or other measures. We intend to impose measures, which will include increasing the quality of governance, reduction of bureaucracy, empowering local self-government and communities as well as making use of their potential and, over a longer period, the governance reform of the country's regions:

74.1. we undertake to regularly monitor the issues of regional development and to respond to the emerging challenges without delay. To this end, it is appropriate to strengthen the National Regional Development Council. The revised functions of the said Council should include a regular review of policy results and policies, taking account of the relevant issues in areas, such as economy, education, innovation, agriculture, energy, culture and other areas. We will ensure that the ministries and other state administration institutions and agencies where the managers of the national and EU funds' investments as well as the Regional Development Agency proposed by the Government (after assessment of all costs, opportunities and functions performed by other institutions) take maximum account of the decisions made and the strategic regional policy guidelines shaped by that Council;

74.2. by continuing the initiatives taken earlier towards giving more responsibility to the regions for regional policy implementation (consideration of municipal proposals concerning regional social and economic development projects, selection of the projects and presentation of results to the institutions providing funding), we will empower regional development councils to decide on all regional policy planning and implementation issues, which may be more efficiently addressed at the county rather than municipal or state level. These councils, gathering the



representatives of county residents, will be authorized to decide on issues that cross the borders of individual municipalities in areas, such as communication and transport, investment, environment, healthcare, social protection, vocational training, culture and other issues; they will be entitled to make decisions on the allocation of EU funds' investments and will also receive an adequate funding to perform their functions;

74.3. we intend to increase the share of EU funds decided by the regional development councils. Thus we will achieve at least partial decentralization and deconcentration of the administration of public finances and strengthen the responsibility of the regional population for the development of their municipalities and regions.

### **Preparation for regional governance reform**

75. Two and a half decades ago, Lithuania inherited a highly centralized system of governance. During this period, the country's governments made little attempt to move towards decentralization and deconcentration of governance. This is most clearly seen in the context of regional policy. Most decisions concerning regional development, particularly, the major ones, are taken by the central government in Vilnius, while municipalities and regional development councils composed from their representatives are left with very little room for manoeuvre as far as independent decision-making goes. This can be seen in all policy areas relevant to regional policy – from the competence of municipalities and formation of their budgets to shaping and implementing of the European regional policy. This trend towards centralization is not only in conflict with Lithuania's international commitments, such as the commitment to respect the European Charter of Local Self-Government, but also prevents the full use of local potential when addressing specific local issues.

76. We are convinced that an efficient decentralization and deconcentration of governance where municipalities are granted more functional and financial autonomy in local decision-making, taking account of specific local conditions, and where, in the long-term, two or three efficient regions are created, would significantly contribute to taking full advantage of the local potential and better involvement of people in public life, promote trust in the state and public authorities and encourage entrepreneurship as well as the will to work and live in the country's regions:

76.1. we intend to optimize the country's regional structure. In order to implement the provisions of the Constitution of the Republic of Lithuania, stating that the governance of higher administrative units shall be organized by the Government, we will consider the possibility of reducing, as from the new EU financing period (2021), the number of counties within the country to

achieve, at EU level, the level 2 of the Nomenclature of Territorial Statistical Units (NUTS level 2) corresponding to the smallest efficient region standard, which sets out basic regions with a population ranging from 800 thousand to 3 million where the regional policy is being applied. The establishment of 2–3 new regions in Lithuania in line with the best European and global practices and with regard to ethnic traditions, with the city of Vilnius separated from them, will create preconditions for practical implementation of the principle of subsidiarity and planning of an efficient decentralized regional policy as well as consistent EU funds' investments based on regional interests. We will thus reduce the negative impact on the EU's GDP average that may result from the United Kingdom's withdrawal from the EU. As a result of that withdrawal, Lithuania, as a single region, may exceed 75 per cent of EU GDP level;

76.2. we will attempt to optimize the territorial division of municipalities. The Lithuanian municipalities are one of the largest among EU Member States (being surpassed by Great Britain and Denmark in terms of the average number of residents and by Finland in terms of surface area). Due to their physical size and remoteness of an administrative centre as well as other aspects related to the organization of self-government, the municipalities often encounter dissatisfaction from local residents about the inconvenient transport and difficulties related to the provision of the infrastructure and services across the municipal borders. While adhering to the principles of the European Charter of Local Self-Government, we believe that only the citizens themselves can best decide in what kind of municipality they wish to live. Establishment of new municipalities, merging of the existing ones and other territorial restructuring, shall be done only based on initiatives of local population or municipal councils, with the state offering proposals on the possible objectives of reforms, such as optimization of circular municipalities;

76.3. while optimizing the regional division of the country, we will endeavour to create an efficient structure of regional administration and political decision-making at regional level, which also may be entrusted with the functions of implementation and supervision of regional policy measures, currently centralized and concentrated in Vilnius.

## **SECTION TWO**

### **HARMONY BETWEEN MAN AND NATURE**

77. The seventieth Government's approach to the relationship between man and nature is based on the fundamental principle of sustainable development – to meet the present-day public needs in such a way that they are not met at the expense of the next generations. With a view to achieving sustainable development, we will integrate economic, social and environmental aspects,

with a focus on the quality of human life. Implementation of the policy of the seventieth Government is founded on the following sustainable development principles: sustaining and protection of fundamental rights; equal treatment between the representatives of all generations, including those of the same generation; open and democratic society; involvement and participation of citizens; promotion of corporate social responsibility; policy consistency; policy integrity; competence and use of the best knowledge and technology available; the precautionary principle; the “polluter-pays” principle.

78. The Government sets even more ambitious national goals of sustainable development. In order to develop our vision of Lithuania as a healthy, clean and sustainable state, we are guided by the principle that alongside the usual growth indicators (such as GDP growth, competitiveness and investment), no less significant must be the state policy determinants such as the indicators of standard of living, including human health, the quality of environment and life, protection of ecosystems, long-term costs, limits of natural resources and etc. It is true that well-being cannot be achieved without economic recovery and industrial growth. At the same time, we emphasize that economic development must be in alignment with the quality of environment and people’s well-being. Lithuania’s policy in the 21st century will be shaped with regard to the sustainable development principles, the long-term social and environmental costs of decisions as well as their benefits.

79. The Government’s long-term objective is to facilitate economic development, individual well-being and high environmental quality standards. To accomplish this, we envisage four groups of actions:

- 79.1. we will promote a harmonious coexistence of nature and man;
- 79.2. we will take care of the preservation of biodiversity;
- 79.3. we will promote environmental awareness among the public;
- 79.4. we will develop a sustainable, responsible and competitive economic policy.

### **Harmonious coexistence of nature and man**

80. We will endeavour to create the conditions for a harmonious coexistence between man and nature and to develop and implement, based on the most advanced scientific methods, a vision of development, which would allow the society to create the common good, reduce the negative impact on the environment and save natural resources.

### **Policy of quality of life**

81. The environment such as city, country, forest or river has a very significant impact on the quality of life and a person's worldview. While seeking harmony in human activity, we are setting ourselves a goal to achieve that all citizens of the Republic of Lithuania live in a quality environment. In order to achieve this goal:

81.1. we will encourage the harmonious development of strategic spatial planning, including natural and historical environment, transport, residential and social housing policy, healthcare, education, tourism and culture, commercial recreation, territorial development and other important urban elements. To improve the practice of planning, we will work towards establishing a consultative expert division (supported by the ministry, no profit seeking), which would be responsible for generation of ideas, analysis of the options and the proposal of ideas for potential applicants, while at the same time making the maximum use of the benefits of information technologies, modern management methods and the European level good practice of public administration both in urban and rural areas;

81.2. we will promote noise mitigation measures. Noise pollution is a distinct physical pollution, causing 5–8 per cent of the nervous system and other diseases;

81.3. we will develop a legal framework for the creation of supportive living environment for health, taking into account the aims of the development of supportive living conditions for human health, including the green spaces in cities, infrastructure conducive to mobility and secure neighbourhood criteria;

81.4. we will analyse the possibility to develop the national programme for the reconstruction of the yards of apartment blocks, which would be aligned with the aims and measures of other programmes on the national level, e.g., promotion of the renovation of apartment blocks, community development, reduction of corruption possibilities in utilities' business and etc.;

81.5. we will continue to encourage the improvement of energy efficiency in multi-apartment buildings. Understanding that the current modernization process is constrained by the state's limited financial abilities, we will actively look for new sources of financing as well as the forms of combining of private and public investment;

81.6. while working towards enhancing energy efficiency and encouraging the use of alternative and renewable energy sources, we intend to implement integrated energy efficiency enhancement measures, including renovation of multi-apartment houses, public and other buildings as well as engineering infrastructure and the quarters in cities and towns;

81.7. we will enable the owners of dwellings to renovate the engineering systems of houses, and support the installation of the individual equipment of heat metering and heat consumption control;

81.8. we will encourage compactness, i.e. places of work, entertainment, study, sports and leisure, taking into account the cost and benefit ratio of setting up of the infrastructure, should be as close to home as possible or easily accessible by public transport;

81.9. we intend to implement the principle “polluter pays” in all sectors of the economy, so that pollution caused by private business should not be managed with public finances and resources; we will develop promotional programmes, during implementation of which support will be provided to the investment in the new wasteless and environmentally sound technologies;

81.10. we will ensure the prevention of the release into the environment of chemicals, either as raw materials or end-products, that are harmful to the environment and human health, e.g. cosmetics, dishes, foods and etc.;

81.11. we will make efforts to ensure that consumers are regularly informed not only about hazardous, illicit substances that have been found in consumer products, but also about the possible effect of the potentially dangerous substances used in the market on human health and the environment;

81.12. we intend to take legal measures to address the problems of the gardeners’ communities located in the suburbs of the large cities that are related to their becoming urban residential areas.

### **Waste management policy: prevention and proper waste management**

82. In the area of waste management:

82.1. we will promote the development of circular (wasteless) economy. We will create a system enabling to direct production and services towards resource saving technologies and solutions, thus facilitating the approach to practical implementation of the principles of circular economy;

82.2. we will encourage prevention and sorting of household waste. We will seek to achieve by 2030 that at least 65 per cent of household waste and at least 75 per cent of packaging is sorted and recycled and that no more than 10 per cent of household waste and no biodegradable waste is disposed of in landfills. We will develop and implement financial and administrative measures to encourage waste sorting and reduce the flows of unsorted waste;

82.3. we will ensure that only the household and industrial waste that has been sorted and is not suitable for recycling, but has energy content is subject to incineration in Lithuania in a way that is safe to the environment and human health;

82.4. we will review the system of waste management tax so that it would stimulate waste owners to sort waste and reduce the amount of waste that goes to landfills

82.5. we will encourage the cooperation between individual Lithuanian and foreign industries and research institutions as well as exchanges of best practice, aimed at the assessment of the possibilities to use the waste and by-products from individual industries as raw materials in other industries; we will encourage scientific research in this area. We will pay particular attention to making use of the existing European networking tools;

82.6. we will encourage the placement on the market and consumption of more environmentally friendly products and will raise public awareness by providing information on their impact on the environment;

82.7. we will identify the possible corruption risks in waste management, including application of the principle of responsibility of the manufacturer and the importer and will take immediate action in order to prevent these risks and increase the transparency of accountability of these activities.

### **Ambient air quality policy**

83. We will ensure that the air quality in Lithuania is favourable to all forms of life. This horizontal objective requires a sustainable transport, industrial, agricultural and urban planning policies, ongoing air quality monitoring, involvement of the public as well as the cooperation of all the partners concerned from the public, private and non-governmental organization sectors. We will achieve this by the following measures:

83.1. we will develop a sustainable transport policy in order to increase the carriage of goods by rail, and the passengers – by public transport;

83.2. we will adopt incentive measures aimed at ensuring that the limit values for particulate matter that are hazardous for health are not exceeded. We will firstly focus on reduction of the pollution resulting from small-scale combustion installations and individual residential homes, particularly, in urbanized areas, reduction of the burning of fossil fuels in private houses, strengthening of the control to prevent the backyard burning of waste.

### **Coherent water policy**

84. Presently, the Curonian Lagoon (transitional waters), the Baltic Sea coast as well as nearly two thirds of Lithuania's rivers and almost a third of lakes do not meet the good water status requirements. The overall objective of our proposed coherent water policy is to create conditions for achieving that the quality of water in all Lithuanian lakes, rivers, rivulets and ponds is safe for the existence and development of humans and biodiversity. This will be achieved by the following measures:

84.1. we will strengthen the water quality monitoring capabilities. To this end, we will support the establishment of modern laboratories that are able of detecting a wider range of hazardous chemicals and devote a proper attention to the development of the expertise of control officers;

84.2. we will facilitate the reduction of pollution in agriculture. We will aim at advanced technologies, adoption of administrative measures in agriculture and will support their development; we will apply appropriate regulatory measures in order to ensure a balanced fertilization of crops, manure handling based on advanced management methods and delimitation of protection zones for bodies of surface water; we will encourage the development of water and sewage networks by undertaking to provide urban and rural residents with drinking water of proper quality and allowing the discharge of only pre-treated wastewater into surface waters, thus improving the water status of surface and ground water bodies. This issue is particularly relevant to rural areas where underground water from wells is consumed.

### **Coherent policy of underground natural resources**

85. Subsurface resources is a national property, which should be used for the social well-being – this is the approach that we see as an essential part of our political programme. This implies not only ensuring the maximum economic benefit and the minimum environmental footprint for the current generation, but also the attempt to preserve the potential of the underground resources for the future generations. To achieve this aim, we undertake:

85.1. to ensure the rational use of minerals by preserving them for future generations;

85.2. to review the taxes on the extraction of natural resources so that they are adequate to the profit earned and serve the purpose of strengthening the state and social well-being;

85.3. to seek that the extraction of natural resources does not have an adverse effect on valuable landscapes and the people living within them.

### **Preservation of biodiversity means also responsibility for future generations**

86. Biodiversity – the extraordinary variety of ecosystems, species and genes that surrounds us is important not only in itself, but also in that it performs the ecosystem functions that are important to society: it gives us food and fresh water, pollinates the plants, protects from floods and etc. However, due to human activity, the by-product of which often is the destruction of habitats, depletion of natural resources, spread of invasive alien species and climate change, almost a quarter of all wild species face extinction and most ecosystems are in such a bad condition that they are unable to perform their vital functions.

87. Living nature, forests, water, air and soil that make up separate or interconnected ecosystems, provide the conditions required for the existence of life, which include not only resources that are directly consumed, but also the essential factors necessary to stabilize the environment and protect from the extreme climate phenomena, erosion and etc.

88. We are setting ourselves a goal to create the conditions for halting the loss of biodiversity, preserving all species and ecosystems by restoring the destroyed habitats or creating conditions for their preservation and enrichment. To this end, we undertake:

88.1. to ensure the assessment of environmental impact on ecosystems in the processes of policy planning and implementation;

88.2. to strengthen the protection of landscape diversity and seek the implementation of the natural framework concept set out in the national strategies. In order to preserve valuable habitats, we aim to ensure that not a single raised bog or wetland that is of value for nature conservation is drained in Lithuania;

88.3. to optimize the payments under the EU's common agricultural policy as well as taxes in order to facilitate the maximal contribution of the business sector and the public to the conservation of natural public goods;

88.4. to legalize and ensure efficient measures of the fight against invasive species of plants and animals, with a view to preserving biodiversity, nature's recreational potential and recreational spaces. We see the fight against cross-border environmental challenges and the cooperation with the neighbouring countries in this matter as one of the most important foreign policy priorities in the field of environmental protection.

### **Green infrastructure that is favourable to man and nature**



89. In order to ensure the harmonious coexistence of man and nature in urban areas, we plan a comprehensive and consistent policy programme:

89.1. we will ensure that the green spaces are designed so as to preserve and increase biodiversity, urban natural habitats and relatively natural landscapes;

89.2. we will strengthen the obligations for municipalities and support their efforts to manage public spaces, preserve nature and green spaces in the developed areas and other public green spaces;

89.3. we will support the culture of tree cultivation in urban areas based on the understanding and evaluation of the ecological needs of a tree as a biological object that will ensure its longevity and safety. Healthy trees – healthy food – healthy living environment and future;

89.4. we will improve the legal regulation of territorial planning in order to achieve two main goals: the maximum transparency and impartiality as well as active public involvement in decision-making. We will encourage respect on the part of business for community needs that correspond to the public interest, while communities will be motivated to respect the time and efforts taken by investors to create successful projects. Territorial planning should be clearly linked to strategic plans of municipalities and regional development plans, while avoiding excess documentation;

89.5. we will introduce green belts around and across cities, consisting of forests, arable land and recreational spaces, while giving priority to the integrity of natural framework. This will allow limiting the concentration of built-up areas, preventing neighbouring cities from merging, protecting the countryside's landscape and the unique urban features and will stimulate urban regeneration as well as the use of abandoned and other urban lands;

89.6. we will recognize the green spaces defined in urban plans as protected areas that are not to be developed and are important for local communities. At the same time, we will strive to provide all conditions for the harmonious development of such areas, which would correspond to local community needs, by building parks, squares, natural public spaces, avoiding their degradation, while ensuring that urban densification and development is carried out with regard to the minimum requirements for separate urban green areas.

### **Coherent forest policy**

90. Forests as an industrial and recreational object as well as visual object of landscape, being a special ecosystem, based on the interaction of the totality of natural, anthropogenic and economic factors, is an asset of the state and the people that has a diverse formal ownership. Owing

to these reasons, individual sections of society have a different view of the value of forests and the purpose of their use. Historically, the multifunctionality of the Lithuanian forestry was for many countries an example of a successful and sustainable forestry. However, recently there has been a clear trend to see the forest merely as timber resource, forgetting its other functions, such as those relating to recreation, habitats and forest products. Therefore, we will work towards a solution by combining economic interests, the right to ownership and the requirements for environmental and landscape protection.

91. The Government, in order to ensure the sustainability of forest ecosystems, biodiversity and a rational and sustainable use of forest resources, having taken account of the needs of foresters, forest owners, naturalists, communities, the populations of villages, towns and cities and with a view to balancing the environmental and economic activities in forests and protected areas, undertakes the commitment to consistently pursue a sustainable and balanced forestry policy while paying equal attention to ensuring and coordination of the environmental, economic and social functions of forests, and valuing forests as a national asset and resource, which must be regularly replenished and used rationally. To achieve this, we foresee the following measures:

91.1. we will improve the legal framework on forestry and forest management. We see, as most important tasks in this area, the review of the institutional structure, functions and scope as well as economic and environmental regulation of the activities of the national regulatory framework of forestry, reduction of the administrative burden, clear definition of the limits of competence of individual institutions, removal of the duplication of functions and activities in the forestry system, separation of the forestry policy from environmental and industrial functions and, also, revision of the matters, such as the recognition of the self-sown and newly planted forest areas as forests and the procedure of the change of forest-use land;

91.2. we will improve and rationalize the management model of state and private forests and facilitate the consolidation of private forests and the cooperation of forest owners for performance of joint activities and creation of joint bodies. We will create a common system of forest and land register, encourage the cooperation and association of private forest owners as well as their education and consultation;

91.3. we will strengthen the representation of public interests in state forestry enterprises in order to ensure that the return on the use of state property is adequate to the created public goods;

91.4. with a view to facilitating optimal forestry policy, after the completion of the land reform, the reserve forests located nearby state forests will be taken over as the state property, while other wooded areas will be sold at public auction. At the same time, we will provide a legal

opportunity for a flexible interpretation of the environmental forest maintenance requirements, taking account of the regional specificities, social and economic situation;

91.5. we will seek to implement the principles of sustainable hunting by addressing the issues related to the use of hunting areas and the management of the populations of game animals and will grant more rights to land and forest owners;

91.6. we will make sure that EU direct aid is paid to forest owners for maintenance or regulated use of forests;

91.7. we will make efforts to preserve and promote the historical and memorable sites within forests;

91.8. we will endeavour to retain and create workplaces in forestry and timber industry;

91.9. we will give priority to encouragement of investment in Lithuania's modern timber and biotechnology industries as well as the development of biomass energy, thus making a practical contribution to the development of the cyclical (circular) economy, thereby also encouraging agricultural activities, alternative to cultivation of plants for energy phytomass and/or processing into fuels;

91.10. we will ensure that forests of national importance are used as much as is necessary for the local timber industry. The municipalities and communities, in the territories of which specific forests are located, must have a say on the method and scope of the use of national forests;

91.11. we will try to achieve that the export of unprocessed raw materials (e.g., raw timber) is completely replaced with the export of processed raw materials and goods that create a higher added value and jobs in Lithuania;

91.12. we will gradually reduce the volume of clear-cut felling and the areas of forest monocultures ( same-aged plants of the same species). We will implement the approach that clear-cut felling shall be allowed only in the farmed forests (attributed to Group IV) and shall be done so as to ensure minimal damage to the living environment, landscape and the ecosystems (forest soil, hydrological processes and biodiversity);

91.13. we will attempt to establish, by law, the principle that the largest portion of the fine imposed on the damage to forest litter and wildlife should be paid to the forest owner and used exclusively to reduce the damage made;

91.14. we intend to link the environmental payments in the forestry sector to long-term commitments, e.g., through the requirement to return all the payments received and paid out (without setting a limitation period), if felling has been carried out in a forest that is attributed to the category of the core woodland habitat or otherwise specified as valuable and appropriately

designated by competent institutions; we will establish the view that the state will not support forest drainage works, if the forest has been recognized to be of an exceptional ecological value.

### **Sustainable food and agricultural policies, rich landscape**

92. The objective we are setting with regard to our agricultural policy is to achieve that agriculture adds to the wealth of the diversity of landscape. We need to achieve that agricultural activities truly contribute to the expansion of the high nature value areas. To this end, we will promote the diversity of land use and crops planted as well as organic farming and a responsible attitude towards the conservation of landscape by adhering to the following guidelines:

92.1. we will allocate assistance to agriculture having regard to the contribution of both growers and producers to the preservation of common natural goods (ecosystems), the creation of jobs and social cohesion;

92.2. we will encourage the development of organic farming and sustainable agriculture, consumption of organic foods in educational institutions, thus teaching children healthy eating skills, raising ecological awareness and supporting organic farmers;

92.3. we will support the development of sustainable and balanced farming as well as the production of wholesome food, taking account of environmental and health related requirements and improvement of the quality of life in rural areas;

92.4. in order to preserve soil fertility, we will encourage the implementation of sustainable agricultural practice through the introduction of innovative agricultural systems, sustainable and balanced fertilization and use of plant protection products, sustainable tillage practices and crop rotation enabling the recovery of soil's fertility;

92.5. we will stick to a strict policy of refusal (ban) of genetically modified organisms (hereinafter referred to as GMO) in Lithuania. We will give priority to the efforts to preserve public health, the quality of agriculture and the environment – the use of GMO will not be permitted in agricultural production. We will be striving for this also on EU level and will actively require that a mandatory separate marking of the products, in the production of which GMO feed was used, be introduced in the whole EU;

92.6. we will take active and ambitious measures to reduce wasting of food. We will assist the municipalities in the organization of the system of food waste collection and will introduce measures enabling the reduction of generation of food waste.

### **Clear, comprehensible and meaningful environmental requirements**

93. We have a goal to achieve that the environmental protection policy does not become a bureaucratic burden, but rather a tool for creating a harmonious environment that is also favourable for the development of a sustainable economy; we intend to reduce the excessive requirements for business and residents. To implement this, we envisage the following operational guidelines:

93.1. we will simplify the procedures for carrying out of administrative requirements. In particular, we will seek to abolish the requirements to provide information, if such information is or may be collected in other, more effective ways that are at the state's disposal. The information received in the performance of state environmental monitoring or collected from enterprises shall be systematized and used in the process of revision or shaping of environmental policies;

93.2. the management of hazardous waste shall be subject to a thorough review in order to make it convenient and financially attractive for the use of waste holders, particularly, the individual ones;

93.3. we will completely review the limits of liability of the producers, importers and distributors of taxable products (potential hazardous waste). We are setting a task to eradicate the possibilities of avoiding the responsibility to manage goods and packaging attributable to their liability. We will ensure that the part of the responsibility that is expected from the education of consumers is implemented with regard to the long-term objectives of education for sustainable development and that the funds allocated to this activity are used transparently and for the intended purpose;

93.4. we will ensure that the planning and management of the state environmental protection control are centralized and efficient. Firstly, we will improve the exercise of the control, planning process models and the management of human resources; we will create risk management mechanisms to increase the control efficiency, develop data analysis systems and the training model intended for the officers of state environmental protection control.

