

**NATIONAL QUANTITATIVE TARGETS:  
PRESENT SITUATION AND PROJECTIONS FOR 2015 AND 2020**

<b>Target</b>	<b>Present situation</b>	<b>Projections for 2015</b>	<b>Projections for 2020</b>
<b>Smart economic growth</b>			
Research and development expenditure, % of GDP	0.79**	1.86	1.9
Early school leavers with basic education, % population aged 18-24	7.9***	not more than 9	not more than 9
Population having higher or equivalent education, % population aged 30-34	43.8**	40	40
<b>Sustainable economic growth</b>			
Consumption of renewable energy resources, %	19.7**	18.6	23
Final energy consumption, % change from 2009 level	0*	-9	-17
Greenhouse gas emissions, % change from 2005 level (million t of CO <sub>2</sub> equivalent) in sectors not participating in the emissions trading system	-2* 15.8 million tonnes	+12 18.1 million tonnes	not more than +15 18.7 million tonnes
<b>Inclusive economic growth</b>			
Employment level, % population aged 20-64	67.2***	69	72.8
Persons at risk of poverty/severe material deprivation/living in households of very low work intensity (thousands)	1 109**	928	814

\* - 2009

\*\* - 2010

\*\*\* - 2011

**REFERENCES TO STRATEGIC AND OTHER DOCUMENTS OR THEIR MEASURES AND COMMITTED FUNDING  
IN ELIMINATING STRUCTURAL OBSTACLES TO GROWTH AND IMPLEMENTING THE MAIN TARGETS**

Key reform directions for eliminating obstacles to economic growth	Measure	Period	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
<b>Ensuring the Sustainability of the Public Finances</b>	Health system reform: Lithuanian Health System Development Framework 2011–2020	2011–2020	Ministry of Health	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Programme on stage III of the restructuring of health care institutions and services	2009–2012	Ministry of Health	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	The Programme on the continuity of health care system and optimisation of health care infrastructure	2007–2015	Ministry of Health	LTL 325.62 m (276.78 – EU Structural Funds (EU SF), 48.84 – co-financing (CF))	Unscheduled financing	Unscheduled financing	Unscheduled financing
	E-health system Development Programme for 2009-2015	2009–2015	Ministry of Health	LTL 98.03 m (83.33 – EU SF, 14.7 – CF)	Unscheduled financing	0.55	0.7
	<a href="#">Social insurance and pension reform</a>	–	Ministry of Social Security and Labour	–	–	–	–
	Reform of state-owned enterprises	2011–2012	Ministry of Economy	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing

Key reform directions for eliminating obstacles to economic growth	Measure	Period	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
Fostering competitiveness	<a href="#">Lithuanian Innovation Strategy for 2010–2020</a>	2010–2020	Ministry of Economy	LTL 519.61 m (474.61– EU SF, 45 – CF)	2.46	1.37	2.21
			Ministry of Education and Science	LTL 1,398 m (1166 – EU SF, 237 – CF)	0.07	Unscheduled financing	Unscheduled financing
	Export Development Strategy of the Republic of Lithuania of 2009-2013	2009–2013	Ministry of Economy	LTL 152.32 m – EU SF, CF not committed	48	0.43	Unscheduled financing
	<a href="#">Investment Promotion Programme for 2011-2019</a>	2011–2020	Ministry of Economy	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">National Programme on Development of Research, Technologies and Innovation in the Space Sector for 2010-2015</a>	2010–2015	Ministry of Economy	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Strategy for the Promotion and Development of Creative Industries	2010–2019	Ministry of Culture	LTL 59.33 m (other preliminary sources of funding – LTL 11.35 m)	Unscheduled financing	Unscheduled financing	0.8
	Strategy for Securing Lifelong Learning	2008–2012	Ministry of Education and Science	LTL 6 m (5.1– EU SF, 0.9 – CF)	0.05	0.05	0.05
	<a href="#">Programme for the Implementation of Provisions of the National Education Strategy 2003-2012</a>	2003–2012	Ministry of Education and Science	LTL 14.91 m (12.67 – EU SF, 2.24 – CF)	Unscheduled financing	77.1	53.5