### **Smart environmentally sound energy that is serving the people**

94. Over the recent years, Lithuania has implemented a number of large strategic energy projects. These include the Klaipėda Liquefied Natural Gas (hereinafter referred to as LNG) Terminal, electricity links to Sweden and Poland. Another project for the gas interconnection with Poland is being developed. All of these projects contribute to increasing our country's energy independence. We are rightly proud of them. Today, the time has come to take further steps – to shift the focus and efforts from implementation of large infrastructure projects to modernization of the energy system and satisfaction of consumer expectations by giving more decision-making powers to consumers so that they become active participants of energy restructuring. The basis of Lithuania's energy security and competitiveness is a sustainable development, based on an efficient consumption of energy resources and the use of local and renewable energy sources. This is the foundation of the new energy policy towards achieving the long-term EU and international climate mitigation goals:

94.1. the cheapest energy is saved energy. We will promote enhanced energy efficiency. We will stimulate, by means of financial measures, the renovation of multi-apartment residential houses and modernization of their heating systems. Furthermore, we will carry out renovation of public buildings. We will adopt a smarter and energy saving street lighting. With regard to household and public sectors, we will support the replacement of boilers fired with fossil fuels or the old inefficient biofuel-fired boilers with new boilers or heat pumps. We will support a more efficient use of energy in industrial enterprises;

94.2. we will import less and instead will increase the domestic electricity production, using local and renewable energy sources while working towards the adopted EU and international climate mitigation targets. We will develop onshore and offshore wind energy systems without increasing electricity prices for consumers. In order to objectively determine the potential of the wind power in the Baltic Sea, the need of its development and costs, the state first will conduct an independent (without granting any exclusive rights to private persons) and comprehensive investigation on the possibilities to install, at the least possible costs and by way of transparent tendering procedure, offshore wind farms in the territorial sea of the Republic of Lithuania and the exclusive economic zone of the Republic of Lithuania in the Baltic Sea. After completing the investigation, we will adopt, by 2020, decisions on the feasibility of the wind farms in the Baltic Sea, the envisaged locations and power of wind plants and having decided on the need and feasibility of the development of wind energy in the Baltic Sea, will announce transparent tenders with a view to selecting investors. We intend to use the local and renewable energy sources most

efficiently for the combined generation of heat and power (cogeneration). We will construct in Vilnius and Kaunas cogeneration plants using local and renewable energy sources and, also, ensure the least possible rate for electricity;

94.3. in terms of energy development we give priority to the development of diversified energy sources. We must make a sound and efficient use of the local non-polluting energy resources, such as wind power, solar energy and biogas as well as biofuel energy. The new electricity production technologies and installations are becoming several dozen percent cheaper by each year. With the sound earmarking of the State budget funds or EU funds' financing (without raising the electricity tariff for the rest of consumers) the construction of said installations could be affordable to individual households, communities, small businesses and public sector entities. This will enable a gradual transition to the system where energy is used at the place where it has been produced, while distribution network operators will be encouraged not only to accept the surplus energy generated by such installations, but also, to return it on favourable conditions to producers when their installations are unable to generate power;

94.4. we will provide privileged conditions for the small producers that have installed green energy systems to purchase electric batteries necessary for ensuring the continuity of electricity supply. The distribution network operators will be encouraged to adopt high-energy storage means on their level. We will conduct, on the electricity system level, a cost and benefit analysis concerning the Kruonis Pumped Storage Power Plant Expansion (5th unit) project and given economic justification, we will initiate implementation of the project; this will allow having an installation that would be technologically adapted to the balancing of energy from renewable energy sources;

94.5. we will motivate the state-owned electricity enterprises to invest in smart solutions – their adoption will enable consumers to become active participants of the energy system and will ensure a stable operation of the whole electricity system. We will ensure and promote the possibility for all energy consumers to choose an energy provider. We will implement the provisions of EU legislation related to ensuring competitiveness and market principles in the field of energy. Our goal is democracy in the area of energy so that the consumers-producers that are scattered across the country may participate in the electricity system. This will contribute not only to increasing the reliability of this system, but also to the creation of new jobs in regions, which is no less important. It should be stressed that today we ourselves generate only around 20 per cent of the electricity consumed, therefore, active development and, where, necessary, renewal of the production of local energy would make Lithuania's energy sector more sustainable, leading to more stability of the energy system;

94.6. we are critical of the leasing of the heating sector to private business. We are confident that it is necessary to further expand the use of biofuel as local and cheap fuel for the combined generation of heat and power (cogeneration). The analysis of prices shows that the private sector in most cases has fallen short of our expectations, i.e. it has not reduced the prices for heat and, in some cases, simply abused its incumbent position. However, today an unjustifiably large portion of the income of the Lithuanian people goes to public utility charges. Our aim is to ensure that energy enterprises and other utility companies provide services to consumers at least cost. The pursuit of profit of state-owned energy enterprises should be directly linked to price cuts for services, while paying special attention to the reduction of heating prices;

94.7. new energy projects should be launched only after conducting fair and professional cost and benefit analysis, where the impact on the price of services paid by consumers is clearly demonstrated. With a view to implementing the objectives of sustainable energy development, we will ensure that such development does not become a burden for consumers – we will look for the sources of financing and support mechanisms, which would not raise energy bills to consumers;

94.8. one of the priorities is to gain back full control over the electricity system and connection with the electricity grid of Continental Europe for synchronous operation. In the near future, Lithuania must implement another large-scale energy project – separation from the Russian electricity system and interconnection with the network of Continental Europe. Currently, Lithuania's electricity system as well as that of other Baltic states, is still a part of the Russian power grid. This means that we do not yet fully control the power system of our country;

94.9. we are very concerned about the Astravyets Nuclear Power Plant that is being hastily constructed close to the Lithuanian border. Being convinced that a safe nuclear power does not exist, we are therefore against the construction of power plants in our region. Should we, together with the international community, fail to stop the construction of the Astravyets NPP, we will not accept the electricity produced by that plant and will, as soon as possible, synchronize our power networks with the Western grids and separate them from the Eastern market.

94.10. we will undertake efforts to secure the amount of EUR 900 million from the EU and other donors for the closure of the Ignalina NPP after 2020, thus safeguarding the Lithuanian tax payers from additional costs. We will strengthen the supervision of implementation of the projects for the decommissioning of the Ignalina NPP and increase the efficiency and transparency of the use of the already allocated funding;

94.11. concerning the gas sector, in particular, after building a gas connection with Poland, we will make every effort in order to open up new opportunities for gas trade so as to make use of the established infrastructure. We will actively participate in the establishment of a regional gas



market, facilitating thereby generation of revenue from transit and trade as well as making an appropriate use of the international connections and the Klaipėda LNG terminal;

94.12. taking into consideration the benefit of the Klaipėda LNG terminal for the whole Baltic Sea region, we will seek financial contribution from the EU and/or other beneficiary countries in the region – so that they would contribute to the investment in the achievement of the long-term safety, diversification and competitiveness of the region’s natural gas supply;

94.13. we will evaluate the costs and benefits of the feasibility of building the second additional electricity connection with Sweden and, given economic justification, initiate the construction of the new link;

94.14. we will reduce the administrative burden and allow consumers to connect to the electricity and gas networks as soon as possible;

94.15. we will convert the competence acquired in the field of energy to the export of technologies and knowledge and will encourage cooperation between industry and science.

### **Sustainable transport and communications – a prerequisite for sustainable economy**

95. In order to achieve the declared goals in the areas of transport and communications:

95.1. we will make an efficient use of Lithuania’s potential as a transit state for the creation of well-being and reduction of environmental pollution. We see the development of the railway transport, construction of bypasses around cities and the already launched international transport axes as a possibility to ensure rapid and efficient transport within and across Lithuania with a minimal environmental impact;

95.2. we will promote the increase of Lithuania’s accessibility by air transport. We will ensure that Lithuania becomes an air transit hub and will provide non-financial support for the setting up of a country-based airline. In this respect, we will consider the possibilities to work jointly with Latvia. We will support the development of aviation technical services in Kaunas and Vilnius. We will encourage the use of new low-polluting planes;

95.3. we will boost Lithuania’s capacities and image as a rail transit state. We will make efforts to ensure that the railway infrastructure in East–West and North–South directions allows for a fast, efficient and environmentally friendly movement across Lithuania, while creating competitive conditions for those willing to use it;

95.4. we will complete the “Rail Baltica” project. The construction of this transport axis in Poland and Latvia will become a priority issue in relations with these countries. It is expected that the “Rail Baltica” service will be operational in Lithuania in 2025. Being aware of the project’s

strategic importance for the region and its scale, we will seek to ensure adequate EU financing for the project in the new EU funding period commencing after 2020;

95.5. we will encourage people to use railway transport services while boosting passenger convenience, compatibility of schedules, including also between other types of transport. We will review the management structure of the Lithuanian Railways, i.e. the company must be efficient, while attempting to maintain and increase the scope of services provided to passengers;

95.6. as we see shipping to be an eco-friendly mode of transport, contributing to the reduction of transport by road, we will promote the development of domestic shipping services compatible with environmental needs. We will devote much attention to preserving the consistency between the development of the Klaipėda Sea Port as well as other sea and river ports and the environmental needs;

95.7. we will focus significant attention to improving the condition of regional roads and the implementation of road safety measures. We will enable municipalities financially to allocate funding for a proper maintenance, paving and modernization of local roads and will seek legal and financial means to allow a wider use of public and private partnerships for road maintenance. We will revise the principles and structure of road maintenance companies and will strive for consolidation, efficiency and provision of quality services;

95.8. we will invest in promotion of the use of public transport. We are setting ourselves a task of ensuring a convenient access to all villages by public transport (where it is really necessary). With a view to coordination of the development of public transport and sustainable mobility, we will set up a Transport Committee in the Seimas;

95.9. we will establish a common national public transport system, which would coordinate the public transport schedules and allow anywhere in Lithuania for purchasing a single ticket for the services offered by different transport operators, including bus and train;

95.10. we will increase the attractiveness of public transport for city journeys. We will propose, in collaboration with the municipalities of the large cities, solutions for increasing the accessibility of public transport and reduction of the financial and time-related consumer costs, such as building of parking spaces near large cities with an integrated public transport day ticket, which would motivate people not to use private vehicles for urban trips;

95.11. we will increase the production of biofuels (particularly, the third-generation biofuels as much as possible) as well as the use of the mentioned biofuels and other alternative non-polluting fuel types in transport (the use of LNG in heavy duty transport and shipping, the use of natural gas and biogas in public transport, electrification of railways and etc.);

95.12. we will encourage the use of electric vehicles in Lithuania as well as the development of the relevant infrastructure. We will develop and launch a programme for the promotion of the use of electric vehicles. We will invite, as partners to the programme, the municipalities, scientists, public transport companies and other business representatives concerned;

95.13. we will promote the development of electric vehicles and zero-emission modes of transport (trolleybuses, electric buses) across Lithuania and the renewal of the public transport parks of Kaunas and Vilnius. We will support the production or assembly and use of such vehicles and other non-polluting vehicles in Lithuania;

95.14. we will give significant attention to the development of bicycle infrastructure and encouragement of the use of bicycles for urban commuting. We will ensure that construction and modernization of streets and suburban roads should necessarily include the building of parallel, proper quality infrastructure for commuting by bicycle or on foot;

95.15. we will treat the public limited company Lithuania Post not merely as a commercial enterprise, but also as a social service provider. We intend to retain the state ownership of the company and develop the range of its services and, where need and possibility arises, to make use of its services' infrastructure for implementation of such initiatives as establishment of the regional development bank.

### **Promoting public environmental awareness**

96. The Programme pays significant attention to public education. We will shape the environmental education and the education for sustainable development by demonstrating the connections between decision-making process, decision implementing measures and final environmental impact by publicizing the good examples and encouraging to follow them.

97. In this area:

97.1. we will pay more attention to public environmental education, particularly, in the waste management area in order to ensure that hazardous substances are not released into domestic waste water;

97.2. we will attempt to transform the public sector into an example of sustainable development and progress towards green growth. We will increase the volume of the green public procurement and will evaluate the administrative decisions according to environmental progress criteria. We will encourage the budget institutions to save resources and set an example: sort waste, make greater use of non-power driven or public transport, considerably reduce the consumption of

resources, the construction works commissioned by the state should achieve the highest energy efficiency standards, generate minimum waste and etc.;

97.3. we intend to incorporate into the curricula of all general education schools and the teaching programmes of vocational training and higher education schools the subjects that are related to environmental education and sustainable development studies. We will promote environmental education of adults, public environmental awareness and public intolerance to environmental pollution;

97.4. we will encourage and support public environmental clean-up initiatives, public education and ecotourism;

97.5. we will encourage the population to install solar panels to heat water in the locations where the central heating system has not been installed or, alternatively, photovoltaic elements to produce electricity for own consumption, we will explore the possibilities to award compensation for the purchase of solar collectors;

97.6. we will encourage the development of environmentally friendly communities promoting sustainable consumption (e.g., ecovillages, gardeners' communities);

97.7. we will develop the system of integrated ecological tourism in Lithuania. The system should cover the protected areas, human resources, diversity of plant and animal life, water bodies, places of historical interest, historical heritage objects, while protecting them from the consequences of uncontrollable tourism, preserving natural resources and increasing employment and the country's income;

97.8. we will enhance the possibilities of public participation in making decisions related to projects on nature, environmental protection, landscape and forestry;

97.9. we will defend the constitutional right guaranteeing free access to water bodies, while respecting the peace of the landowners living nearby and the attempts to cultivate the environment and, also, avoiding the defective practice of privatizing the shores and natural water bodies, the public areas and green spaces in cities;

97.10. we will tighten the administrative liability for damage to the natural environment, including garbage pollution, unlawful tree felling and will promote public awareness so as to ensure reporting of such actions;

97.11. we will promote the consumption of local produce and the short food supply chains. We will undertake efforts to shorten the distance between products and consumers and will support the initiatives aimed at developing short food supply chains;

97.12. we will encourage the population to develop the skills of sustainable and responsible consumption. We will urge the people to reduce consumption, contribute to the preservation of

environment and health and will inform consumers about the impact of advertising of excessive consumption as well as that of the marketing policies of producers and retailers;

97.13. we will promote healthy eating skills by means of consumer information and the reduction of the use of hazardous substances (food additives, sugar, trans fats, GMO and etc.).

### **SECTION THREE**

#### **PRESERVATION OF VIABLE LITHUANIAN VILLAGE**

98. Almost a third of Lithuania's population lives in villages, with rural areas occupying more than nine tenths of the country's territory. Besides their demographic and geographical value, the rural areas in Lithuania have a tremendous historical and cultural value. It was in the rural areas that the Lithuanian national identity was preserved and where the national revival began and the fiercest fights against occupants took place.

99. The preservation of a viable village and its sustainable communities is the most important task of any responsible government that is decisive to the fate of the country. The viable village cannot exist without the three main conditions: competitive and profitable agriculture, including other areas of rural economy, proper infrastructure and adequate social, health and cultural services.

#### **Competitive and profitable agriculture**

100. Agriculture has traditionally been an important part of Lithuania's economy. Though recently its share in the country's economy has not been significant, agriculture remains important due to a large number of people employed in this sector, positive influence on the country's balanced development and significant contribution to the creation of the country's well-being and export. The economic situation of the rural areas and of the whole agricultural sector as well as its image and access to financial instruments depends on the state institutions' ability of planning, efficient preparation and making of decisions and coordination of their implementation by pooling potential (including human) resources. This is why we must:

100.1. strive for the growth enhancing sustainable farming, proper use of natural resources for economic and social purposes;

100.2. provide fresh opportunities for non-competitive rural regions by promoting agricultural activities as an axis of development of the rural economy;

100.3. mobilize competent human resources in the public sector by offering wages that correspond to professional level and a regular professional development;

100.4. continually monitor and, according to the state's goals and needs, allow for adjustments of the main directions of the development of the agricultural sector;

100.5. ensure the cooperation between the social and economic partners, research and state institutions in order to avoid corruption by improving the clarity of legislation, ensuring equal opportunities for large, medium-sized and small farms and equal conditions of competition for all economic actors, with a view to increasing employment of resident population and quality of the products that are produced;

100.6. review the feasibility of the compensatory measures applied in favour of businesses at the expense of the state and increase the growth of investment that generates the gross domestic product (hereinafter referred to as GDP).

101. With a clear understanding of the challenges faced by agriculture, both external, including price fluctuations in international markets, trade wars and internal, i.e. the internal market being smaller than the production capacity, structural inconsistencies of the negotiating power of farmers, processors and retailers, we undertake to take the following measures in order to ensure a sustainable development of Lithuanian agriculture and the future of the Lithuanian village.

### **Improvement of the farmers' market situation and management of farming risks**

102. The major tasks to be carried out are:

102.1. while drawing on the best European practice, we intend to develop an agricultural market monitoring and analysis system. This system, which will become a part of the agricultural policy, would include monitoring of the agricultural market, trend analysis and would allow informing the producers and processors about the possible difficulties and opportunities that may open up. The structure established on the basis of the European Dairy Market Monitoring Agency at EU level would become an important instrument to ensure stability and sustainable development of the whole agricultural sector;

102.2. we see, as one of the priority tasks of the EU's policy implemented by Lithuania, the equalization, in the shortest possible time, of direct payments for Lithuanian farmers to the appropriate levels of old EU Member States. We will implement this in cooperation with Latvia, Estonia, Poland and other countries concerned and will involve in this task Lithuania's representatives in EU institutions, farmers' organizations and other structures;

102.3. we will make efforts to strengthen the farmers' negotiating power in the food supply chain. To his end, we will support farmers' cooperation, take specific legal and regulatory measures enabling to ensure that farmers receive a proper purchase price for agricultural production;

102.4. in order to reduce the agricultural production risks, we will encourage the establishment of sectoral agricultural risk insurance funds. Their purpose is to offer, at low costs, to farmers and other agricultural market participants insurance of income against the risks caused by natural factors and market price fluctuations, while reducing the need for state aid. Such funds should be created by private initiative and their activity should be based on private contributions with a possible assistance from the state in emergency situations. We will encourage participation of banks and insurance institutions in the funds' activities. Considering the recently accumulated experience and major risk factors, the state will particularly encourage the establishment of risk insurance fund in the areas of plant and animal production as well as other areas that face the highest risk of loss;

102.5. we will introduce a temporary regulatory mechanism for agricultural market at the time of crisis. It will allow, when the price of agricultural produce falls below production costs during crisis, application, on the basis of legal regulation, of temporary sectoral market regulation measures intended for ensuring minimal adequate producers' income;

102.6. a priority foreign policy task will be the promotion of export of agricultural products and the search of new markets;

102.7. guided by the principle for the allocation of direct payments in the framework of EU common agricultural policy we intend to provide for the maximum eligible land area used by a single economic entity by allocating greater support for the first 10 and 30 hectares. Thus, small farms will have greater chances of survival, which will have a positive influence over all rural sector.

### **Enhancing the effectiveness of the governance of agricultural sector**

103. By the enhancement of the effectiveness of the governance:

103.1. we will review the main production development trends of the agricultural sector. Seeking to reduce corruption, increase the clarity of the legislation, reduce the differences in opportunities between medium and small farms, ensure fair conditions of competition and equal opportunities to benefit from the EU support for all the participants of the economy, also to increase the employment rate in the country, and on the basis of the observations by the social and economic

partners and the recommendations by the education institutions we will evaluate the appropriateness of business support and we will increase the volume of investment generating the GDP growth;

103.2. we will simplify the legislation regulating the agricultural activities and the support for the agriculture. The majority of these laws in particular by-laws are complex and confusing, and only highly qualified experts can read and understand them properly. This does not comply with the principle of clarity laid down in Article 3 of Law on Legislative Framework of the Republic of Lithuania which states that the legal system established in the legislation shall be logical, consistent, brief, coherent, accurate and unambiguous. We will promote a sustainable administrative burden reduction process oriented towards the interests of citizens, business entities and the state with a view to reaching the targets set in the legislation in the most cost-effective manner;

103.3. we will change the principles for monitoring and control of the usage of the national and European support by focusing on consultations and dissemination of good practice instead of the application of impact measures;

103.4. we will evaluate the possibility of designating another independent financial or control institution as the audit authority of the operational programme instead of the structural unit of the Ministry of Agriculture by also ensuring a more objective evaluation of effectiveness and enabling the experts of this Ministry to focus more on the public administrative functions;

103.5. we will aim to introduce annual sectorial monitoring and assessment of operational efficiency of the EU support programmes;

103.6. with the aim of ensuring the transfer of knowledge, best practise and innovations in accordance with the best European practice we will aim to establish an agricultural production market monitoring authority. This authority may be established as an interbranch organisation. It will be monitoring the agricultural market, analysing the public intervention needs, and ensuring the transfer of specific information, best practise and innovations as well as the public education.

### **Support to viable farm and development of short supply chains**

104. The main tasks are:

104.1. the state will support the cooperation of farmers in the areas of production, processing, sales and marketing. To this end, project initiatives will be promoted for the cooperation of small farms and other innovative forms of cooperation (clusters, networks) by allocating the majority of support measures only to the support to the cooperation projects of the participants of the value chain;



104.2. we will promote the farmers' capacity to process the primary agricultural production. To this end, we will support the establishment and activities of the cooperatives of agricultural production processing;

104.3. we will promote the cooperation between the science and the agricultural producers as well as the industry, in particular by establishing unconventional measures of use of agricultural production. The final cooperation goal must be an effective experimental, educational and test capacities base which is essential for ensuring the spreading of scientific knowledge and innovations, and ensuring mutual feedback of knowledge and best practise in the whole chain of science and business consultations, and also the creation and establishment of production innovations in agriculture, and the output growth of competitive export goods and services;

104.4. we will ensure a fairer distribution of support to the agriculture. We will legally set down the maximum amount of support which an applicant can receive during one investment period from one support measure and from all the support measures;

104.5. we will focus on measures to improve the soil quality. Irrigation, liming and measures of high quality soil maintenance will receive regular focus and support from the state;

104.6. we will support more effective models for exploiting the potential of internal market for food products which would include all the interested structures to the process of creation and consumption of food products, including farms, public catering establishments, hospitals, the Lithuanian armed forces, correctional facilities, schools and nurseries, etc.;

104.7. we will ensure a sufficient and of high quality training of professional agricultural experts and effective use of public finances allocated for this purpose. We will strengthen the vocational training of agricultural experts by concentrating the agricultural experts in evenly located regional specialised agricultural vocational schools. We will use the current manufacturing education base, e. g. Joniškis Agricultural School, Marijampolė Vocational Education and Training Centre, Šilutė Agricultural School. We will promote the partnership between the public and private sectors by allocating scholarships for the students in these schools. The development of study programmes and their financing will be taken over by the Ministry of Agriculture which will regularly perform the needs analysis of the agricultural experts for at least five years, monitor the need for the public intervention, and foresee measures and incentives for improving the quality of the studies;

104.8. in the long-term, we will seek to integrate the institutes of agricultural science, e. g. the Lithuanian Institute of Animal Science, the Lithuanian Research Centre for Agriculture and Forestry, etc. to the common framework of agricultural science.

### **Reform of the fisheries sector**

105. We will undertake the following restructuring changes:

105.1. we will promote the formation and implementation of an effective fisheries policy in Lithuania. We will prioritise the establishment and development of competitive fish farms, the production of local feed (by the use of local fish of low value and other raw material grown using environmentally-friendly technologies), balance the capacities of the sea fishing with the fishing opportunities, thereby ensuring the long-term profitability of each fleet segment; for the distribution of fishing quotas we will apply transparent and objective criteria including the indicators of an environmental, social and economic nature;

105.2. we will promote the growth of the fishing communities and employment. To this end, we anticipate an overview of the strategies for the recognition of fisheries' regions, the development of the appropriate territories and the reduction of the possibilities of monopoly influence by developing the possibilities for the 'bottom-up initiatives' and increasing the funding opportunities;

105.3. the Ministry of Agriculture will take concrete actions for the creation of a functional port of Šventoji dedicated to fishing, entertainment and tourism. We will seek to begin the operation of the port of Šventoji as a legal person as soon as possible, and that public and private investment and their various coordination models would be used for the creation and development of its infrastructure, and also to effectively include the social partners to the port management bodies;

105.4. we will draft and present amendments to the Lithuanian Law of Fisheries. These amendments are needed to balance the capacities of the sea fishing with the fishing opportunities, thereby ensuring the long-term profitability of each fleet segment and setting transparent and objective criteria for the distribution of fishing quotas that would allow to take account of the needs of environmental, social and economic cohesion and the sustainable development;

### **Competitive economy of the rural areas**

106. The rural areas are not just the agriculture. The rural areas have a potential and are gradually becoming a place of energy revolution where solar and wind plants are constructed. The rural areas also offer significant opportunities for many other recreational activities and activities contributing to the prosperity of the state from tourism, sports and recreation to the logistics, storage and recovery of industry. Therefore, the Government sees the future of the Lithuanian rural areas as generating high added value in the rural areas outside the agricultural sector.

107. The economic situation and image of the rural areas as well as their possibilities for using the support of the global political and financial institutions depend on the abilities of the public institutions to plan, effectively prepare and take decisions, and coordinate their implementation by pulling the available human resources. To this end, the competences of the staff of the public management institutions will be reviewed and the knowledge certified with particular focus to the search of competitive employees by strengthening of the control of employment to the public institutions and the facilitation of personal responsibility by foreseeing the raising of staff salaries depending on their compliance with the qualification requirements, prioritising their professionalism (by attracting the foreign graduates).

108. Recognising that through mere effectiveness the agricultural sector will not create enough jobs in the rural areas and with the purpose of maintaining a lively countryside we will promote the development of non-agricultural businesses in the rural areas:

108.1. we will review the main directions of the rural development and we will establish new targets in accordance with the objectives of reduction of social differences, the increase of employment of the rural population, and promoting active rural communities and the employment initiatives by taking into account the scientific recommendations and proposals of the social partners, and focusing on the abilities of local authorities (in particular communities and active local population) to recognise the long-term competitive advantages of that area: possibilities for them to establish themselves depending on the local resources, culture, traditions, experience, etc.;

108.2. we will encourage project initiatives for the promotion of innovative business participation models which would include all the interested public groups to the creation and consumption process of food products, including farms, public catering establishments, hospitals, the Lithuanian armed forces, correctional facilities, schools and nurseries, etc.;

108.3. we will promote and support the initiatives of the employment of the achievements of bioenergy and bio-economy in agriculture. Examples thereof may include the use of biomass for the energy production, and the transition to climate-friendly technologies in the agricultural, food, forestry and fishery sectors;

108.4. we will promote the sustainable development of local energy. We will continuously review the public policy in this area, given the decreasing prices of energy production capacities such as solar panels or wind generators. We will reduce the administrative barriers for the small energy producers seeking to supply the produced electricity to the distribution networks. The final goal of this policy is an energy economy capable of meeting the needs of the state where the renewable energy share would be comparable with the relevant indicators of the five leading EU countries;

108.5. we will promote the development of handicrafts and other activities of cultural, historic, cognitive and touristic value in the rural areas;

108.6. the minutes of the meetings of the Management and Project Selection Committees as well as the Commission Examining problematic issues of the programming period 2014-2020 of the Lithuanian rural development and fishery sector will be made publicly available on the website of the Ministry. A record library will be established consisting of the meeting records which will be publicly available for listening. The social partners and the representatives of the education institutions will be included to the composition of these Committees and Commissions, the status of the representatives in the Project Selection Committee will be amended from the observer status to a full member status.

### **Purposeful life in the rural areas and the social infrastructure**

109. The main tasks for the improvement of cultural and social reality in the rural areas:

109.1. we will improve the social and health infrastructure as well as the quality of services in the rural areas. People must have an easily accessible basic functional and of quality primary level health and social services offered at least in the municipal centres or, according to the needs and capacities, in major villages of the municipalities;

109.2. we will improve the educational and cultural infrastructure and we will promote its development, by creating the conditions for the high quality cultural and education services to reach the people living outside the metropolitan areas;

109.3. we will prioritise the cultural funding in particular for the availability of cultural initiatives. We will seek to maintain and strengthen the regional education and cultural centres such as libraries, youth centres and other institutions, promoting the cultural fulfilment of the public and strengthening of the communities; we will support voluntary cultural activities;

109.4. we will pay adequate attention to the support measures promoting the youth entrepreneurship initiatives in the rural areas, involving the youth in the social activities by prioritising the promotion of re-emigration and raising the attractiveness of the rural areas;

109.5. we will carefully target the support for the rural development to the promotion of business and social projects creating jobs in the rural areas and developing new skills. A separate target group of this support will be the long-term unemployed persons and recipients of social benefits living in the rural areas.

### **Strong rural communities**

110. By strengthening the rural communities:

110.1. with the use of the financial mechanisms we will empower and promote the nongovernmental organisations to undertake cultural, social and sports-related activities. We will seek to increase the accessibility of funding not only to the public or municipal institutions but also to the cultural and social services providers of the nongovernmental sector. The development of the cultural sector and the cultural industries can become a factor leading to the increase of employment and life quality in the regions allowing for the young professionals to fulfil their potential in Lithuania;

110.2. we will create the social capital through the support of the community members to one another's businesses and the community projects. The legal base of the public procurements will be reviewed in order to give priority to the social businesses created by the community-based organisations for the provision of a share of social services.

#### **SECTION FOUR**

#### **ERADICATION OF POVERTY AND REGIONAL DIVIDE**

111. For a long time all the state governments have ignored the rising trend of different level of well-being in the state regions and municipalities, as a result, 26 years after the restoration of the independence, today the situation in Lithuania is such that the average income of a resident of the richest district in the country is three times higher than the relevant indicator of the poorest district in the country. At the municipal level, these differences would be even greater. The imbalance of the economic prosperity leads to catastrophic demographic outcomes: instead of creating prosperity in their own regions people of working age are on massive domestic migration to the biggest cities, whilst the emigration out of Lithuania resulted in the loss of more than one per cent of the country's population in the last year alone.

112. Poverty is directly related to the income and the labour relations. Our goal is to create such labour relations that would encourage people to choose their job and life in Lithuania. We will mobilise the participants of labour relations, public officers, nongovernmental organisations and professional unions for a common objective that is creating attractive labour and life conditions for the people in our country and opportunities for the reconciliation of work and life. In a globalising world we will compete not with cheap labour force or poor guarantees to the people but with qualified and educated employees and high quality of public services. We will seek to keep the highly qualified and educated employees and we will invest in qualifications of the employees,

retraining and innovations; we will support initiatives by the socially-responsible businesses and encourage high quality of the public services.

113. Eradication of poverty and regional divide must become the primary objective of the new Government. By admitting that the economic reason for high unemployment and emigration is relatively low salaries, we will undertake rapid and effective measures to increase the personal income by at the same time ensuring a relevant level of social protection. On this point we have established concrete objectives and we have foreseen a number of fiscal, financial and regulatory measures.

### **Effective policy of poverty eradication**

114. According to the official data, more than one third of the citizens of the Republic of Lithuania live at or below the poverty line. The Statistical Office of the European Union informs that 29.3 per cent of our country nationals face the risk of poverty and social exclusion. Almost 857 thousand people live in the conditions of poverty, as a comparison that is the population of the cities of Vilnius and Kaunas combined.

115. People address the threats posed by the poverty and social exclusion differently. Next to over 1.3 million of hard-working and earning citizens receiving one of lowest average wages in the whole of the EU, almost one million of the Lithuanians have already left the country in search of happiness and better wages abroad. But such statistics do not reflect the actual number of persons disappointed in their country and its future.

116. Such a situation resulting from the failures of both economic and social policies concerns all the political powers that are looking responsibly at the future of the country. By stressing the importance of maintaining the relations with the nationals who have left the country, the Government suggests to move from the concept of Global Lithuania to Local Lithuania that is an agreement between all the political, economic and social powers of the country that Lithuania must become the best place to live and create for the citizens of Lithuania.

117. The key task towards this goal is an effective and sustainable policy of poverty eradication based on ensuring the long-term welfare of all the citizens. We are committed to:

117.1. implement active measures for the reduction of poverty and social exclusion. We will bring the Lithuanian index of social exclusion and income inequality closer to the average of the EU Member States;

117.2. when reducing the income inequality in the future we will seek to reform the tax system and introduce progressive taxation when the public opinion will be in favour of that. In our

tax programme we suggest a minimal tax progressivity and we will discuss the opportunities of expanding it in the future (see Chapter IV 'Sustainable Economy and Finances' of this Programme);

117.3. we will promote collective bargaining by transferring a share of the regulation of the labour relations to collective agreements (strikes, additional leave) at the national level and the level of separate branches (sectors) and companies;

117.4. we will deal with the problems of payment to the public employees by adopting a Law on Systemic salary indexation and promoting annual collective agreements in the public sector. The Law must cover the teacher salaries as well;

117.5. we will create a National programme for increasing the personal income. The programme will be based not on administrative measures but on economic opportunities. The main elements of the programme include:

117.5.1. a national agreement between the political parties and the business on increasing the personal income. The business will be interested in increasing the salaries only when their competitors will do the same. The Scandinavian model functions in exactly the same manner;

117.5.2. when assessing the labour relations we will highlight not only the liberalisation but also the collective bargaining in order to increase the average wages;

117.5.3. the state will actively promote the social dialogue by starting from itself, that is the public sector. We will encourage all the public institutions to sign collective agreements with the sectoral trade unions. The agreements must provide for the annual indexation of the salaries in the public sector (with the reservation that there will be a stable economic growth and sustainable state finances), a clear mechanism on annual negotiations on salaries, etc.;

117.6. we will index the level of the Government- supported income by relating this value with the relative poverty threshold of the country;

117.7. we will include the dissemination of the concept of social responsibility in business and social partnership to the school programmes of citizenship and the entrepreneurship education; we will encourage the associated social advertising;

117.8. we will promote the involvement of persons to the activities of trade unions and associations, we will encourage leadership and strengthen the competences of leaders;

117.9. we will implement the sustainable environment culture at work. We will encourage the public administrations, nongovernmental organisations, trade unions and business to introduce the measures of safety of workers at work and health measures, thus reducing the number of cases of occupational diseases;

117.10. we will apply the principle ‘no to limitations’. We will liberalise the operational conditions of the trade unions (in principle by lifting the limitations to the operation of the trade unions, and we will simplify the procedures and conditions for announcing strikes);

117.11. we will apply the principle that a poor person cannot be left without the necessary funds for essential needs. Poverty poses a threat to the society;

117.12. we will systematically raise expenses for social security by at the same time ensuring the financial stability of the state. We will combine the increase of the social commitments of the state to the increase of effectiveness of the social support. We use the EU average as the target indicator of the social commitments of the state: the EU Member States on average allocate 19.5 per cent of the GDP to social security, whilst Lithuania allocates only 11.5 per cent;

117.13. the target of the welfare and the social security system must be an appropriate support in the case of unemployment but the system on the whole should be orientated towards the encouragement to work and earn instead of an attempt to live from social benefits. At the same time we will seek to extend the period of unemployment benefits and increase the possibilities of receiving unemployment benefits which at the moment are only accessible to a small share of the unemployed, as we treat the unemployment benefit as an insurance payment which has already been paid by a person through taxes during the employment period rather than a benefit;

117.14. we support the implemented decentralisation of the distribution of social support. We will implement a provision that any unspent funding allocated to the municipalities by the state for social purposes, by respecting the sovereignty of the local authorities, must be first of all used for other related social purposes. At the same time we anticipate analysing any deficiencies and mistakes of this reform;

117.15. we will promote the social dialogue and we will seek a more conscious treatment of the employees by the employers;

117.16. we will enhance the Lithuanian poverty and social exclusion performance monitoring system. We will seek to ensure these indicators are not only quantitative but also qualitative. By assessing the quality of the services we will ensure their publicity and accessibility.

### **Investment in job creation in the regions**

118. Major differences in prosperity between the regions are characteristic of Lithuania. The gross domestic product per capita in Vilnius amounts to over 75 per cent of the relevant EU average, whilst in Tauragė district this indicator constitutes only a third of the EU average. Despite the fact that according to the official statistics the levels of unemployment are falling, it remains



particularly high in the rural areas where it exceeds 20 per cent, and there is a lack of well-paid jobs in the whole of Lithuania. These and similar structural problems impede a balanced development of the country. Therefore, seeking for a sustainable development of the country we will give priority to the investment in the creation of sustainable jobs in the regions which will allow to reduce the level of unemployment to 5 per cent in 2020:

118.1. we will give priority to the employment of the long-term unemployed, the youth, women, the elderly, inhabitants of separate regions, persons with disabilities, and separate social groups;

118.2. we will focus on increasing the level of income of the inhabitants of regions by implementing new and existing fiscal incentives to live and work in the regions. The majority of the municipalities further away from the metropolitan areas suffer from depopulation. Persons can be maintained and encouraged to work and create their future in the regions via financial instruments such as fiscal advantages for persons working in peripheral municipalities;

118.3. we will promote the dissemination of information on the funding opportunities of the EU and other financial mechanisms for the business development in the Lithuanian regions, and we will strengthen the administrative capacities of the public and private sectors to use it;

118.4. we will support the strengthening of the capacities of local business and the activities of networking and the search of partners abroad. The key role of the Ministry of Foreign Affairs will be the support to the creation of economic links with foreign partners, in particular for the small and medium business. We will support the international activities of the chambers of commerce, industry and crafts, and other organisations representing business;

118.5. we will tackle the structural problem of the labour market as soon as possible: the high level of unemployment in the conditions of serious labour shortages. To this end, first of all we will use the existing structure of the Lithuanian Labour Exchange; we will reform its regional units by promoting a more active engagement with the employers and the local education bodies. By implementing the programmes of informal and formal education we will seek to provide the needed qualifications to the unemployed, ensuring their employment. Other measures implemented by the state on this matter must be related to the factual increase of the workers' income (e.g. the increase of the tax-exempt minimum wage, the establishment of minimum contributions to the State Social Insurance Fund).

### **The attractiveness and entrepreneurship of the regions: incentives to live and invest**

119. We are confident that all the Lithuanian regions have a future as attractive places to live, work and create offering high quality of life and a clean and healthy environment. To achieve and consolidate this we are committed to:

119.1. encourage the local authorities to invest in the improvement of quality of the working environment in the regions as well as quality health and education services, and compact, quality and demographic trends corresponding with the public spaces, and the recreational, entertainment and sports infrastructure. We will encourage business involvement by contributing to this public investment and providing these services;

119.2. by understanding that the right to convenient connections both via the means of transport and the means of communication is a fundamental human right, and that its implementation is an important indicator of life quality, we will increase the accessibility of all the regions of the country, convenient transport between the cities, towns and villages. Quality and convenient connections via roads and railways as well as safe streets of quality in cities and towns adapted to pedestrians and cyclists, quality and convenient public transport ensuring quick arrival to the economic centres for the inhabitants of suburban and rural areas, the coordination of various transport modes and schedules, and convenient and innovative mobility decisions, such as the introduction of one public transport system ticket covering all the country are essential conditions for the economic growth and business as well as the life quality in the regions;

119.3. we will increase the powers and responsibilities of the local authorities to enhance the communication and transport services, and infrastructure, having regards to the needs of the specific location. We will harmonise the mandates and the financial powers of the central authority and the local authorities, and in the future also the mandates of the regional authorities to handle the communication systems (transport, data transfer and post) which are important to the regions;

119.4. we will encourage the development of green transport in the cities and regions, the introduction and establishment of sustainable mobility in the cities and regions. An effective and green public transport organised on the basis of the best examples of other states must become a measure not only for saving energy resources but also for increasing the life quality. We will also promote the use of electric private transport and the development of relevant infrastructure;

119.5. by cooperating with the business and the local authorities we will promote a high level of communication and information technology services in the regions. The leading internet networks in the world at the moment in terms of quality must become accessible to each inhabitant of the country in every corner of Lithuania;

119.6. we will improve the social and health infrastructure and the quality of services in the regions. People must have an easily accessible basic functional and of quality primary level health

and social services offered at least in the municipal centres or, according to the needs and capacities, in major villages of the municipalities;

119.7. we will strengthen the educational and cultural infrastructure and its development outside of the metropolitan areas by creating the conditions for the high level cultural and educational services to reach the people living outside of the metropolitan areas. We will seek to maintain and strengthen the regional education and cultural centres such as libraries, youth centres and other institutions, promoting the cultural fulfilment of the public and strengthening of the communities; we will support the voluntary cultural activities;

119.8. we will promote the dissemination of information on the funding opportunities of the EU and other financial mechanisms for business development in the Lithuanian regions, and we will strengthen the administrative capacities of the public and nongovernmental sectors to use it;

119.9. we will review the administrative procedures for the regional development aid. We will seek that the quality of the applications and the implemented projects were assessed by first of all focusing on the sustainability of the desired outcome, benefits to a specific region, and positive impact, rather than only on the compliance with the formal criteria.

### **Integrated services and employment possibilities for the elder people**

120. The Lithuanian society is one of the fastest ageing populations in the whole of the EU. Persons of more than 65 years of age in 2013 comprised 23.2 per cent of the citizens of the country. In 2013 12.8 per cent of the country's GDP was allocated for their long-term care services, social support and health care services. It is expected that by 2025 the amount of the elderly will comprise 30.9 per cent of the Lithuanian population, whilst at least 13.6 per cent of the country's GDP will be needed for their long-term care services, social support and health care services.

121. We see the elderly as a great asset, even the ones that have completed their active working career. Their long-term professional experience, specific knowledge is often a valuable intangible asset which can be used effectively both for educating the colleagues who are starting their professional career and for the creation of new businesses. Therefore, we will seek an integrated approach to the elderly of our country, on the basis of the ideas of the 'Silver Wave' movement which will focus on the elderly population. This will replace the paradigm of the institutional functionality which is currently dominating the field of social security, where the main focus is on the structures providing the services. For this purpose:

121.1. we will create an integrated system for the promotion of the employment of the elderly. It will be comprised of effective ways of the integration of the elderly into the labour

market, including commitments to the Lithuanian Labour Exchange for the provision of the training services not only for the working-age population but also for the people of pensionable age. The long-term objective for 2016-2020 is to achieve that the participation of the Lithuanian citizens of pensionable age in the labour market would reach the EU average;

121.2. we will promote forms of participation of the elderly in the public life based on the activities of the communities and civil society organisations. We see the social activeness of the public as an important measure helping to combat alienation and creating an atmosphere of community and mutual understanding. We will foresee the sustainable funding opportunities for the main organisations bringing together the national pensioners represented at the Council of Affairs of Retired Persons under the Ministry of Social Security and Labour for their activities and the strengthening of expert skills;

121.3. we will remove the discriminatory provisions from the legislation related to age limiting the opportunities of the elderly in taking relevant posts. The appropriateness for work must be assessed individually based only on competences instead of age or other general criteria;

121.4. we will seek to introduce a post of mentor in the public service. This post is dedicated to the people of pensionable age such as former public servants and experts working part-time in order to pass their experience on their younger colleagues and to contribute to the continuation of the long-term works;

121.5. we will review the recently adopted legislation regulating the pension system and we will eliminate the structural causes resulting in its ineffectiveness. The withdrawal of the structural causes such as the payment of interest to the state budget from the budget of the State Social Insurance Fund will immediately enable a significant rise of the average pension;

121.6. during the formation and implementation of the initiatives for the inclusion of the elderly to the labour market and the development of integrated services dedicated to them we will duly consult with the main public organisations representing the pensioners and we will promote their activities by giving publicity and appropriately representing the interests of the elderly in the processes of the public policy.

### **CHAPTER III**

#### **SUSTANABLE EDUCATION, CULTURE AND SPORTS**

##### **SECTION ONE**

##### **EDUCATION FOR THE WELL-BEING OF A PERSON AND THE STATE**

122. Education is the base for the well-being of the state and the national security allowing each individual to develop the opportunities of a successful life in the society. Education is the most important and vitally essential part of our culture and it is esteemed as the base for the acceleration of development. The state must provide equal opportunities for everybody to receive quality education, irrespective of the nationality, age, social status or the place of residence.

123. The goal of the Lithuanian Ministry of Education is through the powers of education and training help to create a national identity, and an educated society which is integrated into the European community, as well as create prerequisites and incentives for self-fulfilment of each individual. The cultural and moral heritage based on the Lithuanian and European Christian values must become the basis for a comprehensive education, which is closely related to the education providing the knowledge and practical skills needed for a smooth integration into the modern society. The main objectives of the Lithuanian education policy are quality, appropriateness, equal opportunities, accessibility and international significance.

124. The Lithuanian school vision is based on the provision that the main and paramount goal of the school education is to form fully educated and mature people who would consciously relate their future with Lithuania and who would treat themselves as the creators of the nation and the state. Through an approach based on values and focused towards the development of the nation and the state the school vision seeks that the young generation would perceive itself and Lithuania as independent and active, and as the actor of the world's history equivalent to other countries. The basis of this vision in the field of education could be the national school idea by Meilė Lukšienė which nucleus is the concept of the world in Lithuania and not of Lithuania in the world. This concept would allow to establish a provision in Lithuanian schools of the Lithuanian society which is respectable, and has age-old traditions and a future. The main change in the education and science policy is an education system which is flexible, meets the state needs in a statesmanlike manner, of quality and accessible to everybody, securing life-long learning and development opportunities and meeting the needs of Lithuania.

**The young generation: civic and understanding the role of the nation and the state in the world**

125. Seeking for progressive changes in the education of the young generation:

125.1. we will ensure that relevant attention is given at all the education levels to the knowledge of patterns of the sustainable development of the society and their expression, and the

education of decision-making and implementing abilities based on values and the recent knowledge in personal and public life as well as the professional activities;

125.2. with the use of the knowledge of the cultural heritage, the modern culture and the measures of creative industries we will strengthen the relations with the homeland, cultivate the national consciousness, respect to human rights and freedoms as well as the diversity of cultures, by highlighting their role in the process of the sustainable development in the country and the world;

125.3. we will seek to ensure that social and civic competences based on values and knowledge, and skills of various subjects are taught in the general education schools and vocational schools. Pupils have to be motivated to initiate significant changes to the society according to their abilities and cooperate in a constructive manner during their implementation process;

125.4. we will encourage the high schools lecturers and vocational schools teachers to cooperate with the social and business partners and to ensure that the graduates would acquire the special and general skills required for their professional career, in particular creativity, innovation and entrepreneurship. In the study programmes the humanities and the social sciences will be used more effectively and in a responsible manner based on the principles of ethics and by introducing technology and social innovations and personal capacity building;

125.5. we will promote the involvement of the youth nongovernmental organisations and the nongovernmental organisations working with the youth in the citizenship education.

### **Innovative general education programmes for the maturity of a sustainable personality**

126. By implementing a general education reform we will adhere to the belief that a rational balance of all the fields of education, which is closely related to the current realities, including the humanities, social and natural sciences and artistic education are important for the personal maturity. We will seek to ensure that formal and non-formal education would be integrated and would complement each other by revealing the individual capacities of each student; we will also promote the self-fulfilment and will meet the special education needs:

126.1. by adhering to the principle that an important element of the education system is consistency as well as measured and well-thought out reforms, we will seek to ensure that during the preparation process of the general education programmes, textbooks and methodological tools exploratory projects are implemented to ensure that innovations that are tested and justified are introduced to the general education system;

126.2. we will create a safe school environment by updating the life-skills education and the prevention elements for the factors harming the personality (bullying, suicides and harmful addictions);

126.3. we will improve the national assessment of students' achievements by focusing on the international assessment criteria and methods. We will introduce the final thesis to the school graduation system, social work, sports and artistic elements of self-expression to the assessment of the achievements. In order to adequately assess the progress of the pupils and the acquired competences we will reform the state school graduation exam system by focusing more on the cumulative assessment as well as the national (the National Examination Centre and the Lithuanian Association of Higher Education Institutions for the Organisation of General Admissions school) and the schools' contribution to the rational balance of the assessment of the achievements;

126.4. we will ensure methodological resources, scientists, teachers-practitioners, employees of the pre-school and pre-primary education facilities for the successful implementation of the general education programmes. We will modernise the educational infrastructure of the education institutions, taking into the account the needs and conditions of their activities.

### **Quality education for all**

127. We will enhance access to quality education through the following:

127.1. we will create equal conditions for early childhood and general education, including non-formal education; we will seek diversity of educational establishments in consideration of special needs of learners and a local community. We will adapt curricula to meet diverse training needs by ensuring equal opportunities and access to diverse social groups (bilinguals, non-Lithuanian speaking children, disabled, or children with special education needs); we will apply flexible measures, such as mobile laboratories, counsellor groups, etc. We will encourage academic and artistic expression: we will provide conditions for preparation and taking part in international exchange programmes, competitions, olympiads, and creativity workshops;

127.2. we will reduce cultural divide between the large cities and the peripheries by encouraging to act and strengthening multifunctional community centres in rural regions. We will orient public spaces (museums, art centres, theatres, libraries) to the development of cultural and creative competencies; we will initiate educational programmes engaging children and youth in the regions;

127.3. we will encourage cultural expression of ethnic minorities, and we will draft and implement a program for preservation of their culture. We will seek to ensure adequate material and human resources for ethnic minority schools;

127.4. we will develop an attractive and flexible vocational training system, covering initial and continuing vocational training, and matched with the labour market needs. To ensure quality vocational training, a system to guarantee internal and external quality will be developed to ensure efficient involvement of employers and social partners. To implement various forms of apprenticeship, human resources development programmes for business enterprises and practical training bodies will be drafted and infrastructure developed. We will create recognition of competences acquired through various means (formal, non-formal, informal, and professional experience), we will encourage motivated graduates of vocational schools to continue studies under the short-cycle, college, and university study programmes; we will integrate information on lifelong learning and career opportunities into the vocational guidance and counselling system;

127.5. to ensure equal opportunities for all age and social groups to access higher education studies, we will reorganise enrolment policy for higher education establishments by scraping exclusively academic criteria and creating conditions to consider individual aptitudes of candidates choosing an educational institution or a form of learning;

127.6. we will provide opportunities to the disabled people or other groups of social exclusion to acquire general education and to develop their capacities together with other people in their local communities, as well as to receive individual support from the general education system. We will support initiatives of educational establishments to ensure conditions to the disabled people to access higher education, vocational training, and to develop their skills, as well as to adapt learning methods and infrastructure to them.

### **Education financing is based on social and public needs**

128. We will implement a reform of education financing through the following:

128.1. we will reorganise financing methodology for the general (formal and non-formal) education schools, which is based on the pupil's basket principle that increases disparities in education conditions. To reduce regional disparities in learning quality, we will seek efficient distribution of funds, and we will introduce a class set model;

128.2. we will create a joint schools network linking primary schools, progymnasiums, and gymnasiums, which will unite human and material resources and make an optimal use of management funds;



128.3. considering labour market needs, we will optimise a network of sectorial practical training centres, and we will develop infrastructure, first, that for the training and developing skills of professionals for the in-demand jobs. We will encourage colleges to use modern infrastructure to train appropriate sector professionals;

128.4. we will create legal preconditions to manage vocational school assets efficiently (e. g., to release unused buildings or equipment), and to make use of the resulting funds to acquire training tools;

128.5. to guarantee salaries to teachers and other teaching staff, we will draft and implement the staff payment procedure. We will differentiate salaries in view of the employee compliance with the qualification requirements and diverse working conditions. To ensure appropriate social guarantees, we will formulate the teacher pensions allocation procedure and early retirement pension conditions;

128.6. while seeking better match between the social and public needs and the quality of science and studies, we will link the higher education and R&D funding model to the science and study outcomes; we will make agreements with higher education establishments on the professions and the number of professionals to be trained, which will be based on the quality and eligibility criteria, also considering the potential and performance strategy of higher education establishments. We will seek that higher education teaching staff earn adequate salaries;

128.7. we will guarantee the State-funded free education to students at all levels of studies, who have been admitted to studies of State importance, where planning for the demand of professionals is possible, which will be related to the student's commitment to achieve the defined study outcomes. To ensure access to studies, the system for social support, scholarships, and the study loans granted from the State Studies Foundation will be improved;

128.8. considering the scope of emigration, especially that of the most talented Lithuanian students (the brain drain), we will seek to create a funding model aimed at covering tuition expenses for students, who have entered the world's best universities, with their commitment to apply competences acquired abroad for a defined period in Lithuania;

128.9. to enhance the quality of education and science, we will ensure the transparent and rational use of the EU structural funds investments. Independent evaluation of the investment applications will be ensured in consideration of the education policy objectives, evaluation quality, and a possibility to draft applications in a language that is convenient to the project implementing bodies and evaluators.

129. Efficient long-term changes in education can be achieved, when they engage the entire school, embrace the teaching, practical, and social activities, and develop a model of the future society. The Good School Concept, as approved by Order No V-1308 of the Minister of Education and Science of the Republic of Lithuania on 21 December 2015 “On the Approval of a Good School Concept”, defines guidelines for the general education school: a school community is an open, diverse, dynamic, and learning organisation that develops an all-round personality.

130. School communities do not use fully the diversity of measures to improve education quality; social partners and communities fail to unite for the development of essential student skills. With the number of general education schools declining in rural communities, the issue of access to quality education and non-formal education has become ever more topical, and a solution thereto requires flexibility and additional resources. Education management must become more rational and engage school communities in a more consistent way, as well as open up more space for pupils, teachers, and social partners to seek that learners acquire competencies essential to become successful and active citizens in a rapidly changing society.

131. The child’s preparation for school, starting of a primary school, and adaptation therein are important factors for the child’s development, wellbeing, and success throughout the period of general education and moving on into the adult life. Experience and research show that children, who participate in the early education programmes longer, demonstrate higher achievement. Following legalisation of universal pre-school education, it is important to make yet another step: to start pre-school education at the age of 5-6, and primary education, at the age of 6-7.

132. With the education paradigm changing, and focusing on the development of key competencies and specific skills, the role and the work nature of the teacher has been changing as well. An agreement is needed on the new competencies required for a teacher to successfully teach a contemporary pupil, to properly organise the learning process, and to evaluate the pupil’s outcomes. The professional attitude of the teacher is the most important factor for the school progress.