Key reform directions for eliminating obstacles to economic growth	Measure	Period	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
Ensuring Structural Conditions for Economic Growth: Improving the Business Environment and Developing the Infrastructure	<a href="#">Assessment of administrative burden, improvement of the quality and effectiveness of legal regulation and strengthening administrative skills in the context of better regulation</a>	2010–2011	Ministry of Economy	LTL 0.92 m (0.78 – EU SF; 0.14 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">Strategy of the Development and Improvement of the Lithuanian Public Procurement System for 2009-2013</a>	2009–2013	Ministry of Economy	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">Energy Independence Strategy (Draft)</a>	2010–2020	Ministry of Energy	LTL 496 m (Operational Programme for Economic Growth, Priority 'Basic economic infrastructure', Measure 'Energy distribution networks')	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Long-term (until 2025) Development Strategy of the Lithuanian Transport System	2005–2025	Ministry of Transport	LTL 3,800 m (3,300 – EU SF and ERDF; 500 – CF)	142	80	Unscheduled financing
	<a href="#">National Sustainable Development Strategy</a>	2009–2020	Ministry of Environment	Unscheduled financing	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">Operational Programme for Promotion of Cohesion, Priority III 'Environment and Sustainable Development', Tasks I &amp; II</a>	2007–2013	Ministry of Environment	LTL 2,843.8 m (2591.8 – EU SF; 251.98 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing

Key reform directions for eliminating obstacles to economic growth	Measure	Period	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	Programme for Information Society Development in Lithuania for 2011-2019	2011–2019	Ministry of Transport	LTL 752.9 m	–	64.65	Unscheduled financing

**IMPLEMENTATION OF THE PRIORITIES OF THE EUROPE 2020 STRATEGY**

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	<b>I. Smart economic growth</b>						
<b>Increasing R&amp;D Expenditure</b>	Lithuanian Innovation Strategy of 2010-2020	2010–2020	Ministry of Economy	LTL 901.74 m (839.09 – EU SF, 62.65 – CF)	2.46	1.37	2.21
			Ministry of Education and Science	LTL 1 398 m (1 166 – EU SF, 237 – CF)	0.07	Unscheduled financing	Unscheduled financing
	<a href="#">Programme for the Implementation of Provisions of the National Education Strategy 2003-2012</a>	2003–2012	Ministry of Education and Science	LTL 8.71 m (7.40 – EU SF, 1.31 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">Programme for Raising Public Awareness about the Intellectual Property Rights</a>	2010–2012	Ministry of Culture	Unscheduled financing	0.23	0.235	0.051
<b>Reducing the Number of Early School Leavers</b>	National Programme for Vocational Guidance in Education System, Practical Vocational Training Resource Development Programme	2007–2013	Ministry of Education and Science	LTL 505 m (429 – EU SF, 76 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">Pre-primary and Preschool Education Development Programmes (2007-2012, 2011-2013)</a>	2007–2012, 2011–2013	Ministry of Education and Science	LTL 484 m (411 – EU SF, 73 – CF)	Unscheduled financing	5.4	Unscheduled financing

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	<a href="#">National Programme for the Implementation of Provisions of the Education Strategy for 2003-2012</a>	2003–2012			0.24	77.1	53.5
<b>Retaining the Share of Individuals with Higher or Equivalent Education</b>	<a href="#">National Studies Programme</a>	2007–2013	Ministry of Education and Science	LTL 598 m (508 – EU SF, 90 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Programmes Promoting the Internationalisation of University Education (2008-2010, 2011-2012)	2008–2010, 2011–2012	Ministry of Education and Science	LTL 91.88 m (79 – EU SF, 13.8 – CF)	8.22	8.5	10.1
	Strategy for Securing Lifelong Learning	2008–2012	Ministry of Education and Science	LTL 6 m (5.1 – EU SF, 0.9 – CF)	0.05	0.05	0.05
	<b>II. Sustainable economic growth</b>						
<b>Increasing the Use of Renewable Energy Sources</b>	<a href="#">Lithuanian National Action Plan for Renewable Energy Sources</a>	2011–2020	Ministry of Energy	LTL 218.62 m	Unscheduled financing	Unscheduled financing	Unscheduled financing
<b>Improving Energy Efficiency</b>	Operational Programme on Economic Growth, Priority 2.4 'Basic economic infrastructure'	2007–2013	Ministry of Economy	LTL 328.67 m (328.67 – EU SF, CF – 0)	Unscheduled financing	Unscheduled financing	Unscheduled financing