133. The majority of teachers employed at schools at all levels are over 50 years old, while the share of young, under 30, teachers and lecturers makes 10 percent of all the teaching staff in the country. The number of school graduates choosing the teaching profession has been declining, and the study applicants’ entrance points are markedly lower than compared to those of entrants to the most popular study programmes. Given the situation, it is highly important to review the teacher training and professional development system, to achieve that it satisfies ambitious demands for

education quality, and, at the same time, to create socio-economic conditions for teachers, which would guarantee prestige of the teaching profession.

### **Efforts of the school community for the sake of maturity and expression of every pupil**

134. We will encourage all-round maturity of a pupil through the following:

134.1. we will ensure school diversity by facilitating access to education and equal opportunities for all; we will encourage creativity. We will seek that school is not only a place to learn, but also a centre of culture, fostering interaction between education and culture, building a foundation of values for the development of the society and the State, as well as a full-rate environment for the social maturity of young people, which matches initiatives of teachers and pupils as well as personality development needs;

134.2. we will seek that every child can attend a pre-school establishment. Following a review of funding for non-formal educational tools, all-day schools ensuring child activity will be supported, opportunities will be provided for children to attend an after-school non-formal education establishment (a sports, arts, or science group), and there will be more opportunities to take part in summer camps;

134.3. we will ensure innovations culture development right from the primary school by linking the subjects of life sciences, technologies, art (design), and mathematics. Higher education establishments will be encouraged to implement non-formal education programmes aimed at pupils of general education schools, to improve teacher qualifications, and to open up their scientific research infrastructure for schools;

134.4. to sustain a ratio between the education supply and labour market demand, we will review the professional guidance and counselling system based on the recognition of the pupil's abilities and aptitudes and individualized planning of the future occupation and career prospects. We will seek that all pupils in the general education system can make use of modern and innovative career development tools. We will engage pupils' parents as well as members of business enterprises and non-governmental organisations in the professional guidance activities. We will provide conditions for pupils to try various fields of activity, to see contemporary jobs, and to speak with representatives of various professions; we will encourage volunteering;

134.5. we will support the pupil and school community activities and initiatives aimed at social and civic participation, emotional development, instructional research, creativity and entrepreneurship skills, sustainable development solutions, and responsible lifestyle models in local communities and families;

134.6. we will renew the selection system for school principals, engaging social partners in the process, and we will ensure an efficient system for evaluation of school principals. We will legalize tenures for school principals, and we will review the professional development model for the current principals. Red-tape will be abandoned in the work of school principals.

### **An integral system for teacher training, professional development, and retraining**

135. We will ensure consistent teacher career preconditions through the following:

135.1. we will shape a teacher training system based on a mixed model for teacher training, as applied in the development of educational sciences and ensuring competencies required for teacher training and professional development;

135.2. we will concentrate activities in the fields of education didactics and subject-matter innovations, aimed at professional development of teachers, other teaching staff, and educational administration, at universities, while giving a special focus on the development of competencies of lecturers and counsellors. We will apply flexible forms of professional development, giving priority to continuous training, training for educational establishment teams, job coaching, and internships at universities; we will plan for adequate methods to evaluate effect of professional development;

135.3. we will coordinate description of teacher competences with the requirements of a corresponding stage of education programmes and strategic objectives of education development. We will pay special attention to knowledge of national and world culture, a possibility to teach several subjects, and perform various teaching roles;

135.4. we will ensure smooth regulation of teaching positions as well as teacher salary and competence evaluation. We will harmonize characteristics of teaching positions with the level VI-VIII requirements of the Lithuanian Qualifications Framework. We will introduce transparent competitive certification upon recruitment; we will initiate qualifications review of working teachers every five years on the basis of self-assessment of teacher performance and an individual professional development plan. The balance among teacher's rights, obligations, and accountability, while reducing control and red-tape, will provide more space for creativity and innovations.

### **School independence and distinction**

136. We will seek distinction of schools through the following:

136.1. on the basis of the Lithuanian and world experience of educational establishments, we will create preconditions to develop a distinctive school strategy and culture, which complies

with values recognized by its community – teachers, pupils, parents and administration – as well as objectives of the national education policy. We will open up opportunities for various school models: harmonious school, green school, healthy school, etc.;

136.2. we will draft and introduce a model of independent general education schools, with different levels of independence defined;

136.3. we will encourage partnerships between schools and local government institutions, non-governmental organisations, and science and business entities; we will support creation of innovative education and learning environments by ensuring subject-matter relevance and diversity;

136.4. School evaluation will be based on the internal system of quality assurance and external monitoring. On the basis of the Good School Concept, we will review school evaluation methodology by paying more attention to school self-governance; we will encourage school communities to discuss and define quality criteria and indicators in all fields of activity (teaching, learning, non-formal education, social practice, professional development, administration, and infrastructure management). For the school to be able to realize its strategy, its daily activities will be based on quality criteria, and each member of the community will commit to contribute actively to the application thereof;

136.5. we will initiate the meaningful self-analysis of school's performance by engaging all the parties concerned, so that quality assurance becomes an essential factor of performance improvement and a precondition for the creation of a learning and forward-looking community.

## **SECTION TWO**

### **SCIENTIFIC RESEARCH AND INNOVATIONS RELATED TO HARMONIOUS SOCIAL DEVELOPMENT**

137. Progress of the contemporary society and quality of an individual and social life is essentially determined by high-level scientific research, application of results thereof, as well as innovations in the fields of social and economic development and environmental protection.

138. The strategic objectives of scientific research and innovations are laid down in the national progress strategy "Lithuania's Progress Strategy 'Lithuania 2030'", as approved by Resolution No XI-2015 of the Seimas of the Republic of Lithuania of 15 May 2012 "On the Approval of Lithuania's Progress Strategy 'Lithuania 2030'", and the implementing National Progress Programme for 2014-2020, which has been harmonized with the European Union's scientific research and innovations programme "Horizon 2020". In 2012, a National Programme for the Development of Studies, Scientific Research, and Experimental (Social and Cultural)

Development for 2013-2020 was approved. Its strategic objective is to encourage sustainable development of people and society, which enhances the country's competitiveness and creates conditions for innovation. Resolution No 1281 of the Government of the Republic of Lithuania of 18 December 2013 "On the Approval of the Lithuanian Innovation Development Programme 2014-2020" has approved the Lithuanian Innovation Development Programme 2014-2020. Lithuania's Smart Specialisation Programme, launched in 2015, plans for the international role of Lithuania's innovations system; Guidelines for the Lithuanian Science and Innovations Policy Development, approved by Resolution No XII-2654 of the Seimas of the Republic of Lithuania of 27 September 2016, establish principles of an integral science and innovations policy.

139. In 2015, a group of 48 foreign experts produced results of a comparative study into Lithuania's scientific activity, which revealed highly uneven situation in the field of Lithuania's scientific research. According to the experts, Lithuania's science and study system remains excessively fragmented, it creates few technological and social innovations relevant to businesses and the society. It is essential to immediately shape preconditions for a more efficient engagement of the science and study system into the enhancement of Lithuania's public and economic innovativeness, to initiate scientific research to implement the strategic objectives of national development, to encourage R&D and innovation activities in private sector, to strengthen international competitiveness of scientific research, as well as to highlight the role of innovations in the implementation of the general national and sectorial strategies, programmes, and actions directing the State and the society towards the harmonious and competitive development.

140. Scientific research and innovations infrastructure is fragmented throughout universities, scientific research centres, science and technology parks, as well as integrated science, study, and business centres (valleys). Seeking that higher education and scientific research are turned into an exceptional opportunity for the progress, it is necessary to consolidate human resources of higher education establishments and science institutes, to use science infrastructure in a rational and targeted way, to ensure that scientific activity evaluation is based on the best international experience, to ensure adequate and transparent funding of scientific research, and to initiate research promoting technological and social innovation.

141. The World Competitiveness Report 2015-2016 ranks Lithuania 36<sup>th</sup> among 140 countries for innovation indicators, showing it lagging behind the EU average; Lithuania is also below the EU average for the number of innovation-generating small and medium-sized enterprises. The number of PhD students dropped by 11.3 %: from 2,974 individuals studying for a doctoral degree in 2011, to 2,639 PhD students in 2014. To develop innovation potential, it is essential to enhance attractiveness of science careers, boost talent attraction, encourage international dimension

of science, provide more flexible support to scientific research in various fields, and encourage cooperation between science and business as well as application of research results to deal with matters of importance to the society and the State.

142. The sector of higher education and scientific research does not receive sufficient and efficient funding, and salaries of lecturers and researchers are among the lowest in the EU. The system of scientific activity evaluation and funding encourages quantity and not quality of scientific publications. There is a growing dependence of Lithuania's scientific research being funded from the EU structural support, yet competitive grants that it receives from the European Commission programme "Horizon 2020" are among the lowest. Fragmentation of scientific research, overlapping of subjects in different institutions, and lack of cooperation and coordination among the groups engaged in similar research are major reasons for unreasonable use of limited resources.

### **Interaction among studies, scientific research, and innovations for the harmonious development of the State**

143. We will make essential changes to strengthen interaction among studies, scientific research, and innovations through the following:

143.1. in compliance with the long-term National Progress Strategy "Lithuania 2030", in consideration of Europe 2020 strategy and the United Nations 2030 Agenda for Sustainable Development, we will ensure sustainable and efficient funding of R&D activities for the development of top-level scientific fields and directions of importance to Lithuania. Principles for allocation of State budget funds to R&D activities will be improved. Programme competitive funding of scientific research, including national programmes for scientific research, will be directed to tackling complex problems in Lithuania and ensuring long-term sectoral development prospects;

143.2. we will encourage cooperation among science and study institutions and social and business partners by orienting the scientific and (or) artistic, study, and public awareness-raising activities towards acceleration of sustainable development of the regions and the country. We will support cooperation between the Lithuanian researchers and their peers in other EU member states, especially through participation in the programme "Horizon 2020". Guided by aspirations for quality, appropriateness, and international competitiveness of education and studies, we will consolidate the potential of education and study establishments by reorganising the network thereof;

143.3. we will ensure the quality of studies, which complies with personal expectations, public needs, and quality provisions of the European Higher Education Area: more efficient

interaction between studies and scientific research; study methods and practices developing creativity, innovation, and entrepreneurship skills; international relevance of curriculum and opportunities for student mobility; educational competencies of lecturers; narrow study programmes will be amalgamated, diversity of subjects and possibilities to combine studies and practice will be ensured. We will seek that the number of foreign students studying in Lithuania grows. We will improve work conditions for higher education teaching staff, hence enhancing prestige of higher education teaching career;

143.4. on the basis of international experience, we will modernize third-level – doctorate – studies, we will introduce professional doctorate; we will provide preconditions for the PhD students to carry out scientific research in the national priority fields and to take part in the international scientific research programmes; we will seek to raise the number of PhD students and researchers employed in businesses; Lithuania will join international research infrastructure projects (the European Social Survey (ESS), projects carried out by the European Organisation for Nuclear Research (CERN), etc.); at least one high competence centre will operate in Lithuania. We will create an R&D infrastructure development model that will ensure clear and transparent funding of infrastructures through both State budget and private capital funds;

143.5. we will seek to encourage science-intensive industries and innovation development in the regions. We will develop open innovation system thereby encouraging more efficient use of scientific resources and match with the public needs. We will ensure interaction among national scientific research infrastructures, valleys, and technology parks, while seeking to improve the quality of science.

### **Smart specialisation: for innovation development**

144. We will orient applied research in all fields, in a targeted way, to innovative solutions for the business and public development through the following:

144.1. innovations in the fields of education, culture and creation, health, and social security must ensure equal opportunities to seek a better quality of life, and reduce exclusion of socially vulnerable groups. We will initiate social scientific research aimed to improve public sector performance and provide grounds for the strategic provisions, and we will improve implementation measures and evaluation criteria thereof. Applied scientific research aimed at tackling major public issues (poverty reduction, demography, emigration, gender equality, and others), as well as national priority research projects will be encouraged;



144.2. to create sustainable potential of innovations ecosystem, we will build competencies of ministries and other institutions that are responsible for innovations, and we will consolidate their potential by cutting overlapping functions. We will encourage innovative training, cooperation among higher education establishments, State institutions, non-governmental organisations, and advanced businesses as well as participation in the European and regional science and innovation networks;

144.3. we will strengthen intellectual property rights protection policy; we will pay proper attention to heighten public knowledge and awareness of intellectual property;

144.4. we will support researcher initiatives to present the latest scientific research results to the society, while seeking more active and knowledge-based participation in decision-making process that is significant for the development of the State and the community, as well as changes in individual lifestyle;

144.5. we will strengthen relations between Lithuania and the Nordic countries with a view to creating a system for cooperation in the priority fields of R&D development (smart specialisation);

144.6. Guided by the principles of integral innovation policy, we will ensure implementation of Science and Innovation Policy Development Guidelines, as approved by Resolution No XII-2654 of the Seimas of the Republic of Lithuania of 27 September 2016.

### **SECTION THREE**

#### **OPEN AND INCLUSIVE CULTURE POLICY**

145. To foster historical remembrance and creativity, the Lithuanian culture serves as basis for identity and existence of every citizen of Lithuania, the entire Lithuanian nation, and the whole society of Lithuania; it offers opportunities for individuals and communities to communicate and jointly create a meaningful life. Having served a major element in the restoration and preservation of Statehood of the 20<sup>th</sup> century Lithuania, the Lithuanian culture is the foundation of the State of Lithuania, the prerequisite for a creative and responsible civic society, and the contents through which individuals learn about themselves and develop. The major aim of the cultural policy of the State of Lithuania is to preserve the national cultural heritage, and to make it relevant in a meaningful and attractive way by preserving the Lithuanian language – the basis for our culture – first; to foster professional art, to encourage creation and self-expression of citizens, to enhance dissemination of culture throughout the State and in emigration, and to take part in the global cultural relations and artistic exchange processes. We will seek that our culture becomes an

essential brand of Lithuania in the global world, the basis for its existence, a proof of the uniqueness and importance of our State, and a full-fledged partner of the global cultural dialogue.

146. A balanced, democratic, open, full-rate, and determined national policy in the field of culture is necessary for the preservation, development, renewal, and strengthening of the Lithuanian culture. On the basis of these principles, we will anchor clear and stable responsibilities of the State vis-à-vis culture.

147. As a member of the United Nations, EU, NATO, and other international organisations, Lithuania recognizes as values the freedoms of speech, belief, and scientific and cultural expression, as proclaimed by the Universal Declaration of Human Rights, as well as the values and principles of fostering and preservation of international culture. Despite the fact that the Constitution of the Republic of Lithuania declares values directly related to culture – freedoms of speech, belief, and scientific and artistic creation, protection of intellectual property, and preservation of ethnic minority culture – the cultural policy of Lithuania has not become equally important to other policies of the State in 26 years since the restoration of Independence. This circumstance is proved by the rate of progress in the field of culture, as compared to other areas, as well as the dynamics of culture funding from the State budget and the EU support funds.

148. During 26 years, not a single field in cultural services infrastructure has been essentially renewed nor modernized; merely a third of the programmes for modernization of libraries, museums, and cultural centres has been implemented; only a fourth of the funding required for renovation of cultural services infrastructure has been earmarked from the EU's 2014-2020 financial framework, although a majority of buildings of educational, health care, social or other purposes have already been modernized from the previous EU's financial frameworks. Not a single theatre, nor a concert hall conforming to international standards have been built neither in the EU's financial framework period of 2004-2006, nor that of 2007-2013, only several artist-in-residence spaces have been established in the regions and cities. The Government pledges that during its term for 2016-2020, it will carry out the programme for the Lithuanian State cultural policy revival not formally but in the concrete. We will seek to effectively implement the Lithuanian Cultural Policy Guidelines, which have originated in the cultural community, have been drafted by cultural experts on the initiative of the President of the Republic of Lithuania, and have been approved by Resolution No XI-977 of the Seimas of the Republic of Lithuania "On the Approval of Guidelines for the Lithuanian Cultural Policy Development" of 30 June 2010. This strategic document lays down major objectives for the quality progress of the cultural policy, and lists activities required to implement ten cultural policy guidelines, upon implementation whereof

culture will stand as a guarantor of the survival of the State and ensure security of our national identity as well as full-rate presence in the global world.

149. During its term for 2016-2020, the Government will consolidate foundations of the cultural policy, which were laid by the first Governments in 1990-1996: they considered capacity of cultural workers to carry out self-regulation in a professional way as a corner stone of the culture management system, and they trusted the Nordic countries that were responsibly committed to culture, who served models to carry out reforms and establish collegial advisory expert structures.

### **Strategic role of culture in the State policy**

150. Culture, as a fundamental intangible element of consolidation for the society carries out a key role in uniting the society and shaping the public policy. Unfortunately, for almost 25 years there has been a dominant trend in Lithuania to marginalize cultural policy in public life. We are setting an objective to change this faulty practice, and to bring back culture as a society-consolidating factor that encourages pride in the fellow-citizens, the country, and the State, to the centre of public life:

150.1. we will draft and adopt a law on fundamentals of the Lithuanian cultural policy, as well as other long and medium-term strategic planning documents on cultural development. We will aim at changing the trend to marginalize cultural policy in public life, which has dominated for more than 25 years. To this end, it is necessary to ensure, by legal means, constitutional rights of the Lithuanian citizens to the access of culture. To achieve this objective, fundamentals of the Lithuanian culture and arts policy system will be legalized in a separate law on fundamentals of the Lithuanian cultural policy, the provisions of which will be implemented following adoption of the long and medium-term strategic planning documents: the Lithuanian Culture Strategy for 2017-2030 and its implementing act, the National Culture Programme;

150.2. we will improve the public representation practice in the decision-making process of cultural policy. Democratic principles of the formation and implementation of cultural policy must become a basis for the transparent and efficient cultural policy. To this end, we must improve public participation in the decision-making process of cultural policy and hence consolidate trust in the expert evaluation system of culture projects.

151. We will reshape culture management from the competence lacking fossilized monolith into professional administration of the field, which is dynamic, creative, and encouraging creativity. Supervision of culture management must begin with the review of the structure and functions of the Ministry of Culture, so that functions of the cultural policy formation are carried out in a quality,

dynamic, and efficient manner, abandoning excessive bureaucracy and superfluous documentation. The functions would be performed by professional experts, who know well not only the principles of public administration but also the field of culture and art, while relations with the culture establishments and self-management of culture would become based not on the boss-subordinate principles but on horizontal relations of democratic partnership.

152. We will accelerate democratization of cultural policy, while seeking a wider public engagement in both the cultural life and shaping of the cultural policy. We will encourage associations and communities of agencies functioning in the field of culture (the Lithuanian Association of National Culture Agencies, associations of museums, libraries, archives, cultural centres, theatres, and concert organisations, the Lithuanian Art Creator Association, creative unions, and other non-governmental organisations functioning in the field of culture) to hold joint forums, conferences, discussions, project presentations, etc., to review and renew cultural policy.

153. We will strengthen self-regulatory mechanisms of cultural policy. Together with the national culture and art associations, the Ministry of Culture will renew and develop cooperation mechanisms between the Lithuanian Association of National Culture Agencies, sectoral associations of culture and art agencies (museums, libraries, cultural centres, etc.), art creator unions (theatres, concert organisations, art creator organisations (those of writers, composers, architects, film-makers, etc.), and other non-governmental organisations, the objective of which will be expert evaluation of major analyses, examinations, recommendations, strategic proposals, and concepts, as well as dissemination of best practices in the field of cultural policy. We will legalize a provision that no major cultural policy decisions are taken without discussions in this framework and its thorough public recommendation.

154. We will create a regional development model of the Council for Culture. We will make its objective to create a system for efficient financial and administrative support and development of social infrastructure for dissemination of culture initiatives in specific regions. We plan to test functioning of the model in one of the regions of the country to evaluate capacities and engagement of the public, local organisations, and local government, as well as adaptability of the existing financial, administrative, and other capacities to the objectives of the dissemination of culture.

155. We will ensure efficient and systemic monitoring of cultural processes, as well as dissemination of information on culture and art. While strengthening self-regulation in the field of culture, we will provide more opportunities for the Lithuanian Council for Culture to make decisions on the structure and scope of funding of programmes, selection of experts based on the model of the Research Council of Lithuania, etc., so that culture and art projects receive a quality and reliable support from the State and the EU.

156. We will create a system to improve competencies of cultural workers, which would correspond to the needs of the contemporary society. Hence, we will compensate, at least to some extent, for the damage done for the cultural life of our country by earlier government actions that have destroyed the system for improvement of competencies of cultural workers in Lithuania.

157. We will seek that State anniversaries and dates of major historical events of Lithuania, as well as the project of the European Capital of Culture 2022 are properly commemorated through significant national programmes that are drafted by professionals and widely engage the public. To this end, we will create an efficient and functional model for drafting, adoption, and implementation of programmes to commemorate State anniversaries. We will pay attention that quality programmes are drafted and timely implemented, a separate budget for the implementation of a programme is drawn up, and an institution responsible for the coordination of programme implementation is appointed, with a professional and independent team to implement a programme.

158. We will take concrete actions to expand dissemination of the Lithuanian culture abroad. Given that presentation of the State of Lithuania abroad is still highly fragmented and uncoordinated, although art and culture is an extremely efficient means to represent a country, we will seek to make use of Lithuania's culture and art more efficiently for the purposes of cultural diplomacy. We will strengthen the role of culture, as soft power, in Lithuania's foreign policy, so that it is efficient on the international level. Apart from the practice of the European monitoring of Lithuania's cultural policy and its presentation in the pan-European organisations, e. g. Lithuania's cultural policy review (2<sup>nd</sup> national report), to be drafted and submitted for the evaluation of the Council of Europe, we will widely use both opportunities enjoyed by the State, such as cultural attachés and a network of diplomatic representations, and opportunities offered by the non-governmental sector.

159. To ensure an efficient and systemic monitoring of cultural processes, we will create a centre for analysis and trend forecasting of cultural developments at the Lithuanian Council for Culture. It will be tasked with analysis of the situation in the sector of culture, submission of findings and proposals for the renewal of the cultural policy model, coordination of analytical research and forecasts in both the administrative structure of the State cultural policy and the system of culture and art bodies, as well as management of the State-aid research and forecast projects through cultural infrastructure associations on the national, municipal, and non-governmental organisations level.

160. We will establish a national information centre for the Lithuanian culture and art, as a structural unit of the Ministry of Culture, to match cultural policy analysis with quality information and communication on culture. Its objective will be to present, in the general system of

accumulation and distribution of information on culture, strategic initiatives in culture and cultural sector, national and regional projects, projects popularizing cultural heritage, high culture and art projects, achievements of the Lithuanian artists and emigrant artists, who consider themselves part of Lithuania, as well as young artists and talents.

161. We will encourage efficient use of public funds for the formation and implementation of cultural and arts policy, and we will pay proper attention to building general and special (including administrative) competences of public servants, who are in charge of the field of culture, as well as the non-governmental organisations operating in the field.

162. We will coordinate strengthening of information literacy and critical thinking of the public; we will encourage media responsibility in ensuring public security and consciousness on the national and regional level through quality creation, provision, and distribution of cultural products, audio-visual services, and Statehood consolidating brands.

### **Culture support system to facilitate cultural development**

163. The Government will seek substantial transformation in the planning and allocation of appropriations for culture. We will take steps to achieve adequate funding for national and state institutions of culture and arts enabling them to pursue their mission and strategic operational plans equipped not only with a partial subsidy but all the required funding.

163.1. we will pursue state's commitment of financing its budgetary institutions, as provided for in the Law of the Republic of Lithuania on Budgetary Institutions. We will appropriately increase cultural workers' pay by linking it with a financing structure of education which is an integral part of the culture. We will seek for cultural workers' salaries to match the rate of the salaries in education;

163.2. we will enhance the funding for regional culture and culture in the regions. We will seek to develop and implement a separate EU assistance instrument, i.e. subsidy scheme to promote cultural activities, including through the increased focus on social inclusion and regional innovations, financing sub-projects of NGOs and cultural institutions, as well as through the sufficient financial support provided by the Lithuanian Council for Culture for regional and national projects run by municipal authorities funding in the first place the National Programme of Cultural Routes and the involvement in the accredited Europe's Cultural Routes Programme.

Along with the associations of local cultural institutions, we will develop a new cultural programme of Lithuanian historical regions focussing on the Baltic culture and promotion of ethnic cultural traditions;

163.3. we will encourage changes in the tax system focussing on increased support for culture and the cultural traditions of sponsorship. Following the best Western practice, we will work out tax policies to encourage business to provide greater support for cultural and artistic initiatives;

163.4. we will review the legal framework for public procurement, simplify the procurement in the field of culture, and focus on the needs of culture and arts;

163.5. we will remove administrative barriers for Lithuanian culture and art representatives to participate in international assistance and cooperation programmes. To this end, we will, in the first place, harmonize the systems of support and accounting in the field of culture with the European ones to facilitate the implementation of various international projects;

163.6. we will initiate and implement strategic national, regional and other cultural projects of EU assistance fund – the European Social Fund – through the structural assistance funds of 2014-2020, the cooperation with the sectors of education and science, internal affairs, health, environment and social security, and other horizontal sectors, with a view to ensuring the co-financing of projects;

163.7. we will seek to provide appropriate conditions for building and ensuring social security of artists and other creative professionals.

### **Adequate and up-to-date infrastructure of cultural services**

164. The Government will seek a fundamental change in the field of cultural infrastructure with a view to deliver its constitutional obligations regarding culture to ensure that the Lithuanian people have every opportunity to exercise their right to freedom of cultural expression. By implementing this objective and ensuring the possibilities of the full cultural participation across all the regions of the country, the state will compensate the damage and the cultural divide that the public was subject to for many years due to the low quality of the infrastructure of cultural services.

165. We will ensure the quality integration of public service infrastructure in the country. We will seek a rational, sustainable and balanced upgrading and development of the infrastructure of cultural, educational, social and other public services, in consideration of public interests, in all its totality, rather than individual departmental segments of the entire public infrastructure.

166. We will encourage regular, rational and efficient dialogue between the professionals of the heritage preservation, environment and urban planning, combining the goals of the heritage preservation, sustainable national progress and the development of public infrastructure. This will implement in practice the provision of the Guidelines for the Change in Lithuanian Culture Policy

regarding the need to ensure Lithuania's sustainable development, combining heritage preservation and environmental goals with urban development and spatial planning.

167. Having reviewed the need, we will renovate the infrastructure of cultural services. With EU funds, the national budget and other innovative sources of financing, and having analysed the practicability of adjusting certain buildings to cultural needs, we will seek adequate upgrading to full operation, by 2025, of the old and often unsafe cultural facilities in Lithuania that have failed to properly meet their functions of serving as the place for communal gatherings, awareness raising and identity development, thus providing conditions not only for culture creation and dissemination but also for the development of cultural tourism, thus contributing to the development of creative and smart society. We will seek the construction of a state-of-the-art concert hall for the 700th anniversary of Vilnius City in 2023, which will be in line with the latest global standards for music halls.

### **Inclusive culture for all**

168. The following needs to be done to achieve greater access to culture:

168.1. we will reduce the social and cultural divide between the big cities and the peripheries. To this end, we will focus on the presentation of culture, cultural events, and the implementation of long-term cultural and artistic initiatives in the regions, and strengthen the multifunctional community centres in rural areas;

168.2. we will promote culture as the means for the development of national identity and civic awareness. By promoting the awareness of the cultural heritage, we will develop national self-awareness, strengthen relations with local cultural communities, and encourage community spirit and civic awareness;

168.3. we will develop artistic forms of expression and the diversity of activities as regards the children and the youth. To this end, together with the Ministry of Education and Science, as well as our social and economic partners that have great experience in the field, we will draw up an inter-institutional programme for education through culture and arts, and implement it with the help of EU funds;

168.4. we will work out and implement a new programme to support young artists;

168.5. we will seek closer integration of persons with disabilities and other socially vulnerable groups in cultural life. We will expand possibilities for persons with disabilities to participate in cultural events, develop and make use of their own creative, artistic skills;



168.6. we will encourage creative activities and cultural competences across all ages and nationalities in all Lithuanian regions and all municipalities;

168.7. we will encourage the use of public spaces (museums, art centres, theatres, libraries, state and municipal premises open to the public and often visited) for the development of cultural competencies;

168.8. we will use cultural and artistic opportunities to maintain stronger ties with the Diaspora, the Lithuanians living abroad, and their closer involvement in the cultural life of the country and the global Lithuania.

## **SECTION FOUR**

### **SPORTS AND PHYSICAL ACTIVITY**

169. We will seek to take the physical culture and sports policy to a higher level so as to ensure the consistency and ambitiousness of the formation and implementation of the national policy of physical culture and sports.

170. For the purpose of the systematic reform in the funding of physical culture and sports, we will establish and implement a comprehensive system of the criteria for the general funding of physical culture and sports (from all the sources, including those redistributed through the state budget, as well as those received through tax benefits).

171. We will encourage the national sports (branches) federations to introduce the principles of good governance, to confront more effectively the current sports-related threats (doping, corruption, match-fixing), while also increasing the autonomy, transparency and efficiency of these organizations.

172. We will promote the competitiveness of the national sports (disciplines) federations through the effective sports funding eligibility criteria and the programming methods of budget allocation. High-performance sports development programmes of the national sports (disciplines) federations, which are related to the physical training and participation in competitions, as well as to the national championships of different age groups, will be funded from the state budget on the basis of publicly available clear and transparent funding criteria that have been agreed with the national sports (disciplines) federations. This will reflect in the recast Law on Physical Education and Sports, and the required appropriations will be provided for in the state budget.

173. The organised physical education and sports activities of persons with disabilities will be treated as the physical education and sports but not as the social integration of persons with disabilities. To this end, we will establish and implement the common system of funding from all

sources for the physical education and sports of persons with disabilities as an integral part of the overall system of physical education and sports.

174. We will draft a Law on Physical Education and Sports Support Fund to respond to today's challenge – we will only fund from the Physical Education and Sports Support Fund the acquisition of sports inventory and equipment, as well as the projects promoting physical activity in the population.

175. We will review the physical education curriculum to make it more attractive and up-to-date. Physical Education classes will provide information on as many disciplines of sports as possible, enabling students to opt for the one that suits best to their needs, interests and physical abilities.

176. We will draft a legal act on general guidelines for the development of swimming skills in children and the arrangement of the process in Lithuania. While seeking to ensure the continuing funding of children's swimming exercises, we will annually develop the initial skills of swimming and safe behaviour in and at the water in the second grade children.

177. To ensure the balanced development of sports infrastructure in the country, we will develop sports infrastructure in accordance with the set criteria – we will work out a project providing for eligibility criteria and relevant values for investment projects in the field of sports. Furthermore, we will develop an effective system to directly stimulate public-private partnership investment in the areas of sports and healthy lifestyle as well as the infrastructure.

178. We will have programmes and projects for the most vulnerable target groups: persons with disabilities, senior citizens, ethnic minorities and others. This will be done in consideration of the existing significant differences in physical and sporting activities between different socio-economic and cultural groups.

## **CHAPTER IV**

### **HARMONIOUS ECONOMY AND FINANCES**

179. The coalition is the supporter of the social market economy. This type of an economy has no place for usury and monopolization nor for the depletion of human and natural resources. The development of both the material and financial as well as human, social and cultural capital is the overall concern of the entire population, social organizations and public authorities. Public and commercial finances should be managed and supervised efficiently and responsibly, taking into account the long-term interests of the state and the specific financial risks arising for both the people and the entire country. Therefore, this area should employ professionals of excellence who would not fall subject to the pressure of political and business groups.

180. The GDP and the total public sector revenues have been growing lately, but it is highly probable that the economic development is too slow, and the economic structure and the public governance itself is not appropriate to achieve a rapid rise in incomes and bring down social exclusion and the desire to emigrate. Many other indicators that define the quality of life in Lithuania are not good either. All this may mean that Lithuania has been caught in a mid-income trap where the state has already exhausted its economic potential, and further development and investments are impossible without a determined effort to reform the public governance, public investment and education policy.

181. We have identified these fundamental problems which have a negative impact on the sustainable and harmonious economic development, financial stability and well-being of all its citizens:

181.1. uncompetitive educational system. Both standardized competence surveys of Lithuania's high schools, as well as international rankings of higher education schools show that we are far behind the EU average in this regard. The inadequate system of education and science undermines the economic and social potential of the state and its global competitiveness, while preventing the economy from innovating and adjusting to global and regional challenges, as well as developing high value-added products and services for export, and contributing to the maturity of the civil society; besides, it encourages emigration;

181.2. the fastest declining population in the EU reduces the potential of economic development and the attractiveness of the country in terms of investments, at the same time increasing infrastructure maintenance costs per capita. This leads to low pensions, which will not see a significant increase through the restructuring of the pension scheme alone, necessary as it is;

181.3. the big social and economic exclusion, along with social tensions, leads to a sluggish and non-inclusive economic development. This, as a result, negatively impacts businesses, as the purchasing power of the people remains low and staff expertise is often insufficient. This risk has been identified by the international institutions, such as the World Bank, the Organisation for the Economic Co-operation and Development, etc.;

181.4. the systems of policy, education, trade unions and business associations are inefficient and fragmented. The politics is dominated by short-term, group interests that have nothing to do with the long-term national economic and social development needs and interests of the citizens. The significant fragmentation of other systems prevents an effective social dialogue and co-operation, as well as a stable and sustainable economic growth;

181.5. export-import imbalance. Lithuania's economic model is a small open economy, which means that there is a direct relation between the domestic economic growth and the volume of foreign trade. However, Lithuania's foreign trade balance has been in deficit since the beginning of independence (e.g. in 2015, exports accounted for 90 % of the imports). The promotion of the export of Lithuanian goods and services (without prejudice to the EU state aid requirements) would reduce or eliminate the foreign trade deficit and strengthen the domestic market. It is notable that Lithuania's export potential lies in the policy of the promotion of partnership between information and communication technologies, science and business, as well as the successful functioning of the sector of public infrastructure and logistics, work and energy efficiency projects, development and support of the infrastructure that would be attractive for foreign direct investment.

182. The governmental approach to the economy is based on the principles of professionalism, comprehensiveness and complexity, focusing primarily on the reforming of the above-mentioned areas to reverse the current negative trends. This is the only way for the economic and fiscal levers and decisions to have a substantial positive impact on a long-term and sustainable development of our economy.

183. The coalition's approach to Lithuania's economy and financial management is based on the four priority provisions that are in balance and in tune with each other and with the other programme areas: the promotion of innovations and initiatives, the sustainable and inclusive development, the active and comprehensive consumer protection, and the responsible management of public finances.

184. In pursuance of the principal provisions for economic development, we will make every effort to ensure the efficient governance of macro economy. The 2009-2010 economic recession in Lithuania, which was caused, apart from the global factors, by an irresponsible management of public finances and the lack of the supervision of commercial banks, has left deep

scars across the country: a new wave of emigration, depreciated property, three-fold public debt and its servicing costs. Eight years on, its causes and lessons have not yet been formally recognised nor properly assessed. Therefore, there is still a risk that our country will not be adequately prepared to confront another global or regional crisis, which may have dramatic consequences for the entire state. To prevent this from happening:

184.1. we will bring to completion the analysis on the economic crisis in Lithuania and publish its findings. Incidental studies have been carried out by both the Seimas Committee on Budget and Finance, as well as its Swedish counterpart, but neither their status nor the findings have had any major impact on the systemic political assessments and decisions in Lithuania;

184.2. we will set up an international economic advisory council. This council will help the Government to properly assess the global economic trends and threats, to develop the most appropriate strategy to oversee economic and financial sectors, and to adopt the best practice abroad;

184.3. we will simplify business regulation as well as its supervision. We will immediately address issues of concern for businesses, such as vaguely regulated procedures for corporate reorganization and closure, including corporate insolvency, bankruptcy, and other issues;

184.4. we will strive to grasp all Lithuania's potential for the participation in the current fourth industrial revolution that has just started in the Western world. We will seek to direct the potential of education, science, industry and civic society towards the participation in the global smart and sustainable production that includes consumer-oriented industry, the development of the Internet of Things, the development of biological, electronic and mechanical means for joining cyber-physical systems, which builds public awareness and responsible approach to human footprint.

## **SECTION ONE**

### **INOVATIONS AND INITIATIVES IN ECONOMY**

185. Innovations do not necessarily mean new scientific inventions and their practical application in business, as it is often commonly believed. This may involve a different application of already known scientific achievements and business solutions. Innovations may be related with the systems of technologies, processes, business models, management, marketing, customer relations, etc. The creation of a favourable environment for innovation necessitates an efficient interaction between education, science, government and business. This is still in high deficit in Lithuania so far.

186. Other conditions required for innovations and initiatives is a creative working environment, interdisciplinary communication, risk appetite and its measured tolerance, and the diversity of funding sources. And obviously an energetic, educated individual.

187. Our common objective in the field of innovations is the development of a programme for investment in human and social, not just in physical capital. This will enable the creation of much better preconditions for innovations and business initiatives than they are now. At the same time, it is important to emphasize that the financing of innovations and business initiatives in general should be linked to intermediate results and incentives.

188. To promote innovations and initiatives in the economy, we will work in the following directions:

188.1. we will create in Lithuania a solid legal regulation for the system of research, development and innovations (hereinafter referred to as the RDI);

188.2. we will streamline RDI institutional framework;

188.3. we will ensure an efficient use of RDI infrastructure;

188.4. we will implement an integrated programme for business talent development and attracting to Lithuania;

188.5. we will mediate in the development of the co-operation between business and science;

188.6. we will build an efficient and diversified scheme for the promotion of innovations;

188.7. we will improve conditions for foreign direct investment, and combine this with the efforts to bring back our compatriots;

188.8. we will disseminate the experience and knowledge of innovations applied in conventional industries and in small and medium business.

### **Avant-garde legal framework for science, technology and innovations**

189. By country performance in innovations, Lithuania is listed the fourth from the end in the European Innovation Scoreboard, and despite reaching the EU average of public investment in science and technology, the economic impact of innovations in Lithuania is the lowest in the EU. According to international experts organizations, small countries have no other choice than a breakthrough in this field through state leadership and a clearly commissioned institution.

190. One of the five ambitious objectives of the EU's strategy for growth and jobs 'Europe 2020' is to ensure that at least 3 % of the EU's GDP is invested into RDI: ES BVP. The current rate is 2.1 %, and according to the Lithuanian Statistics 2015, it is more than two times higher than the

RDI allocation (GDP) in Lithuania's national budget(1.01 %). The largest gap between our country and the EU Member States is in the business sector. Despite a marked increase in 2015 (0.06 % of the overall Lithuania's GDP), the corporate RDI spending (0.3 % of the GDP in Lithuania), is still four times less than the EU average (1.29 %). Furthermore, only 6 % of companies operating in Lithuania are involved in RDI, which is the worst result in the EU. To increase corporate investment in RDI activities, it is necessary to take into account key factors that encourage RDI spending across the private sector. According to international experts, the main factor driving companies to carry out RDI activities is the accessibility of highly skilled and experienced researchers.

191. To establish an international cluster for research, studies and knowledge economy and to accelerate the development of the knowledge society in Lithuania, programmes for the development of RDI infrastructure and integrated science, study and business centres, the so-called valleys have been implemented since 2007, which have been allocated in total almost 456 million euros. Today Lithuania has five valleys of science, ten science and technology parks and twenty five open access centres (OAC). However, the valleys are at their final stage of completion, and the tangible benefits generated from OAC in 2014 were slightly more than 2.8 million euros. The maintenance costs of the existing RDI infrastructure are high, and we will need investment to upgrade it in the future. To ensure that the infrastructure pays off and helps developing innovative products and attracting foreign investment requiring high intellectual potential, we need an increased interest from business in scientific services.

192. The recent studies and recommendations provided by Lithuanian experts and notably experts from international organizations, such as the OECD, the European Commission, the European Science Foundation and others, clearly point out the necessity for major changes in Lithuania's Policy for Science, Technology and Innovation (hereinafter referred to as the STI). Therefore, we will make efforts to do the following in the area of Lithuania's RDI policy:

192.1. we will strengthen the interaction between the legislators, political decision-makers, policy makers, STI communities and the general public with a view for the Lithuanian investment in RDI, as well as the share of high technologies of the GDP to catch up with the EU average;

192.2. we will promote the understanding among the political decision-makers, businesses and the general public about the benefits and the place of RDI in the modern world, and Lithuania's possibilities and potential challenges;

192.3. we will implement European Commission's Recommendations on RDI policy in Lithuania. The Recommendations provide an overview of RDI status in Lithuania, as well as proposals as regards measures related to specific EU funding to improve the situation. Lithuania's

complicated situation and irresponsible approach to this field is best illustrated by the same content of the Recommendations over many years;

192.4. we will seek to agree for the new EU financial assistance period post-2020 to make RDI allocations adequate to meet the ambitious development objectives;

192.5. having regard to the complex RDI interrelation with all the branches of the economy, we will seek to ensure that the formation of the legislative environment and political decision-making is based on the extensive analysis of the horizontal effect of higher education, and the transfer of research and technology on all the areas of public life;

192.6. we will seek that a single public institution established on the basis of the Europe-wide typical institutional model of a governmental council for science, technology and innovation, brings together all the strategic capabilities and functions in the field of STI policy-making. We will pursue this objectives while bearing in mind the limited public resources and considerably low public governance capacities demonstrated up-to-now in the field of science. The functions of the above-mentioned umbrella institution would include the monitoring, analysis, projective planning and independent expertise of the implementation of the STI policy, and the assessment and coordination of the STI system and the STI activities, STI priority setting, the formation of strategic state orders in the field of STI (large pre-commercial procurement) formation, and the adoption of strategic decisions, including those regarding changes in the system itself. It is only this institution that has its status and main functions legally regulated can operate effectively in making strategic decisions and policy coordination in the relevant field;

192.7. we will review the STI-related public governance structure, focusing in the first place on the issues of the responsibility for this field. We will seek to eradicate the vicious practice, where the responsibility for the STI in Lithuania is divided between the Ministry of Education and Science and the Ministry of Economy, without clear definition of the competencies – the field of technologies (development) is assigned to the Ministry of Education and Science, though policy measures – support for business initiatives – are developed and implemented by the Ministry of Economy. We will seek to formalise the responsibility for the issues related to fundamental research to continue as part of the competence of the Ministry of Education and Science, while the Ministry of Economy will have under its responsibility the issues of support for actual development of new products as well as marketing issues;

192.8. we will get ready for the fourth industrial revolution, and together with industry, academic and government representatives to coordinate industrial policy guidelines and measures (particularly with regard to R&D, human resources and funding possibilities), to draw up, together with industries, sectoral industrial support programmes that retain and create additional competitive



advantage through digital technology application in industries, to focus state aid and strategies on strategic industrial ecosystems – in the industries of biotechnologies, photonics, robotics, aerospace, renewable energy and engineering;

192.9. we will strengthen country's cyber security infrastructure. We will pool the ICT and innovations competences together in the hands of one ministry, thus authorising it to serve as a single institution responsible for shaping ICT and digitization policy and strategic management of the state IT sector, and the development of innovative e-services. The unanimously and strategically run state information technology sector would help bringing down public expenditure, develop innovative e-services, which, apart from yielding a direct benefit to the Lithuanian population, might be successfully exported by businesses in cooperation with the authorities;

192.10. we will promote the development and exports of digital innovation services and products and financial technologies for faster economic growth, while addressing global social problems through a coordinated policy which would encourage investment in digital technologies and knowledge-based capital.

### **Investment-friendly climate**

193. Despite Lithuania's high international ratings in economic competitiveness and attractiveness for investment, our country is still behind even its closest neighbours in terms of FDI and domestic investment. The cheerful signs of the recently growing investments by world's biggest multinationals and a partial business relocation in Lithuania conceal a potential problem. This is related to the fact that these are, in most part, soft investments, which means that businesses tend to relocate only those processes and services that do not require large investments and can easily be relocated from one country to another which can offer more competitive labour costs and a more favourable tax environment.

194. This year, we have witnessed the phenomenon of a number of major international corporations moving away their manufacturing units that had operated in Lithuania for many years, and large Lithuanian companies choosing to invest and develop production capacities in high-cost countries. It is likely that the growing labour costs and the stagnating regulatory and fiscal environment may just confirm the trend.

195. Having regard to this international trend, we raise ambitious long-term objectives of attracting international and domestic investments, which involve both active efforts with international and local investors, as well as the improvement of fiscal and labour market regulations, and we will make all the efforts to achieve the following:

195.1. we will formalise the attraction and retention of foreign direct investment as a state priority and do our best to become one of the most competitive countries in the region as regards investment and business environment.

195.2. we will continue the efforts aimed at attracting foreign direct investment in Lithuania. We are convinced that the promotion of the Western work culture will greatly contribute to advancing social cohesion in Lithuania;

195.3. we will seek that the clarity and transparency continue as key principles in fiscal policy. The entry into force of legal amendments will follow the “two dates” rule, and the efforts will be made to have at least 6 months between the publication of the amendment and its entry into force. We will strengthen our efforts to promote Lithuania and its individual regions and municipalities globally as an investment destination;

195.4. we will focus on civil service quality, particularly in those areas that may have an effect on investors’ decision on choosing Lithuania as their business destination;

195.5. we will pay due attention to the development of the regulation of employment relations. We will seek a consistent and the most competitive regulation in Eastern and Central Europe, while ensuring proper safeguarding of workers’ rights;

195.6. we will promote the development of innovations in conventional industries and in small and medium business, as well as best practice and knowledge exchanges;

195.7. we will promote economic ties with the Diaspora. Following the example of Ireland, South Korea and Singapore, we will strengthen emigrants’ interest in returning to Lithuania to work and invest, and sell Lithuanian-origin goods and services across the globe;

195.8. we will implement youth employment guarantees, covering the fields of employment promotion, learning, etc.;

195.9. we will support start-up programmes, promote youth business ideas, provide for preferential start-up conditions through a start-up counselling and loan package. We will seek to bring down taxes for the first year of business and thus encourage entrepreneurship and transparent beginning of business;

195.10. in order to attract young, educated and motivated professionals, a public sector pay will be increased to a competitive level;

195.11. we will set up an agency responsible for attracting talent to Lithuania. Today, we have up to a million people of Lithuanian descent living abroad. Young people leave the country for studies, they graduate world’s top universities, work for international companies and build their lives abroad. Although Lithuania experiences a great shortage of professionals, there is no as yet a long-term strategic approach to the job supply and the attraction of the emigrated talent. The

country has only a few isolated initiatives or a few more active companies that look for new recruits outside the country, once they have failed to do that in Lithuania. However, there is not any organization that would be directly responsible for ensuring the continuous supply of high-skilled employees for the labour market and the retention of professionals. It is therefore proposed to set up an individual agency for the development of a strategy for talent attraction to Lithuania and the related activities;

195.12. we will enhance the efficiency of the services provided by the public sector through their digitization and optimisation: we will draw up an inter-institutional action plan for the application of the information block-chain technology in public services (e.g. for the consolidation of registers, more efficient administrative services and financial crime prevention). We will apply LEAN Government methodology across all the public services at horizontal level. We will apply this methodology primarily for the most relevant procedures in production investments: land-use procedures, preparation of territorial planning documents, environmental protection procedures, organising the process of construction and engineering infrastructure, licensing of different production processes;

195.13. we will provide for rapid procedures of the establishment and operation of foreign business. We will implement the regulation of the e-resident status, which would not require personal appearance in Lithuania for the purpose of the establishment and running a business. We will provide for an easier and faster procedure for foreign nationals to purchase company shares. We will recognize international (e.g. *eSign*) electronic signatures for the purpose of receiving e-services in Lithuania. We will provide for a possibility of publishing all the existing and draft legislation, as well as public sector information (EU calls for proposals, service descriptions) in at least one foreign (English) language;

195.14. we will promote the development of local businesses set to produce for export;

195.15. we will set up a foreign communications coordination council consisting of stake holders, external experts and contracted employees. This council would work on Lithuania-promoting information, increase foreign media's interest in Lithuania, train Lithuania's representatives for the media, carry out communication campaigns in target markets, coordinate institutional actions, carry out monitoring of foreign media, and carry out image studies.

196. We will provide for a flexible regulation for building a factory and an advanced procedure for the settlement of an investor:

196.1. we will optimize the duration of an environmental impact assessment of the planned economic operations and 40 % of the administrative burden for large investment projects;

196.2. we will simplify the procedure for issuing construction permits in the territories of industrial and warehouse facilities;

196.3. we will simplify the procedure for industrial user's connection to the networks of electricity, water, heat and gas;

196.4. we will seek to implement a risk-based control model in construction in all the processes of construction and infrastructure installation;

196.5. we will reduce the number of building technical regulations and an excessive regulatory scope therein (after the British example);

196.6. we will digitize all construction management processes in a single information system (among other things, we will expand the functions of Infostatyba as regards the planning of engineering networks and developing of land management projects).

### **Development of information society**

197. Economic growth is not possible without high-tech orientation, just like Lithuania's future is unthinkable without advanced information and communication technologies. An effective science and technology development policy accelerating technological progress, favourable conditions for developing new innovative technologies, cooperation promotion between science and business, and the introduction of advanced information and communication technology solutions across various economic and public administration sectors represent the most pressing priorities, therefore:

197.1. we will develop a modern and uniform information society development policy covering the development of information society, state information resources, data protection and cyber security. We will improve the state information resources management and governance processes at the state level, as well as the institutional framework;

197.2. we will strengthen the coordination of the implementation of the inter-institutional information society development policy aimed at consistently increasing Lithuanian population's digital literacy, the content of e-public services and the development of the infrastructure of information and communication technologies;

197.3. we will further improve inter-institutional cooperation in the field of cyber security by ensuring the security of critical information and communication technology infrastructure and electronic information, as well as by raising public awareness about the importance of staying safe in the cyberspace;

197.4. we will develop and introduce digital products of the Lithuanian language and the heritage, thus ensuring the full functioning of the Lithuanian language (written and spoken) in all aspects of the information society, we will support the digitization of cultural, linguistic and historic heritage;

197.5. we will seek that the allocation of funds for the development of information society is reasonable and the introduction of information and communication technology solutions and undertaken information systems development projects have a clear project justification and generate added value, and that the existing infrastructure of information systems, registers, information and communication technologies, etc. is effectively used.

197.6. we will create an open, centralized and transparent system for measuring and publicizing the costs of the information and communication technologies born by the public sector, which would enable controlling and communicating information on public funding for information and communication technologies, its planned allocation and actual use by public functions and appropriations managers and the purpose of funding, also specifying annual funds planned and actually used for information and communication technologies, and justifying the mismatch, if it exists;

197.7. we will ensure that the state-owned companies providing commercial services include in their cost of services the cost of information and communication technologies to prevent the distortion of the market in the case where the cost is calculated by excluding some of the costs incurred;

197.8. we will continue the consolidation of the infrastructure of state information resources, define progress measurement indicators, implement a model of centralized data centres, also by integrating the national communications and data networks to ensure high reliability and the accessibility of information resources and the reliable and secure delivery of e-public services;

197.9. we will open up public information resources, thus facilitating the access also for the private sector to the state information resources with a view to developing new innovative services;

197.10. we will continue expanding electronic public services by developing the system of services of the interoperability platform of state information resources, implementing and promoting the use of the services of official e-document exchange between the state and individuals, while ensuring that all public-sector e-services are centrally, conveniently, quickly and easily accessible , with a possibility for on-line consultations;

197.11. we will nationally and internationally reduce barriers for the compatibility and interoperability of electronic public services and increase the access to these services. To this end,

we will follow the international and EU standards for the development and delivery of electronic public services;

197.12. we will continue bringing public and administrative services on line, ensure the complex restructuring of service delivery processes based on user satisfaction and the convenience of electronic services and their attractiveness to the user, and we will make cross-border efforts to develop access to e-services across the EU;

197.13. we will see to it that the state and municipal institutions and companies exchange written document-equivalent e-documents through centralized solutions;

197.14. to promote the use of the open source software in state and municipal institutions, we will carry out a detailed risk and cost-benefit analysis, and we will assess possibilities of building infrastructure for reliable open-source software servicing. We will promote cooperation between science, business and public institutions in building an open source software servicing infrastructure. We will increase, through education and media means, consumer awareness of the open source software and the reliable servicing infrastructure;

197.15. we will take decisions on the further advancement of the infrastructure of the state-created electronic signature and its use with consideration to the infrastructure support costs, as well as the EU non-discrimination principles in the single market of trust services;

197.16. we will create favourable conditions for the competitiveness of the Lithuanian ICT sector in the local and foreign markets, encourage state, business and science cooperation, provide funding to the development of innovations relevant to local and international markets;

197.17. we will seek to provide for transparent and fair conditions for the cooperation between the private information and communications technology business and the public sector in the development of electronic public services and innovative information and communication technology products;

197.18. we will facilitate access for all the students of educational institutions to broadband Internet and modern information technology-based training tools with a view to train professionals that meet the needs of the market and public administration, who would be able to create innovative information and communication technology products and services;

197.19. we will ensure that Lithuania reaches the main objectives provided for in the Digital Agenda for Europe 2010-2020 so that the Lithuanian population could and would actively use information and communication technologies, and that the e-divide is reduced, and that the investment in the development of information society, data protection and cyber security is more effective.