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	<a href="#">Operational Programme for Promotion of Cohesion, Priority 3.3 'Environment and Sustainable Development'</a>	2007–2013	Ministry of Economy	LTL 972.24 m (855.14 – EU SF, 117.1 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Programme for the Modernisation of <a href="#">Multi-apartment Buildings</a>	2005–2020	Ministry of Environment	LTL 819 m (468.5 – EU SF, 350.5 – CF)	36.55	20.72	19.79
<b>Limiting Greenhouse Gas Emissions</b>	<a href="#">National Strategy for the Implementation of the United Nations Framework Convention on Climate Change until 2012</a>	2008–2012	Ministry of Environment	Unscheduled financing	50	400	Unscheduled financing
	<b>III. Inclusive economic growth</b>						
<b>Increasing Employment Rate</b>	Operational Programme for the Development of Human Resources, Priority I 'Quality employment and social inclusion'	2007–2013	Ministry of Social Security and Labour	LTL 934 m (856.6 – EU SF, 56.8 – CF (State Budget funds); 20.6 – CF (Employment Fund proceeds))	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Pre-primary and Preschool Education Development Programmes	2011–2013	Ministry of Education and Science	LTL 18.68 m (15.88 – EU SF, 2.80 – CF)	Unscheduled financing	5.4	Unscheduled financing

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	National Programme for Vocational Guidance in Education System, Practical Vocational Training Resource Development Programme	2007–2013	Ministry of Education and Science	LTL 505 m (429 – EU SF, 7 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	<a href="#">National Programme for the Implementation of Provisions of the Education Strategy for 2003-2012</a>	2003–2012	Ministry of Education and Science	LTL 18.71 m (15.90 – EU SF, 2.81 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Strategy for Securing Lifelong Learning	2008–2012	Ministry of Education and Science	LTL 6 m (5.1 – EU SF, 0.9 – CF)	Unscheduled financing	Unscheduled financing	0,05
	Lithuanian National Public Health Strategy for 2006–2013	2006–2013	Ministry of Health	Unscheduled financing	2,09	4,07	Unscheduled financing
	Regional Culture Development Programme for 2011-2020	2012–2020	Ministry of Culture	Unscheduled financing	Unscheduled financing	Unscheduled financing	19,9
<b>Reducing Social Exclusion</b>	<a href="#">Programme for the Reduction of Morbidity and Mortality from Main Non-Infectious Diseases</a>	2007–2015	Ministry of Health	LTL 497.5 m (422.9 – EU SF, 74.6 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	Operational Programme for the Development of Human Resources, Priority I 'Quality employment and social inclusion'	2007–2013	Ministry of Social Security and Labour	LTL 202.9 m (191.4 – EU SF, 11.5 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Operational Programme for Promotion of Cohesion, Priority II 'Quality and availability of public services: health care, education and social infrastructure'	2007–2013	Ministry of Social Security and Labour	LTL 422 m (360 – EU SF, 62 – CF (funds from state and municipal budgets))	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Regional Culture Development Programme for 2012–2020	2012–2020	Ministry of Culture	Unscheduled financing	Unscheduled financing	Unscheduled financing	Financing provided in target of Increasing Employment rate
	Programme of Modernisation of the Infrastructure of <a href="#">Stationary Institutions of Social Services, Plan of Measures for 2011-2015</a>	2011–2015	Ministry of Social Security and Labour	Measures of the Programme are financed by the <a href="#">Operational Programme for Promotion of Cohesion, Priority II</a> 'Quality and availability of public services: health care, education and social infrastructure'			
	<a href="#">National Programme of Equal Opportunities for Women and Men for 2010-2014</a>	2010–2014	Ministry of Social Security and Labour	Measures of the Programme are financed by the Operational Programme for the Development of Human Resources Priority I 'Quality employment and social inclusion', State Budget funds for 2011 amount to LTL 0.047 m			