## **SECTION TWO**

### **SUSTAINABLE AND INCLUSIVE DEVELOPMENT**

198. The concept of sustainable and inclusive development includes the principles of justice, equal opportunities, dignified working conditions and environmentally friendly economic activity. Equal opportunities mean ensuring access to markets and resources for businesses and people, and an impartial and competent regulation. At the same time, the most important prerequisite for sustainable and inclusive development is the social responsibility, i.e. the awareness among businesses that they can markedly contribute to shaping public micro-climate, and so, apart from profit pursuit, the long-term and sustainable business will not only have to comply with the law but also to adhere to moral principles, ethical standards, seek social goals that extend beyond the legal norms, such as a healthier and friendlier society, a more favourable environment and happier employees.

199. Failure to comply with these principles lead to the unsustainable development due to emerging social and political tensions, potential conflicts and the depletion of natural resources . Unfortunately, based on international agencies' estimates, Lithuania until now has neither created favourable conditions, nor it has developed sufficient competences to ensure sustainable and inclusive growth.

200. The focus of the sustainable and inclusive development is not only a economic entity but also a human being with his needs. Its purpose is building a competitive economy that embraces all the layers of the population, and reducing poverty and other types of multifaceted exclusion. Sustainable development and the reduction of poverty and exclusion are possible where development sources vary and include as many as possible of the working population.

201. To implement this provision, we will work in the following key areas:

201.1. we will effectively engage the population in the labour market;

201.2. we will promote the creation of competitive jobs, particularly in remote areas of the country, further away from large cities;

201.3. we will promote corporate social responsibility.

#### **Accessible employment services and inclusive labour market**

202. The effective inclusion of the population into the labour market acts as an effective alternative to income redistribution. However, it is not only the fact of employment that matters, but also the income and the growth of labour productivity. Having considered the long-term trends of



declining foreign direct investments in the Central and Eastern European region, which are basically considered due to the pay growth, we believe that competing in low-pay labour is no longer viable, therefore we hold the creation of high added value jobs as our priority.

203. The key sources of the sustainable and inclusive development are mostly related to the play of market forces, the Government acts as a coordinator and regulator in this process. Not only does the State have to recognize that the major reason behind the high unemployment, low regional employment and therefore the emigration is low pay, low interest of entrepreneurs to create new jobs, a possibility for the long-term unemployed to subsist on social benefits, but also to take appropriate actions in this regard. In this effort, we will reorganize the employment services and their availability and effectively engage the population in the labour market:

203.1. we will modernize the Labour Code, adjusting it to present needs and challenges, while trying to keep the interests of employees and employers in balance. We stand for the liberalization of the Labour Code but we do not consider it an essential precondition for harmonious labour relations. On the labour relations, we will focus not only on the flexibility of an individual employee and his adjustment to the needs of the employer, but also on the security of employees, collective agreements and the corporate social responsibility (*flex-security* principle). We will increase employees' bargaining powers and their social security. We will implement the national agreement on pay increase;

203.2. together with the local businesses and municipal representatives, we will seek to work out regulatory, tax and other measures to increase personal income for the population in the regions. They should include a variety of support forms for those starting a new businesses and creating new jobs, having regard to the regions to be invested.

203.3. we will make more efforts to involve municipalities in reducing unemployment and increasing employment by linking financial incentives to the trends of municipal economic indicators;

203.4. we will use the municipal potential to deal with the abuse of social benefits, while at the same time ensuring adequate social support. In this regard, we will make use of the existing excellent municipal results and best practices in monitoring social assistance recipients at the national level. At the same time, it is important to ensure that municipalities are interested in implementing this task, therefore we will stipulate that the largest share of the funds saved in relation to the termination of social benefit payment to non-eligible beneficiaries (e.g. those earning their living informally) should remain in the municipal budget and be municipally disposable for redistribution at a municipal discretion for social policy pursuits. However, the rapid decline in municipal social spending and the saving of the earmarked allocations, a number of the

disadvantaged do not receive municipal support due to the centrally set criteria for state social support. The municipalities must be provided with sufficient legal powers to support poor families and individuals depending on the specific local circumstances and individual cases;

203.5. we will develop public work system, and we will invite the involvement of private businesses, non-governmental sector and local communities. We will formalise at the national level the common practice of 'work for social services', so that the individuals doing this type of work would get legal protection and social security coverage. A noble ambition of integrating socially supported people into the economic life does not have to be implemented at the boundary of the shadow economy, i.e. when work is performed under unregulated working conditions, with no social coverage. We are convinced that the state's cooperation with the private sector may lead to offering a better-paid job to meet the qualifications of the unemployed individual. Such cooperation would be fully beneficial: the unemployed would have a wider choice of employment, more opportunities to enter the workforce and maintain the skills, the business would get an additional possibility of hiring temporary employees, the state would collect more taxes and would save more for unemployment benefits, let alone the advantage for the whole society from the prevention of the long-term unemployment and the related problems;

203.6. we will promote the awareness of the importance of corporate social responsibility. We will invite employers and businesses to contribute to the improvement of the social and physical environment immediate to their business, we will promote employers' understanding as regards employees' well-being, particularly in relation to daily problems, such as an informal pressure on employees not to take their time off when sick;

203.7. we will take measures to increase the efficiency of the Lithuanian Labour Exchange and we will develop the system of assessment of this institution, the monitoring of the efficiency of the allocated funds, while concentrating not intermediate outcomes (like the number of the unemployed trained, consultations provided), but the final result (e.g. the number of those that have got a job following the application of the active labour market measures). The Lithuanian Labour Exchange must be more active both in reducing unemployment as well as in improving the employment indicators in the target territory. There should be measures aimed at the economic activity of the older or retired people, and to foster entrepreneurship. The current performance indicators of the Lithuanian Labour Exchange where about one third of the funding goes to administration, raises reasonable doubt as to the expediency of the use of funds;

203.8. we will strengthen social dialogue and cooperation in the Tripartite Council and other forums by strengthening the powers of trade unions and promoting the consolidation processes of

business associations. Together, we will support efforts to strengthen trade union expertise and capacities to represent employees' interests.

### **Competitive jobs: a prerequisite for economic recovery**

204. We are convinced that a convenient and developed infrastructure and high-quality social services alone will not suffice for the motivation of the people to live, work and create in the regions. We need strong material incentives in order to attract young, enterprising or eager to work people to live in the regions that face serious economic, social and demographic challenges. Thus:

204.1. we will create new and strengthen the existing incentives to live and work in the regions;

204.2. we will promote the creation and operation of quasi-governmental regional partnership bodies that can be more effective in carrying out some of the tasks of the central authority, while building on the potential of the previous municipal business support centres. The bodies that bring together local and regional authorities, local businesses and their organizations, public institutions in charge of attracting investment in Lithuania (Invest Lithuania, Enterprise Lithuania), as well as other local partners have greater opportunities to represent the specific needs of the region at the national level and abroad, therefore it is necessary to foster their harmonious interaction with local governments, businesses, creative industries, and the non-governmental sector;

204.3. through the implementation of regional development initiatives, we will ensure adequate access to financial support instruments as well as a greater local and regional autonomy in implementing their development strategies;

204.4. we will ensure the efficient use of EU investment for the sustainable regional development. Even though the assistance from the current EU financial period (2014-2020) has already been planned for the entire term in office of this Seimas (2016-2020), however the mid-term review of the EU financial period (2017-2018) provides for a possibility of evaluating the achievements and specifying measures and objectives without prejudice to the requirements set out in EU regulations. We will discuss in detail with all the economic and social partners the review of the current EU financial period and we will define in the priorities of the new EU financial period (post 2020) European investment in projects in Lithuania promoting jobs and value-added growth in the regions;

204.5. we will support the creation and development of environmentally friendly and resource-efficient industry increasing the volume of exports. At national level, we will clearly state

our ambition to develop in Lithuania environmentally friendly and forward-looking production, building on the opportunities offered across the Lithuanian regions, and we will promote business engaged in its development;

204.6. we will focus on the development of the services of world's rapidly expanding renewable energy industry in Lithuania. We will support the introduction of renewable energy solutions at the municipal and county levels, promote local and international business investments both in renewable energy development in Lithuania, as well as in the production of the equipment of renewable energy (solar, wind turbines, biomass preparation and combustion, etc.), the relevant industrial and scientific research, and the development of a sustainable export-oriented long-term growth potential;

204.7. we will improve the legal framework, cut the red tape in the field of small-scale energy. We need to attain that the municipalities and subsequently the regions would gain real power to address important problems of energy security, make use of the interest and the potential of small and medium local businesses to develop solar, wind and other sustainable renewable energy. We will have a very cautious approach to intentions to develop the hydro-power in our rivers, in strict compliance with EU legislation on river basin management and habitats, with a view to preventing a negative impact on ecosystems;

204.8. we will review the state aid rules with a view to creating more opportunities to help the development of economic activities of national relevance. Opportunities for the state aid for businesses are strictly regulated by EU law, and we will adhere to the requirements when looking for regulatory and financial solutions to facilitate business start-ups in stagnating regions;

204.9. we will promote the dissemination of information in Lithuania's regions on EU support and the support provided by other financial mechanisms for business development, we will strengthen administrative capacities across the public and the private sectors to profit from this information.

### **SECTION THREE**

#### **ACTIVE AND COMPLETE PROTECTION OF CONSUMERS**

205. The system for the protection of the consumers' rights in Lithuania is not sufficiently effective or systematic. Therefore, it is necessary to strengthen the competencies, powers and financing of both governmental as well as non-governmental organizations in the effort of a more comprehensive protection of consumers' rights, following the asymmetric adversarial (the bank and

its client are not equal adversarial parties) and the precedent (the violation of one consumer's rights is regarded as the precedent in the following analogous cases) principles.

206. The protection of consumers' rights should take as the reference point the consumer protection principles in the European Union, as laid down by the European Commission: the rules "Buy what you want, where you want", "If it doesn't work, send it back", "Know what you are eating", the prohibition to mislead consumers, high food product safety standards, consumer's right to change their mind, making it easier to compare prices, the requirement that contracts should be fair to consumers.

207. These principles alone are insufficient for an adequate protection of consumers' rights in the economic and information medium with abundant manipulation and fraud, particularly in the fields of food, pharmaceuticals, advertising, marketing of alcohol and tobacco products, finance, etc. The protection of financial service consumers in the field of housing loans is insufficient, and according to the authors of the study completed under the commission of the European Parliament, this had contributed to the economic downturn in five EU Member States, including Lithuania.

208. To protect consumers and ensure a more sustainable economic development, we will do the following:

208.1. we will strengthen the competencies of the consumer protection authorities and expand their powers;

208.2. we will carry out an active and systematic supervision of financial services, we will restrict transferring of financial risk on the population, particularly in the case of housing loans;

208.3. we will organise the management of state capital-utility companies on the basis of the principles of the least cost and public benefit;

208.4. we will ensure an effective public awareness of genetically modified organisms used in the food production. Along with the currently existing genetically modified food labelling system, we will introduce a requirement to inform consumers in those cases where genetically modified organisms were used at any particular stage of the food chain. This is how we will solve the issue of consumer's right to know about the composition of a purchased product, which has resulted due to the absence of scientifically grounded system for the assessment of the risk of the consumption of genetically modified organisms;

208.5. we shall reduce the permissible concentration in the retail market, and we will encourage the appearance of alternative trade channels in pharmaceuticals.

## **SECTION FOUR**

### **RESPONSIBLE MANAGEMENT OF PUBLIC FINANCES**

### **Transparent public finances policy**

209. Lithuania is going through an identity crisis in public finances, which means that the state finances many different areas, while its collection of revenues and the distribution is the lowest in the EU (less than 30 % of Lithuania's GDP). This encourages corruption in the public sector and in the labour market, as well as social exclusion and inequality, while preventing the quality in public services and reducing country's competitiveness and attractiveness to both investors and the local population. Besides, it is one of the reasons for the continuous government deficit, resulting in higher than 40 % of the GDP general government debt, while its largest share of 74 % is financed by foreign entities.

210. In order to reform the public finance system and its management, we will work in the following directions:

210.1. we will restructure tax and pension systems and improve their management;

210.2. we will raise the efficiency of the utilization of EU funds and reduce the financial dependence on EU support;

210.3. we will streamline public spending and apply a cost-benefit analysis for the evaluation of investments;

210.4. we will improve the model of the public-private partnership;

210.5. we will increase municipal financial autonomy, while strengthening the competent and unbiased political and financial oversight;

210.6. as the underlying principle of the financial policy will be its consistency and transparency and the refusal to take any sudden financial and tax policy changes;

210.7. we will see to it that the budget is result-oriented, i.e. that the budgetary funds are disbursed to reflect the priorities of the Government which need to be linked with the results and the allocations;

210.8. to ensure fiscal discipline, we will strengthen the mid-term budgetary framework, while focusing particularly on the compliance with the mid-term fiscal indicators;

210.9. we will ensure responsible management of public finances oriented to long-term financial sustainability;

210.10. we will assess the need to strengthen Lithuania's fiscal framework, while seeking for a wide consensus among institutions and politicians on this issue;

210.11. to meet the principles for independent fiscal authorities as set by the Organisation for Economic Cooperation and Development, and in consideration of the best practices of other EU

Member States, we will review the legislation governing the independent monitoring of fiscal discipline.

### **A simpler and fairer tax policy**

211. As regards the Lithuanian tax system, it should be noted that the country is suffering not because of low tax rates but because of various exceptions and the rampant black economy. The tax system, including the State Social Insurance Fund, demonstrated both progressive as well as regressive elements, and the system is not structurally solid and consistent. Proposals to reform the taxation system are based on the fundamental principles of fairness, efficiency, transparency and administrative simplicity.

212. In view of the fact that that the taxes paid by both employees as well as employers are mandatory and make an integral part of the job and wage costs, and that the largest progressiveness is currently observed in the state social insurance pension system, and that the personal income tax represents the small share of the tax burden set for the earnings, and that it is necessary to reduce the preconditions for the 'envelope' arrangements, to increase transparency of the system and the incentives to pay taxes and to clarify the tax and social security principles, we will seek to make the tax system simpler, more transparent and clearer:

212.1. we will analyse the expediency for combining taxes paid by both the employer and the employee, thus making payroll taxing clearer, more transparent, easier to administer and motivating to work legally and to reduce the shadow economy. Other alternatives to achieve these goals will also be considered;

212.2. we will assess possibilities of indexation of tax allowances applicable for the calculation of personal taxes;

212.3. we will review personal income tax deductions from the point of view of social justice and efficiency. Deductions of the tax that reduces personal income will be applicable only in economically and socially justified cases, e.g. contributions to accumulative pension funds or student financial contributions.

213. We will implement tax policy clarification measures:

213.1. on VAT incentives, we will restrict the emergence of the new ones and assess the expediency of the existing ones. Most of the value added tax is not socially just, and brings limited benefits to the end user and increases the state budget deficit;

213.2. with the objective of reducing the opportunities to avoid paying taxes and simplify their administration, we will seek to unify the different activities (business) forms of tax obligations (tax);

213.3. in consideration of the international practice the objectives pursued, we will consider a possibility of introducing a special tax for the insurance sector;



213.4. tighten alcohol trade licensing procedures and raise the excise tax on alcohol and tobacco products harmful for the health. In case of the need for further restrictions, we will consider a possibility of introducing a state alcohol monopoly;

213.5. we will assess the effectiveness of gambling and lottery taxation regulation and opportunities for improvement.

### **Sustainable and balanced pension scheme**

214. Since the tax system is closely linked to the social security system and the submitted proposals will affect them both, we will seek to avoid the adverse effects and establish four pillars-pension system (based on the increasing financial risk):

214.1. the basic pension from the state budget, which is the same for everyone and is subject to indexation;

214.2. the state social insurance contributions pension, which is paid on the basis of accounting units and is also subject to indexation, its rate depends on the contributions paid (with the function of redistribution), with no established payment “ceiling”;

214.3. the professional cumulative pension, funded through voluntary contributions from the employer and the individual, and which would not be subject to personal income tax and corporation tax. For the moment, this element in the pension system is underdeveloped, therefore, we will encourage employers and employees, including through fiscal measures, to make use of this opportunity, and we will provide them and associated business organizations expert consultations and other assistance;

214.4. we will assess the effectiveness of the current second and third pillar pension system, and possibilities for their improvement.

215. To address extremely urgent problems of state social security, to immediately implement interim solutions related to the pension system and pensions, for the sustainability and consistency of the system, we will do the following:

215.1. we will transfer all the accumulated debt from the balance of the State Social Insurance Fund to the state budget and stop the payment of interest to the state budget;

215.2. before the pension system is reformed, we will assess a possibility of allocating to the State Social Insurance Fund state budget appropriations earmarked for the budget contributions payable to the second pillar pension funds;

215.3. we will ensure that pensions are not withdrawn or reduced;

215.4. we will make efforts to increase the average old-age pension by up to 40 euros as of 1 July 2017, depending on the country's financial capacities, while at the same time ensuring the financial stability of the state and making use of the funding sources, which will be made available following the adoption of the decisions listed above;

215.5. we will complete pension compensation by 1 July 2017;

215.6. we will strengthen the competence and power of the State Social Insurance Fund Board by inviting the participation of pension economic experts (including from Scandinavian countries), and entitling the Board to approving or rejecting draft budgets of the State Social Insurance Fund, as well as making other decisions related to the management of the Fund;

215.7. we will set up a pension board, which will have pension economic experts and actuaries among its management and staff members.

### **Competent administration of public finances**

216. A substantial and sustained flaw in country's public finances is a low efficiency of state collected taxes and other funds. This is due to the lack of the competence and responsibility of politicians and senior government officials, the dominance of short-term incentives and motives at the expense of long-term public interests, the excessive number of public financial managers (too many cost centres) and other systemic reasons.

217. In the first place, the Government will pay particular attention to the systemic factors affecting the efficiency of the administration of public finances. It is a daunting and time consuming process that requires special expertise and the continuity of decisions made and their effective implementation. Therefore, we will bring together the best domestic and foreign experts, make use of the experience of other the most progressive in this field countries, and implement the following measures:

217.1. to maintain adequate funding for all areas of public spending, we will seek to increase the overall efficiency of government spending and investment, particularly in the areas that are most funding-sensitive, i.e. pensions, social and health care, education and public administration. As part of the streamlining, we will seek to establish clear objectives and standards with a more clearly defined links between the remuneration and the performance, where it makes sense and is possible;

217.2. in the public service, we will rely on professionals, while eliminating the overlapping institutions and functions, consolidating appropriations managers, treasury management and the related budgetary institutions' tasks, we will seek to comply with the principle of civil servants' liability as regards ineffective solutions and damage caused for the state;

217.3. we will increase the efficiency of state and municipal property management, and we will define management performance indicators for the main types of state-owned property. We will improve the management of state and municipal enterprises and restrict their use for group or personal purposes of politicians. We will implement corporate governance principles in state-owned companies, and we will seek that the shareholders (state authorised institutions) would set ambitious targets for state enterprises;

217.4. the assessment and planning of public investments will be based on an objective cost-benefit analysis throughout the entire project life cycle, leaving aside short-term economic and budgetary targets or motives;

217.5. we will integrate the public-private partnership model in the long-term planning of investment in state and municipal public services and infrastructure.

218. The assistance of 6.7 billion euros from EU structural funds for 2014-2020 is among the most important public investment sources of the state. To catch up with the EU development average and reduce the disparities in regional development in Lithuania, we will use more efficiently the investments from EU funds. In order to achieve this objective and at the same time to reduce structural threats arising for the Lithuanian economy and public finances in relation to the dependence on EU funds, we will do the following:

218.1. we will promote EU investments which do not involve additional costs for the maintenance of the created infrastructure for state and municipal budgets, enabling at the same time the achievement of marked results;

218.2. we will expand the use of a variety of financial instruments that create financial returns in areas where they have not previously been used, i.e. water management, culture, transport, other public infrastructure, etc. We will continue the use of the developed financial instruments for business and energy efficiency;

218.3. we will simplify EU funds administration requirements for applicants and project promoters, we will consider other possibilities for reducing the administrative burden.

219. In the field of commercial finances, apart from an appropriate supervision, we have set the following targets:

219.1. we will consolidate the operation of state capital financial enterprises, whose management will be entrusted to the Ministry of Finance. The objective of the operations of state enterprises should be, apart from the statutory social responsibility standards, the generation of profits, while its performance indicators should be comparable with the indicators of similar commercial enterprises, except when public enterprises perform an important social function;

219.2. we will consider an opportunity of establishing a public or semi-public regional development fund run by the national body for incentives, which will boost investment in the region and increase the scope of infrastructure, as well as reduce regional economic exclusion;

219.3. we will reform the credit union system based on the principles of consolidation and non-competitive supervisory framework;

219.4. we will promote alternative business financing instruments, including venture capital funds, business angel programmes and other measures, effectively cooperate with the European Investment Bank, the European Investment Fund, the European Bank for Reconstruction and Development and other international financial organizations.

### **Effective measures to reduce the shadow economy**

220. The extent of the shadow economy in Lithuania is relatively high, although its assessment largely varies depending on the methodology and the assessors, namely between 15 % and 26 % GDP. This situation undermines the moral climate in the country, the credibility of the legal and economic system, at the same time fuelling various manifestations of the shadow activity. This is inconsistent with the principles of good governance, state obligations to its people and Lithuania's ambition to join the OECD. We will not seek to fight against the people and businesses operating in the shadow economy but we will create conditions and incentives for them to become actors of a transparent and formal economic activity. When looking for effective ways to prevent corruption and opacity, and to increase the competence and impartiality of supervising public authorities, we will do the following:

220.1. we will improve the taxation system by reducing the existing reservations and uncertainties that provide for possibilities to avoid taxes legally or semi-legally. We will make more stringent the liability of business operating in the shadow;

220.2. to simplify the taxation system, we will enhance incentives to work legally and pay all the taxes and fees, making transparent employee-related social insurance obligations. This will reduce employer's motivation to conceal part of the salary, clarify the concepts of the salary and taxes, and to achieve that employees themselves become more responsible and demanding as regards the use of the taxes paid by public authorities;

220.3. we will evaluate the possibility of a more stringent regulation of the use of company funds for the personal needs of their managers, stakeholders or any other persons;

220.4. we will continue and strengthen cash monitoring, and financial incentives for the use of electronic payment instruments, thus narrowing the possibilities to operate in the shadow;

220.5. we will carry out a better and more effective tax administration policy, strengthen the institutional capacities of tax administration authorities, and encourage best practice exchanges in taxation planning and implementation with foreign counterparts;

220.6. we will encourage individuals reporting on the cases of tax evasion and fraud, and improve the legal regulation for whistle-blowers' protection;

220.7. we will pay due attention to civic education, while fostering the appreciation of the state as our common treasure, which leads to an understanding that the tax evasion and fraud is not something that brings detriment only to the government but to us all, our families, our community.

## **CHAPTER V SUSTAINABLE STATE GOVERNANCE**

### **SECTION ONE JUSTICE: A GUARANTEE OF SOCIAL STABILITY AND HUMANITY**

221. Reinforcing the foundation of a democratic State, the Lithuanian nation has made a commitment in its Constitution to live under the rule of law, i.e. to apply the same law to citizens as well as public authorities and officials. The principle of the rule of law, the essence of which lies in the supremacy of law, creates an obligation to take into account the interests of the different social groups in decision-making, precludes privileges, and is grounded in respect for human rights and responsibility for one's own actions. The rule of law means a special relationship between law and politics. Sometimes law remains a passive tool to legalise and implement power of any content, as in authoritarian countries. We must defend, cherish and strengthen democracy in Lithuania. The overestimation and interpretation of the main free market principle *laissez faire* (French for "let us act") has made the State hostage to major power groups, while the law has become an instrument at their service. Under the rule of law, politics is a method for coordinating the different sets of values and interests as well as human rights. Majority rule must always guarantee the fundamental rights of the weaker minority.

222. The supremacy of law means that power is limited by law and all the authorities exercising State power must act in accordance with and obey the law. Unfortunately, in Lithuania's public life we often see cases where power and the authorisations of public authorities become the symbol of profiteering. Grey zones are appearing in the country, where the leading figures of major political corruption may act with impunity, without any legal consequences for such activities whatsoever.

223. The gap between the government and the people, reinforcement of the rights of the powerful and the indifference of the society-at-large and its individual members have led to severe exclusion and poverty, distrust in political power and disillusionment with public authorities. Our objective is to close the gap between the government and the people, to separate the government from narrow interest groups, to restore confidence in the State, in law and in public authorities and to ensure the functioning of the Constitution. In reality, the supremacy of law may be implemented only by liberating the initiative of Lithuanian people and promoting their organisation and inclusion, which provides people with self-confidence and enables them to change our common life for the benefit of all.

### **Restoring confidence in courts and the prosecution service, openness and transparency of the legal system**

224. When restructuring the legal system:

224.1. we will endeavour to shorten the length of the pre-trial investigation and trial procedures. Liability for unreasonable delays in or abuse of pre-trial investigation proceedings will be toughened. Prosecutors will face tougher sanctions in relation to their direct responsibilities in implementing the criminal procedure;

224.2. to reinforce the autonomy of the prosecution service, we will ensure the motivation and professionalism of prosecutors and law enforcement officers;

224.3. We will carry out a structural reform of Lithuanian courts to speed up judicial proceedings, equalise the workloads of judges, allow specialisation of judges and improve the quality of court decisions;

224.4. we will encourage public involvement in the administration of justice by introducing the institute of lay judges. Participation of lay judges, i.e. members of the public with impeccable reputation, in court proceedings, will help reinforce the openness and transparency of the judicial system. In addition, we will promote the involvement of the public in the selection and assessment of judges.