Target	Measure	Period, years	Responsible authority	EU Structural assistance from 2010	Funds from the state budget of the Republic of Lithuania, excluding co-financing and EU Structural assistance, m LTL		
					2010	2011	2012
	<a href="#">National Programme for Social Integration of People with Disabilities for 2003–2012</a>	2003–2012	Ministry of Social Security and Labour	Measures of the Programme are financed by the Operational Programme for the Development of Human Resources, Priority I 'Quality employment and social inclusion' and the <a href="#">Operational Programme for Promotion of Cohesion, Priority II</a> 'Quality and availability of public services: health care, education and social infrastructure'. State Budget funds for 2010 and 2011 amount to LTL 0.047 m			
	<a href="#">National Youth Policy Development Programme for 2011–2019</a>	2011–2019	Ministry of Social Security and Labour	Measures of the Programme are financed by the Operational Programme for the Development of Human Resources Priority I 'Quality employment and social inclusion', State Budget funds for 2011 amount to LTL 1.11 m			
	Programme for Reducing Social and Economic Differences between Regions for 2011–2013	2011–2013	Ministry of the Interior	LTL 1,914 m (1,574.3 – EU SF, 339.7 – CF)	Unscheduled financing	Unscheduled financing	Unscheduled financing
	Lithuanian Housing Strategy	2004–2020	Ministry of Environment	Unscheduled financing	14	17	Unscheduled financing
	National Child Welfare Policy Strategy Implementation Plan for 2005-2012	2005–2012	Ministry of Social Security and Labour	Unscheduled financing	22.263	22.32	Unscheduled financing
	Social support for vulnerable social groups	–	Ministry of Social Security and Labour	Unscheduled financing	2,603.5	2,761.4	Unscheduled financing

**SUMMARY OF THE FUNDS COMMITTED FOR THE MEASURES OF THE NATIONAL REFORM PROGRAMME**

<b>Targets</b>	<b>Co-financing (LTL m)</b>	<b>EU structural assistance from 2010 (LTL m)</b>	<b>National Budget Funds in 2010-2011 (LTL m)</b>
Ensuring Public Finance Sustainability	425,75	423,65	1,25
Fostering Competitiveness	2,203,34	2,150,17	186,09
Ensuring Structural Conditions for Economic Growth	8,180,27	7,893,62	286,65
<b>TOTAL:</b>	<b>10,709,23</b>	<b>10,369,41</b>	<b>473,99</b>
Increasing Investment in R&D	2,313,56	2,308,45	6,626
Reducing the Number of Early School Leavers	995,49	989	136,24
Retaining the Share of Individuals with Tertiary or Equivalent Education	712,7	695,88	26,97
<b>TOTAL:</b>	<b>4,021,75</b>	<b>3,993,33</b>	<b>169,836</b>
Increasing the Use of Renewable Energy Sources	218,62	218,62	0
Improving Energy Efficiency	1,848,51	1,791,24	77,06
Limiting Greenhouse Gas Emissions	450	–	450
<b>TOTAL:</b>	<b>2,845,8</b>	<b>2,338,53</b>	<b>527,06</b>
Increasing the Employment Rate	1,493,95	1,482,39	31,51
Reducing Social Exclusion	7,980,63	2,538,9	5,441,687
<b>TOTAL:</b>	<b>9,474,58</b>	<b>4,021,29</b>	<b>5,473,197</b>
<b>Total funds committed for eliminating obstacles for economic growth and implementing the priorities of the EU 2020 strategy</b>	<b>24,587,83</b>	<b>18,269,27</b>	<b>6,663,983</b>