224.5. information on legislation, legislative proposals and final court decisions will be published online and will be accessible to everyone.

224.6. all the functions that are not attributable to courts and unrelated to the administration of justice will be transferred to public authorities or to the notaries and bailiffs implementing the functions delegated by the State;

224.7. we will strengthen the prevention of regulatory infringements by developing pre-trial investigation procedures and thus cutting the red tape and accelerating dispute resolution. Out-of-court settlement of disputes through the use of alternative instruments, such as arbitration, an administrative disputes commission, a tax dispute commission etc. will be encouraged

224.8 we will develop a system of conciliatory mediation, so that the majority of judicial disputes are resolved peacefully; to that end, mandatory mediation will be introduced for certain types of civil and administrative disputes;

224.9. we will enshrine the right of every Lithuanian citizen to apply to the Constitutional Court of the Republic of Lithuania;

224.10. we will introduce the status of a special prosecutor for the investigation of cases involving political and judicial corruption. We believe that these functions may be carried out by the reorganised Department for Combating Organised Crime and Corruption;

224.11. we will balance the penal policy and amend the Criminal Code of the Republic of Lithuania to ensure that deprivation of liberty is only imposed on dangerous persons who have committed serious crimes, and we will reduce the prison population as well as the number of persons serving a sentence;

224.12. we will introduce a single legal competence examination for applicants to the positions of judges, prosecutors and advocates in order to put an end to the closed corporate system and to make the legal system more transparent and open;

224.13. we will increase State budget allocations for damage compensations to the victims of crime as well as for compensations for the damage caused by public authorities, so that compensations for material and moral damage are paid to the victims without delay, and we will recover the damages caused by public authorities from the civil servants responsible;

224.14. we will meet the public expectations regarding legal education by introducing mandatory lessons in the basics of law at the schools of basic education and gymnasiums as well as an introductory course in legal sciences for university students of all majors. A universal model of legal education will be instituted;

224.15. we will pursue an active policy of human rights education in order to provide effective protection for the constitutional right to a fair trial and the rights ensuring personal safety and inviolability of private life, to ensure the observance of the presumption of innocence and freedom of association and to boost the negotiating power and involvement of the public;

224.16. we will review and, where appropriate, amend legislation to implement the principle of gender at every political level;

224.17. we will create an efficient mechanism ensuring the human right to privacy;

224.18. We will bring the activities of the Consumer Rights Protection Service closer to people. Pre-trial settlement of consumer disputes and enforcement of settlement decisions will be expanded, and tripartite panels, consisting of the representatives of consumers, business and public authorities, will function;

224.19. when discussing proposed European Union legislation, public opinion will necessarily be taken into account.

### **High quality and affordability of public services**

225. The quality of public administration, as well as of the entire public policy, is a horizontal priority of this programme. We strive to make sure that the State provides its taxpayers with high-quality and effective services and that the organisation of such services is not shadowed by lack of transparency, satisfaction of the personal interests of civil servants at the expense of the State or corruption. To that end, we commit ourselves to the following:

225.1. we will expand the accessibility of State-guaranteed legal assistance;

225.2. we will complete the development of electronic medicine systems without delay and ensure their efficiency;

225.3. we will promote the introduction of e-government solutions at all public administration authorities. We will devote special attention to the development of the electronic services of higher (fourth and fifth) levels, which enable customers to order specific administrative services and to obtain the necessary documents online;

225.4. a lot of attention will be directed towards the simplification and consolidation of the public administrative services provided by public administration institutions; we will increase the number and scope of integrated services (life events) provided electronically;

225.5. to provide the public with public services that match their needs and quality requirements, public (State and municipal) service providers will be encouraged and required to establish public service quality standards, to conduct regular monitoring and assessment of service quality, to expand the provision and availability of electronic services and to introduce contractual and/or institutional forms of public-private partnership;

225.6. we will complete the implementation of the Convention of the Rights of Persons with Disabilities, improve the effectiveness of assistance for the disabled, prevent abuse of reduced capacity, and provide the disabled with full access to their rights and fundamental freedoms.



## **Human rights**

226. Citizens' confidence in their State heavily depends on the effectiveness of protection the State provides for their rights. To restore and strengthen public confidence, we will devote major attention to the protection of human and civil rights and fundamental freedoms, and for that purpose:

226.1. we will enhance the Seimas ombudsmen's competence and their ability to implement their assigned functions and encourage them to make use of the rights conferred upon them by law (such as the right to apply to courts) in securing human rights, preventing infringements thereof and eliminating the red tape and the causes thereof;

226.2. we will establish a human rights protection agency;

226.3. civil servants as well as State and municipal authorities handling complaints from people will be oriented towards case studies and violation prevention in order to eliminate the reasons and the circumstances leading to those violations;

226.4. we will seek to introduce double citizenship to preserve the ties with our expatriates.

## **SECTION TWO**

### **STRATEGIC LEADERSHIP AND COMPETENCE IN STATE GOVERNANCE**

227. In recent years, State governance has turned into a highly bureaucratic process happening in a closed environment. The public is often removed from the issues of State governance. Certain political forces openly declare a paradigm that “ordinary” citizens cannot understand the subtleties of politics and therefore they can participate in politics only once in four or five years, during the presidential, parliamentary, local and other elections.

228. We stand for open, public and transparent politics. We are not afraid of our citizens and are convinced that, in regular discussions on the fulfilment of the commitments made during the election and – what is equally important – on the commitments that have not been fulfilled, it is possible to discover ways how to improve public policy, taking into account the aspirations and hopes of the people.

229. The coalition is rallying leaders capable of assuming responsibility and addressing the problems as well as ensuring a high-quality of public services as well as trust in State and municipal authorities.

230. We will form a clear and transparent legal framework, based on the principles of good governance. We will encourage regular discussions among practitioners, academics and civil society

regarding the improvement of law governing particular areas, identification of excessive, unclear and speculative regulatory provisions and the most effective ways to correct them.

231. To raise the effectiveness and cost-efficiency of public administration, consistent enhancement of the system of strategic planning, programme-based budgeting, audit and accountability will be continued, and State as well as municipal authorities will be required to carry out assessments of solution impact and budget programmes, review of functions, and performance monitoring and evaluation.

232. In the course of the reorganisation of the public administration system, we will reduce the number of ministries, Government bodies, State enterprises, public and business regulatory authorities by eliminating artificially created, excessive and overlapping areas of administration as well as the authorities implementing them. To introduce administration based on the principles of project management, we will increase the efficiency of the processes of legislation and Government activities and introduce quality standards. We will restructure the Office of the Government and establish a Change Management Unit in it.

233. We will carry out measured consolidation of the general functions of State institutions (public procurement, personnel management, accounting, information and communication technologies etc.).

234. To reduce the administrative burden on business and society, efforts will be continued to eliminate regulation, to improve the quality of legislation, to strengthen cooperation between State authorities and to consolidate and improve the system of State regulatory authorities.

235. In an attempt to solidify the regional policy, we will consider moving two ministries to Kaunas: the Ministry of the Environment and the Ministry of Agriculture. In implementing a comprehensive State governance reform, we will propose merging certain ministries.

236. We will take initiative to commence and implement long overdue reforms in all areas of State governance, thus creating an effective and professional civil service.

237. Understanding that some public services may be provided by non-governmental organisations in a more efficient, cost-effective and timely fashion, we will take measures to transfer a number of State functions to the non-governmental sector.

238. We will initiate legislative amendments to prevent a member of the Seimas from occupying the post of a minister at the same time.

239. With a view to a sustainable financial policy, we will try to match the date of parliamentary elections with the budgeting cycle. We will propose holding the parliamentary election early in the calendar year, no later than by the end of March, thus enabling the newly elected Seimas to oversee the entire budgeting process, starting in April and ending in October-

November. Implementation of this reform will do away with the current flawed practice, when a newly elected Seimas is bound by a budget that was drawn up by the Government formed by the Seimas of the previous term.

### **Transparent and responsible politics**

240. Over the last ten years, public confidence in both the universally elected representatives of the nation, i.e. the Seimas, as well as the executive branch of power, i.e. the Government, which is formed by the Seimas, has been in the lowest double digits. A number of factors account for that, not the least of which are the irresponsible actions of politicians, lack of political culture, insufficient ties connecting the political and administrative level with citizens, the deep-rooted tradition of closed decision-making and the frequent unwillingness of politicians to account to the public for the reasons of certain State decisions. This situation certainly worrying, if only because it undermines citizens' confidence in their State, and especially in the light of the current international tensions.

241. The Government undertakes to make every effort to change this situation. We link the improvement in the political system with the emphasis of the content and significance of the public interest. We consider the opportunity for citizens to participate in State governance as well their appreciation of national and community interests and the opportunities to form and protect them to be the characteristics of a mature society. We therefore commit ourselves to a transparent and open policy to restore citizens' confidence in their own powers as well as their State. On the basis of the said principles, we will stimulate the activity of people and communities as well as their real and solidary involvement in public life. We will thus ensure improvement of the quality of public policy as well as a consistent growth of the material social and environmental well-being of the society.

242. We will introduce electronic voting with a focus on ensuring voting secrecy and security. We will change the date of parliamentary elections (to March) to match them with the cycle of budget hearings.

243. We will endeavour to depoliticise the management of State companies. We will follow the same principle in local self-government. A State company must act as a market player, providing social benefits for the society. We will involve consumer and community representatives in the management of State and/or municipal companies providing public services. In any case they must be led by relevant area professionals and their management bodies must not by any means become shelters for incompetent representatives of the parties. We will ensure governance based on the best practices, professionalism, transparency and accountability.

244. We will not tolerate political corruption. As we consider value principles more important than coalition agreements, we will demand that any suspicions of corruption be investigated immediately and we will not regard any political forces refusing to do that or covering for their members suspected of corruption as partners worthy of respect and trust.

245. We will resolutely resist any attempts to distort the will of citizens. To that end we will reinforce the fight against vote buying. We will also encourage the implementation of the principles and methods of participatory democracy, enabling citizens to exercise the sovereign powers of the nation directly.

### **More transparent legislation, clearer law**

246. The key requirement for any law is clarity, straightforwardness and consistency. Unfortunately, even today, 26 years past the restoration of independence, the process of national legislation is often chaotic, carried out without due regard for the consistency of the legal system and assessment of the impact of the decisions adopted. To correct the imperfections of the current legislative process, which often result in legislative omissions and justified discontent of the public, we will make sure that laws cannot be adopted without first providing the public with an opportunity to evaluate them and to explain their essence to all the parties concerned and interested.

247. We will make sure that decisions of public authorities are based on the recommendations given by impartially formed scientific and research groups, tested in their lively discussions, rather than on the opinions of a narrow group of people who may not necessarily be objective.

248. We will reinforce the processes of evaluation of legislative proposals both at national as well as local government levels and devote significant attention to the enforcement of the legislation on unlawful influences and the enhancement of the methodology for assessing the possibilities of abuse. Legal acts introducing new legal regulation will be analysed in terms of their potential impact on public relations.

249. We will create a transparent system for the oversight of lobbying activities. Following the example of European Union institutions and certain leading EU Member States, we will introduce a mandatory system for informing the public about meetings with lobbyists, expand the methodology for interest declaration and declaration supervision, and ensure effective application thereof.

250. We will establish a legal provision that any person who influences legal regulation is to be considered a lobbyist. We will impose the obligation to declare meetings on legislative issues not

only on lobbyists but also on politicians, including members of municipal councils, to whom advice or influence on a specific piece of legislation or policy formation is addressed.

251. We will increase the effectiveness of lobbying activities supervision. Currently, lobbying supervision is merely formal in nature and is not really implemented, and therefore we will set ourselves a task to ensure real accountability of politicians for their activities and to form a functional system for lobbying activities supervision.

### **Effective and professional civil service**

252. Interaction between the citizen and the State occurs mainly through State and municipal authorities and bodies, namely municipality administrations, the State Tax Inspectorate, the Lithuanian Labour Exchange or other State, municipality administration or service bodies. It is the effectiveness of the operations of the said authorities and bodies and the customer service quality that primarily determine one's view of the State and one's place in it. Taxpayers are entitled to expect the State authorities they maintain to discharge their functions in a timely and efficient manner and the central government to set out transparent and clear rules governing their activities. Therefore we are determined and committed to raising public confidence in the civil service.

253. We will accord special attention to the quality of governance and administration as well as interactions between civil servants and citizens. The results of these activities will be regularly evaluated based on the indicators reflecting performance by State institutions and the achievement of strategic objectives as well as the indicators of public satisfaction with the activities of the institutions providing public administration and public services.

254. To make the civil service attractive, modern, unpolitical and efficient, a competency-based civil service system will be introduced, linking civil servant selection, performance evaluation and career with the possession of a set of specific competencies required by particular job.

255. The managerial and leadership competencies of managing staff will be developed, while the applied methods for evaluating the performance of institution executives will help build and improve an evidence-based management culture.

256. The following principle will be implemented: the doors are open for bottom-up initiatives; a fair, transparent and responsible civil service.

257. We will reduce bureaucratic burdens on business and residents. We will review the administrative procedures, simplify the arrangements for implementing them and remove the obstacles preventing public authorities from sharing centralised State databases, and thus reduce the

need for customers to collect the required certificates by themselves. Our target is that by 2020 State and municipal authorities should not require any information from a citizen if it is available on the centralised State databases.

258. We will develop e-government solutions to reduce State governance costs as well as customer expenses and create an effective electronic administration. Our goal is to make sure that by 2020 at least 90 per cent of the more than 200 administrative services currently provided under the law by State authorities and roughly the same number by municipalities are accessible to residents and businesses by electronic means.

259. We will strive for an effective civil service. Together with scientists and practitioners, we will promote the optimisation of the civil service, elimination of unnecessary functions and excessive administrative apparatus, consider which State functions could be performed more efficiently at the regional, municipal and administrative levels or transferred to the non-governmental sector, and take real steps to achieve this objective. We will implement the principle of accountability by civil servants for poor quality of the services provided.

260. We will make sure State assets are efficiently managed for the benefit of all citizens of the country. We will carry out an audit of State assets and of the efficiency of their use. Our decisions on the use, lease or privatisation of State assets will be based on the findings of the above audit. For the purposes of State assets management, we will employ State assets information systems that can also be used to evaluate the investment potential and to attract investments. We will encourage all municipalities to use the same information systems for the assets at their disposal.

261. We will combat corruption and nepotism in the civil service. The civil service must be professional, effective and competent to perform the functions of public administration as well as capable of formulating and pursuing strategic objectives.

262. The effect of decisions adopted largely depends on the quality of implementation thereof, i.e. on the qualification and motivation of civil servants. We will therefore promote the professionalism and quality of the State and local municipal service, i.e. its performance efficiency and civil servant competence advancement, and develop impact assessment of proposed decisions and strategic planning, while at the same time trying to ensure civil servant accountability for the decisions adopted and the quality of implementing them.

263. We will improve the system of civil servant remuneration and motivation. We will continue to develop an additional motivation system focused on accomplishment and objective evaluation of civil servant performance. A competitive remuneration will be ensured for responsible and motivated civil servants and an effective system will be created to motivate the civil servants who have demonstrated the best individual and group performance. We will endeavour to make the

level of civil service prestige and the incentives for working in it attractive to the most gifted workers.

264. We will introduce novel personnel management tools that will allow institution executives to manage their personnel effectively and to maximise the performance of their institutions. Accountability of institution executives for the performance of the institutions headed by them will be increased.

265. We will make the public sector greener. Public sector and educational institutions will be obliged to sort waste and we will promote e-government services to reduce environmental pollution, excessive use of transportation and paper as well as time wasting by promoting

266. We will encourage municipalities to increase subdistrict-level independence as well as legal, financial and administrative capacities and to promptly respond to the needs of residents in a particular location.

267. We will enable residents to take a more active role in decision-making at the local level. We will promote surveys and local referendums on issues of local and regional significance when more important decisions are taken. At the same time, we will provide that in the context of such surveys citizens should be provided with access to extensive information on the social, economic and environmental consequences of each alternative.

268. We will endeavour to establish the mentor's position in the civil service.

269. We will create the necessary conditions for State and municipal institutions to develop an organisational culture that is based on accountability and zero tolerance for corruption.

270. We will reduce the number of civil servants, while improving the performance and increasing the motivation of the retained staff.

### **Non-governmental organisations: partners in providing public services**

271. The experience of both Lithuania and other countries shows that non-governmental suppliers, namely non-governmental organisations and communities, may perform some of the State functions more effectively, faster and at a lower cost. We are convinced that State governance expenditure may be reduced and public confidence in the governance and service quality may be increased by utilising the said potential. To that end, taking the capabilities of our country into consideration, we will take real steps to strengthen non-governmental organisations and local communities.

272. We will provide for increased funding of community activities and non-governmental organisations and introduce mandatory consultations with the communities when appointing

subdistrict elders as well as the community's right to submit observations and proposals for the decisions of the elder or the municipality.

273. We will enable community organisations and non-governmental organisations to participate in the implementation of regional policies. Following the example of LEADER, a system for the administration and implementation of EU support based on community initiatives, we will increase the share of regional development funding distributed via local development programmes implemented by communities, enable the funding of administrative expenditure for the projects implemented by communities and review and simplify public procurement regulations.

274. We will involve non-governmental organisations into the decision-making process by appointing in each ministry a contact person for non-governmental organisations and communities, by inviting representatives of non-governmental organisations to attend meetings and workgroups and to voice their opinions and submit proposals on all key draft legislation, positions and other documents.

275. We will devote particular attention to the improvement of the administrative capacities of non-governmental organisations at the national and community levels. We will endeavour to make sure that each municipality has consultants capable of implementing community projects.

276. We will create a system for voluntary work records of non-governmental organisations that could reveal the contribution of non-governmental organisations to the Lithuanian economy and link this system with actual support for non-governmental organisations

277. Non-governmental organisations are an indicator of a strong civil society. Harmonious democratic States are distinguished by active cooperation with the non-governmental sector both in the provision of services for public benefit as well as in searching for solutions to the emerging challenges (on social, educational, cultural, community development, family, justice policy and human rights issues). Consequently, we see a need to invest in the work quality of this sector and in administrative capacity building.

278. We will explore the possibility of establishing a Non-governmental Organisations Fund (Civil Society Fund) that would be financed from the 2 per cent part of the personal income tax unallocated by the residents. The objective of such a Non-governmental Organisations Fund is to strengthen the institutional capacities necessary for organisation development as well as properly organised volunteer activities both at the national and regional levels.

279. We will reinforce the functions of the National Council of Non-governmental Organisations operating under the Law of the Republic of Lithuania on the Development of Non-governmental Organisations by transferring them from the level of the Ministry of Social Security and Labour to the level of the Government.



280. We will endeavour to build a register of non-governmental organisations, administered by the State enterprise Centre of Registers and enable non-governmental organisations to make data entries and changes (on the number of members, board composition, leader, reports etc.) free of charge.

281. We will strive to provide funding for youth organisations and organisations working with youth as well as the relevant infrastructure, thus promoting youth voluntary activities and employment.

### **SECTION THREE**

#### **EFFECTIVE AND UNIVERSAL FIGHT AGAINST CORRUPTION**

282. Corruption as a phenomenon does not exist on its own. At least three elements are required for the existence of corruption: a party willing to circumvent the law illicitly, i.e. the briber in this case; the party having administrative or political powers that has agreed to help the first party to circumvent the law in return for a compensation, i.e. corrupt politicians or civil servants in this case; and a passive majority that does not wish to resist this phenomenon, i.e. an indifferent society in this case.

283. In recent years Lithuania has achieved remarkable progress in implementing the corruption reduction targets. According to the data of international studies, such as the one carried out by *Transparency International*, Lithuania's corruption perception index, which at 100 means total absence of corruption and at 0 means total corruption, rose to 61 in 2015 from 58 in 2014, 57 in 2013 and 54 in 2012. Since 2011, Lithuania has risen in the ranking based on this index from the 50th to the 32nd place. In spite of those accomplishments, corruption in Lithuania at both the political and the administrative levels remains one of the main factors behind citizens' disappointment with State.

284. The current National Anti-Corruption Programme has identified a target of raising the Lithuanian corruption perceptions index to a minimum of 70 by 2015. A plan of measures has been approved, setting out measures for the achievement of the above target. We are convinced that the target undertaken by our country is not sufficiently ambitious. The present target means that each year the corruption perceptions index would rise by a just single point, while in 2015 it increased by three points. We set ourselves a more ambitious goal: an index of 70 in 2020 and at least 75 in 2025. It should be noted that Estonia and France have already reached the 70 point mark in 2015.

285. Consequently, in view of the existing corruption problems, over the next four years we will pursue the following objectives, in addition to the measures set out in the National Anti-corruption Action Plan:

- 285.1. to ensure unconditional and inevitable liability for the crime of corruption;
- 285.2. to achieve transparency and efficiency of the public sector;
- 285.3. to enhance lobbying activities regulation and strengthen enforcement thereof;
- 285.4. to create opportunities for the realisation of the public potential of combating corruption and to protect the ones that help combat it;
- 285.5. to increase the competencies as well as the transparency and efficiency of the operations of State institutions;
- 285.6. to ensure transparency and efficiency in public procurement.

### **Proportional and unavoidable liability for corruption offences**

286. We believe that corruption should not preclude citizens from being the masters of their own State. This means that corruption cannot be tolerated within the State's political and administrative system, because where dirty money overshadows or distorts the will of citizens they do not feel like – and no longer are – the real masters of their State. Financing of political activities by illicit means and the use of public funds and public office to secure one's political interests are those manifestations of corruption that must be combated swiftly and rigorously.

287. We will seek the application of proportionate and dissuasive sanctions for corruption to put an end to the situation where penalties for corruption offences have nothing in common with the damage caused by the offender to the State, with the amount of the bribe taken or even with the costs of litigation. In the meantime, it is necessary to optimise legal proceedings and remove any formal obstacles that might interfere with the administration of justice.

288. When fighting corruption:

288.1. we will raise the fines imposed for corruption offences. Corruption must become unprofitable. We will strive to make financial penalties at least three times bigger in value than the public good encroached upon in order to make one think twice before taking a bribe;

288.2. we will endeavour to introduce a legal provision according to which persons convicted for corruption offences will be prohibited from holding any publicly elected office and entered into a public register of such persons until expiration of conviction.

288.3. we will develop effective provisions for confiscation of illicitly obtained assets under civil law. This legal provision and its enforcement instruments would also be applicable in cases

where it has not been established that the assets come from criminal activities but their owner is unable to account for the acquisition of assets of disproportionately high value.

288.4. we will ensure effective control of the activities of judges, prosecutors, pre-trial investigators, criminal intelligence and intelligence officers. For that purpose, we will lay down an obligation to apply the “four eyes” principle in adopting decisions, as a minimum, instead of the current practice where the prosecutor, pre-trial investigator, criminal intelligence officer or intelligence officer has the right to adopt investigation decisions on his own; we will also require that such decisions be coordinated with at least one more competent entity in a reasoned manner;

288.5. we will review the system of remuneration of judges, prosecutors, pre-trial investigators and criminal intelligence and intelligence officers. The objective of this review is to fix a remuneration that would motivate judges, prosecutors, pre-trial investigators and criminal intelligence and intelligence officers to be unbiased and fair.

288.6. we will introduce tougher controls of the activities of judges, prosecutors, pre-trial investigators and criminal intelligence and intelligence officers;

288.7. we will introduce civil status records and expand the use of information technologies in court activities; we will employ information technologies as the most effective tool to fight corruption.

### **Transparent public sector**

289. Next to political corruption and corruption on the administrative level, in our country one often encounters corruption related to the services provided by the public sector. Public confidence in the State and society is often greatly shaken by instances of corruption in the areas of health, social security and education. Equally harmful to the society is inefficient State assets management, complex bureaucratic procedures as well as cases of abuse of office or failure to perform one’s duties by civil servants.

290. We will begin the efforts of making the public sector more transparent and reducing corruption in those areas where corruption is the most counter-productive to the solution of everyday problems of each Lithuanian resident. The results of combating corruption will be measured not based on the measures implemented but rather by people’s satisfaction with the public sector and their improving opinions on the situation in the country. We will begin solving the issues of civil service efficiency and transparency by implementing the principle that administrative procedures must be simple and clear. Quite often the supply and demand of corrupt relationships results from complicated procedures and rules. We will strive to eliminate such possibilities by

devoting requisite attention to clearer and more transparent rules on the functioning of the public sector and raising public awareness of the operation of such rules and on access to the services provided by State institutions.

291. In order to put an end to the above unacceptable practices:

291.1. we will carry out an audit of the efficiency of using the assets of State and municipal institutions. Our decisions on the use, lease or privatisation of State assets will be based on the findings of the above audit. For the purposes of State assets management, we will employ State assets information systems that can also be used to evaluate the investment potential and to attract investments. We will encourage all municipalities to use the same information systems for the assets at their disposal.

291.2. we will promote effective management of State and municipal assets. We will expand the activities and the scope of centralised management of State immovable property. We will devote due attention to the strengthening of the competencies of the manager of centrally managed State assets in this area, to the improvement of the procedures for asset management and management efficiency evaluation as well as to the organisation of public auctions, especially online auctions, to sell State or municipal property;

291.3. we will review the legislation governing gratuitous transfer of State and municipal assets for use. Mindful of the fact that this legal possibility is not only an important instrument that may help ensure the development of civil society, creation and provision of necessary social and economic services and other processes of benefit to society, but also possesses major corruption risks, we will make the procedures for gratuitous transfer of State and municipal assets for use more transparent;

291.4. we will improve the processes of public-private partnership. In close cooperation with entrepreneurs, we will remove the existing obstacles to smooth implementation of public-private partnership projects, while at the same time introducing measures for keeping corrupt entrepreneurs away from State orders, such as mandatory early selection of tenderers for large-scale tenders, so that only suppliers of sound reputation are allowed to bid.

291.5. we will pay due attention to corruption prevention measures in civil service. We will introduce the principle that the responsibility for preventing corruption lies not with an abstract “government”, but with every institution where corruption may occur. Every institution providing public administration and administrative services will employ officers responsible for preventing corruption and managing conflicts of interest, and State institutions, in cooperation with law enforcement authorities, will have to implement adequate corruption prevention measures selected

based on their individual peculiarities, thus contributing to the implementation of a single plan for eliminating corruption;

291.6. we will seek full implementation of the principles of the Code of Professional Ethics for Civil Servants. We will promote civil servant awareness-raising on corruption risks, ways of avoiding them and opportunities to help colleagues to avoid corruption risks or report the corruption threats observed.