Annex 3. Assessment of CSR to Lithuania and Key Structural Reforms in the NRP

Information on the planned and already enacted measures																																											
Main areas	Recommendations (CSR)	Measures	Description of the measures																																								
			<table border="1"> <thead> <tr> <th>Description of the measure</th> <th>Legal or administrative instrument</th> <th>Objective of the measure</th> <th>State of progress</th> </tr> </thead> </table>	Description of the measure	Legal or administrative instrument	Objective of the measure	State of progress																																				
Description of the measure	Legal or administrative instrument	Objective of the measure	State of progress																																								
Public finances	1. To adopt the proposed legal acts, under which the pension system reform is being implemented. To ensure more active labour market participation, to eliminate fiscal incentives not to work, particularly for persons of pension or pre-pension age	Measure 1	<table border="1"> <tr> <td>The legal acts were adopted. In 2011, the Guidelines for the Reorganisation of the State Social Insurance and Pension System, which provide for the main directions of the social insurance and pension reform, was approved by the Seimas resolution. The Government approved the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System. The Plan outlines the priority works for 2011 – 2013 and long-term measures to be implemented in 2013-2014. Extension of the retirement age. On 9 June 2011, the Seimas adopted amendments to the legal acts, which approved the extension of the retirement age. The retirement age will be gradually extended for men and women up to 65 years (for women - by 4 months and for men - by 2 months each year, until 65 years is reached in 2026).</td> <td>Legal</td> <td>Having regard to demographic changes, to seek to achieve the financial sustainability of the pension income and social insurance system, to ensure the implementation of the solidarity principle, to promote private pension accumulation, and to ensure the efficiency of activities of the institutions administering the system.</td> <td>It has been implemented since 1 January 2012.</td> </tr> <tr> <td>Measure 2</td> <td>Preparation of the draft Law on Pension Accumulation and the draft Law Amending the Law on the Pension System Reform. These drafts are being prepared, while implementing the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System.</td> <td>Legal</td> <td>It is sought to gradually repeal the deduction from the contribution to the pension fund and to reduce the amount of deduction from accrued assets. The proposal is to encourage participation of individuals themselves in pension accumulation by paying additional contributions from the state budget.</td> <td></td> </tr> <tr> <td>Measure 3</td> <td>Reduction of the incentives not to work for people of pension and pre-pension age. In the beginning of 2010, social insurance pensions, state pensions and other social insurance benefits were reduced under the procedure laid down in the Provisional Law on Recalculation and Payment. At the same time, pensions of employed pensioners were reduced as well. Depending on the received insured income, the pension payable to employed pensioners was reduced from 2.5% to 70%. The Provisional Law on Recalculation and Payment of Social Benefits was effective until 31 December 2011. From the beginning of 2012, pensions were restored to the former level, and the plans are to reimburse old-age pensioners part of the reduced pension.</td> <td>Legal</td> <td>It was sought that the pension beneficiaries who remain in the labour market would contribute to the sharing of the financial burden on the state social insurance budget by receiving reduced pensions during the period of hard times.</td> <td>Since 1 January 2012, the pensions payable to working pensioners have been restored to the former level.</td> </tr> <tr> <td rowspan="5">2. To increase the efficiency of energy consumption in buildings, and while rapidly implementing the Holding Fund's initiative, to take also actions to transfer taxes to the energy consumption sector</td> <td>Measure 1</td> <td>Promotion of the renovation of multi-apartment buildings. The new wording of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings approved under Resolution No. 1556 of the Government of 28 December 2011. The key amendments - clear achievable results – to save at least 20% of thermal energy in the old-construction residential building sector by 2020, the document is revised according to the new requirements of the Strategic Planning Methodology.</td> <td>Legal</td> <td>To encourage owners of multi-apartment buildings built according to the technical construction norms applicable until 1993 to renovate (modernise) multi-apartment buildings so that energy efficiency in them would increase and create conditions for doing so.</td> <td>Under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings, since 2005 442 multi-apartment buildings (of which 85 in 2011) were modernised. A total of 273 of the aforementioned figure were fully modernised, by insulating exterior walls (81 of which in 2011). The updated Programme was launched for implementation on 1 January 2012.