291.7. we will strive to introduce politicians' personal material responsibility for their illicit decisions, especially where they result in material damage to the State or municipality;

291.8. to ensure high service quality and to avoid the formation of any informal relationships between the executives and an institution's staff that would compromise the quality of service and personnel's work, we will institute mandatory rotation of the heads of State institutions. This will reduce the threat of formation of informal sectoral corruption nets. We will apply the same practices in the area of health care.

291.9. we will seek to ensure a high level of competence, both in medicine and management, of the executives of health care establishments. Simultaneously we will establish a legal provision preventing executives of health care establishments from working as physicians at the same establishment, thus allowing them to devote their undivided attention to the quality of services provided by their institution;

291.10. being aware of the fact that corruption is caused by the unjustifiably low wages of public sector employees, including officers and medical employees, we will put every effort to raise the wages of public service employees to a regionally competitive level;

291.11. we will build a responsible and open Lithuanian society: strong communities and actively involved citizens.

### **Involvement of the public as a prerequisite for success in combating corruption**

292. Echoing the idea expressed by the most prominent Italian fighter against the mafia, judge Giovanni Falcone (1939-1992) that the best way to fight organised crime is to ensure everyday publicity, we are convinced that an essential precondition for eliminating corruption is public participation in the discussion of emerging facts of corruption and potential suspicions. We must all understand that corruption encroaches upon the human right to an effective government, transparent public finances and effective services and undermines the principle of equality of citizens, and therefore the entire society must be interested in fighting it. Therefore:

292.1. we will promote public awareness of the damage caused by corruption and the opportunities to fight it and to report any suspected cases of corruption or coercion to engage in corruption;

292.2. we will do our best to make sure that the revealed cases of corruption are not concealed from the public. We will seek speedy and transparent investigation of such cases, while providing the media with the fullest possible access to the outcomes of the proceedings. In close cooperation with the media, we will seek to provide the public with objective information on the fight against corruption, to prevent it from getting an impression that corruption is more widespread than it really is;

292.3. we will make every effort to secure the media's independence and ability to offer objective, complete and high-quality information. At the same time we will keep a constant dialogue, develop communication formats for the political level and endeavour to make State institutions more open to the media;

292.4. we will join efforts with the representatives of religious groups, asking them to make use of their channels of communication to inform believers of the damage inflicted by corruption and concealment of corruption;

292.5. we will work closely with the representatives of businesses of different fields and sizes, seeking their involvement in the fight against corruption, while informing them of the benefits of transparent business in Lithuania and abroad and promoting the creation of an anti-corruption environment;

292.6. we will improve legal regulation for the protection of whistle-blowers. We will ensure, in legal as well as practical terms, the protection of whistle-blowers and their families, provide for real incentives to civil servants and individuals treated as such who have refused a bribe offered to them and reported the person offering the bribe to an institution investigating such offences. In that regard, we propose introducing a provision that each time a civil servant or a person treated as such reports attempted bribery he/she is to be paid twice the amount of the bribe he/she was offered, provided that the person who offered it is declared guilty.

### **More transparent and efficient public procurement**

293. Public procurement is a concept applied by all developed countries having efficient systems of public administration, which helps public authorities to purchase the desired goods and services publicly announcing their intent and giving all interested suppliers an opportunity to tender. Unfortunately, due to complex legal regulation, insufficient administrative capacities, lack of public

sector competencies, compared with commercial operators, public procurement has become an object of discontent: organisers of public procurement complain of complex legal regulation, suppliers are unhappy about bureaucratic procedures and possibilities of abuse, the beneficiaries note that the goods purchased are often the cheapest and of the lowest quality, while the public is concerned about the emerging cases of corruption.

294. We are certain that by determined, structural decisions we could ensure that the public procurement procedures implemented by Lithuanian institutions and organisations serve their primary objective, i.e. the use of public funds in the most efficient manner to acquire the desired goods and services. To that end, we make the following commitments:

294.1. in order to use the resources allocated to the public sector rationally and responsibly and to increase the efficiency of management thereof, targeted efforts will be made to improve the public procurement framework;

294.2. we will strengthen the competence of the Public Procurement Service. This institution must not only perform the assessment of already completed procurement procedures but also assume the role of an effective advisor that can help properly solve the legal issues arising in public procurement procedures;

294.3. we will make sure that public procurement procedures are carried out only by specialists with the required qualifications and abilities. We believe that one of the most effective ways to achieve the above-stated objective is centralisation of public procurement, expansion of the range of services provided by the Central Contracting Authority, as well as the possibility to centralise public procurement at every ministry or municipality;

294.4. bearing in mind that corruption and abuse of office are clandestine activities by nature, we will fight them by publicity. We will introduce public listing of suppliers who are not allowed to take part in public procurement due to poor reputation as well as publication of the full names of politicians and civil servants convicted for corruption offences until the expiry of their conviction;

294.5. we will elaborate the principles of decision-making in public procurement. In recent years, the almost universal application of the lowest price criterion has prevented the acquisition of goods and services of adequate quality. At the same time we understand that the alternative principle, the criterion of cost-effectiveness, often leaves too much room for non-transparent decisions, especially in devising the formulae which determine the outcomes. We therefore undertake to work with practitioners, scientists and civil service specialists for constant improvement of the public procurement framework, while reducing the administrative burdens on civil servants;

294.6. we will improve the regulation of internal transactions. An internal transaction refers to purchases made from subordinate enterprises and has both positive and negative aspects: on the one hand, this legal option allows saving time and costs inherent in open procurement procedures, e.g. a municipality purchases transportation services from its own transport enterprise; on the other hand, this possibility is often abused. Our goal is to find the golden mean that would allow regional municipalities to retain their small enterprises and prevent all the services from passing into the hands of several major national suppliers, while avoiding the conditions that lead to corruption due to internal procurement;

294.7. we will develop the principles of organising public procurement procedures. We will try to expand the application of a reverse auction in public procurement, which allows announcing the supplier's bids and improving one's own bids accordingly. In essence, this process consists of an auction for a still lower price or economically most advantageous proposal, in which suppliers meeting the qualification and quality requirements can lower the price proposed or improve other characteristics of their bid by reference to the bids of other suppliers.

## **SECTION FOUR**

### **EFFECTIVE FOREIGN POLICY**

#### **Consistency, activeness and continuity of foreign policy**

295. The Lithuanian national foreign policy is based on long-term national interests and the continuity of pursuing them. The effective and consistent Lithuanian foreign policy is grounded on the principles of cooperation in the spirit of solidarity between democratic States, supremacy of international law, respect for human rights and freedoms and good neighbourly relations.

296. The main objective of the Lithuanian national foreign policy is the protection of national independence and democracy by adequately responding to the threats arising in the region and in the world. An equally important objective is to ensure successful economic and social development of the State as well as improvement of the well-being of its citizens.

297. In the light of the emerging security and other global challenges, NATO is and will remain the most important and effective framework for collective defence, which guarantees national security and effective deterrence against a potential aggression. We will seek full implementation of the decisions adopted in the NATO summit in Warsaw on 8-9 July 2016 with a view to stronger collective defence, the open door policy of the organisation, etc. We will continue providing assurance for the obligations of Lithuania, as an active and reliable member of the



organisation, by trying to make an appropriate contribution to the achievement of security in this and other regions.

298. A strong, solidary, constructive and effective European Union is an essential interest of Lithuania. It remains the key factor in the political, economic and social development of Europe. We shall seek an even more active representation of Lithuania's positions and national interests within the EU and we call for a stronger role of nation States in EU institutions.

299. Through active cooperation in the formation of EU external relations, Lithuania will continue to contribute to an effective response to the global challenges posed by the international environment, i.e. the rise of terrorism and the migration crisis, while simultaneously dealing with the issues regarding stronger EU border protection and higher effectiveness of Schengen area activities, the solutions to which will have an impact on the future of the EU. Our goal is to achieve a common understanding within both the EU and NATO that the protection of external borders is a shared concern of the Member States. This would mean not only a possibility to put a long-term stop to the flow of refugees but also the availability of timely assistance from the partners in the event of threats at the eastern border of the EU and NATO.

#### **International relations based on democratic values, as a guarantee of mutual trust**

300. By participating in the activities of international organisations, Lithuania is gaining authority and at the same time, drawing on its experience of presidency of the Council of the EU, as a member of the UN Security Council and an active participant in other international organisations, such as the Council of Europe and OSCE, it seeks to make their activities more effective and transparent and more responsive to the challenges of the day.

301. Elected to the UNESCO Executive Board for 2015-2019, Lithuania will continue the practical implementation of its key activity priorities in international organisations, such as the protection of human rights, in particular the security of journalists, and other issues.

302. In the light of EU expansion and European unification, an increasingly crucial role, next to traditional international diplomacy, is played by parliamentary democracy. The joint efforts by members of the European Parliament to achieve lasting peace, sustainable development and a good neighbourhood is a solid foundation for the attainment of the objectives of the EU common security and defence policy as well as the European security and defence policy. We strongly support the strengthening of the role of national parliaments within the EU as well as the development of parliamentary democracy in implementing the EU political agenda.

303. We will strive for a stronger political, economic and cultural cooperation, based on mutual trust and mutual benefits, with the largest and most influential EU Member States, namely Germany and France. In the light of the coming withdrawal of the Great Britain from the EU following BREXIT, and bearing in mind the significance of this country in strengthening the region's defence potential, we will make an active effort to maintain the existing close ties between Lithuania and Great Britain and will look for new forms of future cooperation.

304. More sustainable integration into the Euro-Atlantic community and reinforcement of security in the East and Central European region are impossible without good relations with the Baltic and Scandinavian countries, Poland and other countries in Central Europe.

305. Lithuania will consistently work for greater Baltic unity and cooperation as well as stronger political and economic ties between the Baltic and Scandinavian countries. On the basis of common security and economic interests and mutual respect, we will seek an open bilateral dialogue and cooperation with Poland in addressing the existing problems.

### **Long-term strategic relationship with the United States of America**

306. We will endeavour by all means possible to strengthen the transatlantic ties and strive for an increasingly close relationship between Europe and the United States of America (USA). It is necessary to achieve regular deployment of the US and other NATO members' military units in Lithuania and other countries of Central Europe.

307. Our strategic objective is to make sure that NATO's attention to the eastern members of the Euro-Atlantic community does not diminish in the face of the rising threats from the South.

308. Strategic cooperation with the USA will be expanded and intensified, especially in the areas of energy, economy, research and military security. This is one of the key tasks for the next political period which must be implemented by utilising every possibility available in terms of personal diplomacy, intergovernmental cooperation and on other grounds.

309. Ambitious targets will be set for the development of ongoing work to attract the investment of US-based international corporations to Lithuania. For that purpose, we will strive to strengthen the capacities of the institution for attracting investments as well as synergy with the Lithuanian diplomatic corps. We will vigorously promote the growth Lithuanian-US trade, with a special focus on Lithuanian export.

### **Value-based Eastern Partnership and relations with eastern neighbours**

310. In cooperation with our partners, we will endeavour by diplomatic means to make sure that the problems arising in the States of the Eastern Partnership are dealt with by instruments appropriate for the 20th century and with respect to international law, the integrity of States, sovereignty and the right to choose the defence, political and economic organisations they wish to enter.

311. We will actively encourage the Euro-Atlantic integration aspirations of Ukraine, Georgia and Moldova, support the reforms ongoing in these countries and provide expert assistance. We will take a principled and active position against the recognition of the occupation of parts of the Ukrainian and Georgian territories.

312. Cooperation with other countries of the Eastern Partnership, namely Azerbaijan, Belarus and Armenia, will proceed based on individual models or those corresponding to the EU interests. A crucial issue in relations with Belarus, determining future cooperation, will be the Belarusian Government's position with regard to compliance by the Astravyets nuclear power plant with the international safety standards as well as the human rights situation in the country.

313. The main objective of the policy towards Russia is to encourage this important neighbour of Lithuania to abstain from the use of force, military aggression and other illegal actions in international politics, to restore respect for the international legal norms and principles and to repair the damage caused to the international security architecture as well as the sovereignty and territorial integrity of its neighbouring countries and, domestically, to consistently implement the principles of democracy and rule of law as well as respect for human rights and fundamental freedoms. At the same time, as far as compatible with the above-mentioned main political objective with regard to Russia, pragmatic relations with Russia and its individual regions will be maintained in areas such as economy, trade, investment, goods transit, tourism, human relations and other.

### **Development cooperation: by helping others we help ourselves**

314. We view development cooperation, or the international obligation to support less developed countries, as an opportunity rather than an obligation or a burden.

315. We will endeavour to expand Lithuania's assistance to developing countries, while strengthening the value-based links with and the effect on traditional partners (Ukraine, Georgia, and Moldova). Apart from that, we will build on our experience to reinforce the image of Lithuania, as an expert in reforms and European as well as Euro-Atlantic integration, and encourage the countries receiving support to follow in the path of necessary reforms.

316. We will seek strategic and efficient use as well as transparent administration of the development cooperation funds, with regard to the predefined national priorities.

317. We will promote participation of Lithuania's partners in international development cooperation consortiums, joint applications for funding from donors, such as the EU development cooperation agency (*EuropeAid*), the US development cooperation agency (*USaid*), and joint activities in priority areas that could benefit from Lithuania's expert potential.

318. By making targeted investments in infrastructure and pursuing synergy between the increasing accessibility of Lithuania and the diplomatic service's efforts to organise international forums and conferences in Lithuania, we will seek for Lithuania the exclusive role of a moderator in the international community. We must hold a clear and unequivocal position on environmental issues and encourage discussions in the region, while providing the necessary technical facilities.

### **Economic diplomacy for the benefit of Lithuanian business**

319. We will seek closer ties with the stable Asian economies and democracies, namely Japan and South Korea. We have set ourselves an objective to intensify cooperation in the areas of biotechnologies, information technologies, science, studies, culture and tourism. This would not only allow establishing close institutional ties, but would also increase Lithuania's visibility and attractiveness in the eyes of the region's societies.

320. We will also continue the development of political and economic ties with the booming world economy China and its separate regions. The main objectives of the bilateral relations, without forgetting the issues of human rights and freedoms, will be the development of economic relations and the use of Lithuania's potential in facilitating access to the European markets for Chinese businesses.

321. We will work hard to help business expand export markets in various regions of the world, with due regard to the potential for security and political cooperation and considering the reliability and predictability of new markets. We will organise business missions in promising markets and search for new effective forms of work. One of the key tasks for our economic diplomacy is to emphasise the accomplishments of Lithuanian scientists and businesses in the sphere of ecology and thus contribute to the image of Lithuania as an eco-friendly, innovative and successful country.

322. Lithuania's membership in the OECD is one of our country's main priorities in the coming period. By implementing the necessary reforms we will try to achieve Lithuania's membership in the OECD by 2018.

323. Supportive of the application of the free trade agreement between the EU and Canada and bearing in mind the significance of the US market for Lithuanian goods and services, we approve of the objectives of the Transatlantic Trade and Investment Partnership Agreement initiated by the USA and the EU. However, in the light of the enormous scope and complexity of this agreement, prior to giving our consent to the provisions proposed, we will carefully evaluate the various positive and negative effects they may have on Lithuanian businesses.

324. We will seek active participation by Lithuania in the EU trade policy in order to open up new opportunities for Lithuania's export and to reduce non-tariff barriers to trade with third countries.

325. Energy efficiency is an important element of economic and political independence. Lithuania must act vigorously to reinforce the external dimension of the single EU energy policy and a joint coordinated dialogue with third countries.

### **Ties with Lithuanian communities abroad and effective consular representation**

326. With the help of the Global Lithuania programme and other instruments, we will maintain and strengthen relations with the Lithuanian worldwide diaspora and support Lithuanian organisations and communities abroad, as well as their initiatives that help foster and preserve Lithuanian consciousness, language and ties with Lithuania.

327. We will keep them regularly informed of any new attractive prospects emerging in Lithuania that may encourage them to return to their homeland.

328. We will devote major attention to the improvement of the quality of consular services by introducing a service quality standard that will contribute to the protection of Lithuanian citizens and their legitimate interests in foreign countries. We will intensify the efforts to reduce the number of countries that require paid advance visas from Lithuanian visitors.

## **SECTION FIVE A SECURE STATE**

329. In general, threats to national security must be categorised as internal or external. External threats usually refer to the danger of an armed aggression, and to counter such threats we rely on assistance from our NATO allies. Meanwhile, internal threats, such as crime, a low level of public safety and lack of effective response to disasters, are less conspicuous and in many cases they have virtually become part of everyday life.

330. Our objective is to make sure that Lithuanian citizens feel safe in their homeland both from internal as well as external threats. This requires not only the implementation at national level of effective measures for combating and preventing crime, but also active involvement of the public in everyday efforts to build public and external security. We must make sure that both the society and the politicians see domestic security as an inseparable part of national security, that law enforcement authorities become a friendly institution providing assistance and advise and resorting to force only in exceptional cases, and that the entire society joins the efforts to create a safer public environment and disaster prevention, assisted by well-equipped, highly competent and well-paid defence, law enforcement, public security, rescue and civil security officers and volunteers who are motivated to assist citizens. We are prepared to implement concrete steps to achieve the above objective.



### **An efficient and effective public security policy**

331. We identify the protection of our citizens from violence across the country as an objective of the public security policy. That requires not only providing the police force, firefighters and other officers responsible for the safety and rescue of citizens in emergencies with adequate equipment, but also restoration of the prestige the law enforcement profession as well as promotion of officer motivation and professional competences. To achieve the said objective, we make the following commitments:

331.1. we will strengthen cooperation as well as mutual trust between law enforcement authorities and the public. We will encourage the public to get involved in the activities of ensuring public order and crime prevention, expand the activities of police supporters and young police supporters, and stimulate civil society initiatives, such as creation of safe communities, and seek to ensure the presence of public police supporters in each rural subdistrict;

331.2. we will implement the latest scientific and technical innovations helping to ensure the security of our country and its citizens;

331.3. we will increase wages for public security officers;

331.4. we will ensure that officers responsible for public security are adequately provided with modern weaponry and technical equipment. We will devote major attention to equipping police with non-injurious means of restraint, psychological preparation for the use of weapons and non-violent means of restraint, and providing firefighters with firefighting equipment and thermovision equipment that helps find people in fire;

331.5. we will ensure the quality and availability of the public services provided by police institutions and local units, with due attention to the conditions of customer service and the working conditions of officers;

331.6. adequate attention will be devoted to ensuring traffic safety. In addition to passive elements of traffic safety, installation of which will become an integral part of spatial planning, we will introduce tougher controls for the most frequent and dangerous traffic violations, namely speeding and driving while intoxicated, and expand the application of contactless speed measuring systems. To eliminate the possibility of avoiding liability, we will make the vehicle owner responsible for any violation of the Road Traffic Rules;

331.7. we will utilise the potential of the institute of police supporters in ensuring public order and preventing crime and domestic violence. We will promote interaction between the public and law enforcement in such forms as police supporters and young police supporters and will seek to provide a clearer definition of their status and powers and, where possible, the right to perform



simple police functions. Special attention will be accorded to the reinforcement of police supporter activities in rural areas, including the performance of simple police functions;

331.8. we will build the capabilities of law enforcement institutions and interinstitutional cooperation in combating shadow economy;

331.9. we will reinforce the system for protecting residents against disasters. We will devote requisite attention to the operations and integrity of the Emergency Response Centre and the development of professional response teams, so that rescuers are able to reach any resident within 15 minutes; we will promote the activities of volunteer firefighters and rescuers;

331.10. adequate attention will be devoted to public awareness raising on the issues of disasters and accidents. Our objective is to make public awareness raising on issues such as safe conduct in water, on the street, on the road and at night as well as fire prevention a daily social advertising theme in the majority of media channels;

331.11. we will promote the introduction of technical means for disaster prevention. We will strive to make sure that such emergency alert equipment as smoke detectors, other automatic emergency alert systems and fire extinguishing equipment become mandatory for homes and other structures;

331.12. appropriate attention will be paid to national civil protection. It is necessary to fix the legal framework governing State actions in emergencies, to adapt it to contemporary challenges, such as nuclear or chemical disasters or a threat of a military attack, to repeal any provisions that might lead to interference between the functions of competent authorities, and create a system for informing the public about threats. We will promote the creation of an integrated civil protection system to ensure that an effective role in that system is played not only by the Fire and Rescue Department under the Ministry of the Interior but all also by all ministries, municipality administrations and other institutions that will also require comprehensive development, setting of specific goals and measures as well as funding for measure implementation in order to enhance their preparedness for potential dangers. We will promote an integrated and effective process of decision coordination between the military and the civilian components of the system as well as between the strategic and operational levels, since the ability to coordinate the actions of different institutions is a pre-condition for the efficient use of State resources and the fulfilment of citizens' expectations;

331.13. we will seek the use of advanced technologies in the protection of the EU external border. Our aim is to make sure that by 2020 the entire Lithuanian-Byelorussian and Lithuanian-Russian borders are controlled by up-to-date technical equipment, thus preventing human trafficking and goods smuggling.

### **A policy reflective of the geopolitical challenges**

332. A strong, conscious society and a modern and professional military, mainly built on a voluntary basis and made up of professionals, volunteers, conscripts and the mobilisation reserve, will remain the foundation of the Lithuanian national defence system. We are convinced that the structure of the military must reflect the geopolitical situation and threats as well as the country's demographic and financial potential. Lithuania will have a modern and professional military, mainly built on a voluntary basis, and youths will be encouraged to choose mandatory basic as well as professional military service. The professionalism of soldiers will be improved through joint training with EU and NATO countries as well as national and international military exercises.

333. We will develop the national defence policy as part of the NATO defence policy, while being aware of the importance to ensure sufficient national capacities for territorial defence and deterrence, access to raw materials and resources as well as maintenance and industrial capacities relating to military needs and to make sure that citizens are interested in defending their country against any potential aggressor.

334. NATO remains the only system of collective defence that guarantees crisis prevention, deterrence from possible aggression and defence in the event of an attack. A crucial interest for Lithuania is to use every means available to strengthen our transatlantic ties and to contribute to a stronger relationship between Europe and the USA in every way possible.

335. To achieve the above goals, we make the following commitments:

335.1. in implementing our horizontal priority, i.e. development of good governance, we will maintain a clear and consistent long-term planning of the defence and security policy. It is particularly important to ensure a clear work planning in the system of national defence;

335.2. with regard to the challenges to the region's security and in keeping with the obligation undertaken by Lithuania as a NATO member, we will raise defence funding to 2 per cent of the GDP no later than by 2018;

335.3. seeing the principle of collective defence as the main guarantee for Lithuania's security, we will seek regular deployment of allied forces in Lithuania. In Lithuania, we will ensure the relevant infrastructure and support from the receiving country, and on the level of NATO we will ensure review of decisions that would guarantee the Alliance's swift and adequate response to potential threats. We will cooperate closely with the Baltic States, Poland, the USA, West and North European countries and NATO partners in the development of joint capabilities for defence planning, high alert and capacity building;

335.4. we will devote proper attention to our capabilities of defending our territory on our own and with allied forces as well as to our ability to promptly respond to any security challenges encountered by other allies. We will strive to make a proportional contribution to the Alliance's overall defensive potential and contribute to the efforts to expand peace and stability outside the Alliance by taking part in operations with allies and partners, and thus contributing to the strength of our own national armed forces. The professionalism of servicemen will be enhanced by joint training with EU and NATO countries as well as national and international military exercises;

335.5. we will endeavour to provide the Lithuanian armed forces with effective weapons and advance military technologies and we will provide soldiers with modern equipment and clothing. We will carry out the upgrading of the infrastructure of military grounds and regions. We will upgrade the systems for search and rescue at sea. We will perform regular controls of the transparency and adequacy of the use of the national defence funds.

335.6. we will develop a concept of societal defence. To that end, the activities of the Lithuanian Riflemen's Union and the National Defence Volunteer forces will be promoted;

335.7. we will cooperate with the Lithuanian Riflemen's Union as well as educational establishments and public organisations to promote civic and patriotic education. We will encourage the education community to be active in developing patriotic-military training programmes that provide practical skills and reinforce the community and team spirit. Appropriate attention will be devoted to the improvement of the information literacy of education workers as well as active development of youth critical thinking, as one of the most effective measures in dealing with the threats of an information war. We are prepared to ensure a synergy between the areas of education, culture and national defence in order to consolidate and successfully utilise the available intellectual potential of the society. We will implement programmes and projects for military-civilian cooperation to foster cultural and historical traditions, to promote pride in Lithuania and its military and to build a positive public image of the military. With every year, we will increase the number of children admitted to the camps organised by the Lithuanian Riflemen's Union;

335.8. in view of the possibility of adopting the universal military service model in the long-term, we will ensure the requisite military training infrastructure as well as the well-being of servicemen; On the basis of the principles of servicemen's well-being, motivation and professionalism, we will devote major attention to high-quality preparation of an adequate mobilisation reserve. We will raise the average pay for service members by 30 per cent and improve their social guarantees and service conditions;

335.9. we will support the efforts to attract the most motivated Lithuanian citizens to our armed forces and to build an image of military service as a promising and respectable career choice;

335.10. we will promote cooperation and mutual understanding between the public and the armed forces. A key element in that regard is high moral and behavioural standards applicable to service members and other representatives of the national defence system;

335.11. major attention will be directed to preparedness to respond to hybrid threats. We will endeavour to ensure the ability of both the armed forces and society to provide an effective response to any attempts made by unfriendly States against Lithuanian sovereignty, domestic policy and the rights and freedoms of our citizens under the guise of peaceful measures. The competent authorities, in particular the Ministry of Defence and the State Security Department, will have to provide residents with an extensive security and threats analysis to contribute to adequate public readiness for resistance against the disinformation and propaganda efforts by hostile States;

335.12. with regard to the dependence of all modern societies on the information and communication infrastructure, a lot of attention will be devoted to the strengthening of national cyber-security and strategic communication. We will create a cyber-security information network and automate the application of preventive measures. We will organise regular national cyber-security exercises. Infrastructure objects of special significance will have cyber incident response groups, and a programme for public awareness raising on informational threats will be prepared.

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