</td> </tr> <tr> <td>Measure 2</td> <td>Promotion of the renovation of multi-apartment buildings. The description of the procedure for the monitoring of implementation of the Multi-apartment Buildings was approved by Order No. 1055 of 29 December 2011 of the Minister of Environment</td> <td>Legal</td> <td>To ensure effective control of the implementation of multi-apartment building renovation (modernisation) projects, which would comprise the construction and technical supervision process</td> <td>The monitoring of the implementation of the Programme was commenced on 1 January 2007 (this procedure has not been regulated before)</td> </tr> <tr> <td>Measure 3</td> <td>Promotion of the renovation of multi-apartment buildings. The new wording of the Description of the Preparation of the Multi-apartment Building Renovation (Modernisation) Project was approved by Order No. D1-871 of 11 November 2011 of the Minister of Environment</td> <td>Legal</td> <td>To provide the possibility to implement renovation (modernisation) projects in stages by ensuring the allocation of state support having reached the energy efficiency attributable to class D in the building</td> <td>Applicable since the entry into force of the respective Order</td> </tr> <tr> <td>Measure 4</td> <td><b>Promotion of the renovation of multi-apartment buildings.</b> To prepare the draft Law on the Renovation (Modernisation) of Multi-apartment Buildings. The Law will define clearer the conditions and methods of allocation of financing and state support under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and the principles of financing and supervision of the project implementation process</td> <td>Legal</td> <td>To improve the legal environment of modernisation by making it clearer and easier to understand for owners of multi-apartment buildings, thus promoting the modernisation of multi-apartment buildings.</td> <td>It is planned to submit the draft Law to the Seimas in 2013</td> </tr> <tr> <td>Measure 5</td> <td>Promotion of the renovation of multi-apartment buildings. Extension of the campaign on the publicity of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and Presentation of Good-Example Practice</td> <td>Administrative</td> <td>To encourage implementation of multi-apartment building modernisation projects.</td> <td>It is planned to implement it in 2012</td> </tr> </table>	The legal acts were adopted. In 2011, the Guidelines for the Reorganisation of the State Social Insurance and Pension System, which provide for the main directions of the social insurance and pension reform, was approved by the Seimas resolution. The Government approved the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System. The Plan outlines the priority works for 2011 – 2013 and long-term measures to be implemented in 2013-2014. Extension of the retirement age. On 9 June 2011, the Seimas adopted amendments to the legal acts, which approved the extension of the retirement age. The retirement age will be gradually extended for men and women up to 65 years (for women - by 4 months and for men - by 2 months each year, until 65 years is reached in 2026).	Legal	Having regard to demographic changes, to seek to achieve the financial sustainability of the pension income and social insurance system, to ensure the implementation of the solidarity principle, to promote private pension accumulation, and to ensure the efficiency of activities of the institutions administering the system.	It has been implemented since 1 January 2012.	Measure 2	Preparation of the draft Law on Pension Accumulation and the draft Law Amending the Law on the Pension System Reform. These drafts are being prepared, while implementing the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System.	Legal	It is sought to gradually repeal the deduction from the contribution to the pension fund and to reduce the amount of deduction from accrued assets. The proposal is to encourage participation of individuals themselves in pension accumulation by paying additional contributions from the state budget.		Measure 3	Reduction of the incentives not to work for people of pension and pre-pension age. In the beginning of 2010, social insurance pensions, state pensions and other social insurance benefits were reduced under the procedure laid down in the Provisional Law on Recalculation and Payment. At the same time, pensions of employed pensioners were reduced as well. Depending on the received insured income, the pension payable to employed pensioners was reduced from 2.5% to 70%. The Provisional Law on Recalculation and Payment of Social Benefits was effective until 31 December 2011. From the beginning of 2012, pensions were restored to the former level, and the plans are to reimburse old-age pensioners part of the reduced pension.	Legal	It was sought that the pension beneficiaries who remain in the labour market would contribute to the sharing of the financial burden on the state social insurance budget by receiving reduced pensions during the period of hard times.	Since 1 January 2012, the pensions payable to working pensioners have been restored to the former level.	2. To increase the efficiency of energy consumption in buildings, and while rapidly implementing the Holding Fund's initiative, to take also actions to transfer taxes to the energy consumption sector	Measure 1	Promotion of the renovation of multi-apartment buildings. The new wording of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings approved under Resolution No. 1556 of the Government of 28 December 2011. The key amendments - clear achievable results – to save at least 20% of thermal energy in the old-construction residential building sector by 2020, the document is revised according to the new requirements of the Strategic Planning Methodology.	Legal	To encourage owners of multi-apartment buildings built according to the technical construction norms applicable until 1993 to renovate (modernise) multi-apartment buildings so that energy efficiency in them would increase and create conditions for doing so.	Under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings, since 2005 442 multi-apartment buildings (of which 85 in 2011) were modernised. A total of 273 of the aforementioned figure were fully modernised, by insulating exterior walls (81 of which in 2011). The updated Programme was launched for implementation on 1 January 2012.	Measure 2	Promotion of the renovation of multi-apartment buildings. 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The new wording of the Description of the Preparation of the Multi-apartment Building Renovation (Modernisation) Project was approved by Order No. D1-871 of 11 November 2011 of the Minister of Environment	Legal	To provide the possibility to implement renovation (modernisation) projects in stages by ensuring the allocation of state support having reached the energy efficiency attributable to class D in the building	Applicable since the entry into force of the respective Order	Measure 4	<b>Promotion of the renovation of multi-apartment buildings.</b> To prepare the draft Law on the Renovation (Modernisation) of Multi-apartment Buildings. The Law will define clearer the conditions and methods of allocation of financing and state support under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and the principles of financing and supervision of the project implementation process	Legal	To improve the legal environment of modernisation by making it clearer and easier to understand for owners of multi-apartment buildings, thus promoting the modernisation of multi-apartment buildings.	It is planned to submit the draft Law to the Seimas in 2013	Measure 5	Promotion of the renovation of multi-apartment buildings. Extension of the campaign on the publicity of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and Presentation of Good-Example Practice	Administrative	To encourage implementation of multi-apartment building modernisation projects.	It is planned to implement it in 2012
		The legal acts were adopted. In 2011, the Guidelines for the Reorganisation of the State Social Insurance and Pension System, which provide for the main directions of the social insurance and pension reform, was approved by the Seimas resolution. The Government approved the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System. The Plan outlines the priority works for 2011 – 2013 and long-term measures to be implemented in 2013-2014. Extension of the retirement age. On 9 June 2011, the Seimas adopted amendments to the legal acts, which approved the extension of the retirement age. The retirement age will be gradually extended for men and women up to 65 years (for women - by 4 months and for men - by 2 months each year, until 65 years is reached in 2026).	Legal	Having regard to demographic changes, to seek to achieve the financial sustainability of the pension income and social insurance system, to ensure the implementation of the solidarity principle, to promote private pension accumulation, and to ensure the efficiency of activities of the institutions administering the system.	It has been implemented since 1 January 2012.																																						
		Measure 2	Preparation of the draft Law on Pension Accumulation and the draft Law Amending the Law on the Pension System Reform. These drafts are being prepared, while implementing the Plan of Measures to Implement the Guidelines for the Reorganisation of the State Social Insurance and Pension System.	Legal	It is sought to gradually repeal the deduction from the contribution to the pension fund and to reduce the amount of deduction from accrued assets. The proposal is to encourage participation of individuals themselves in pension accumulation by paying additional contributions from the state budget.																																						
	Measure 3	Reduction of the incentives not to work for people of pension and pre-pension age. In the beginning of 2010, social insurance pensions, state pensions and other social insurance benefits were reduced under the procedure laid down in the Provisional Law on Recalculation and Payment. At the same time, pensions of employed pensioners were reduced as well. Depending on the received insured income, the pension payable to employed pensioners was reduced from 2.5% to 70%. The Provisional Law on Recalculation and Payment of Social Benefits was effective until 31 December 2011. From the beginning of 2012, pensions were restored to the former level, and the plans are to reimburse old-age pensioners part of the reduced pension.	Legal	It was sought that the pension beneficiaries who remain in the labour market would contribute to the sharing of the financial burden on the state social insurance budget by receiving reduced pensions during the period of hard times.	Since 1 January 2012, the pensions payable to working pensioners have been restored to the former level.																																						
	2. To increase the efficiency of energy consumption in buildings, and while rapidly implementing the Holding Fund's initiative, to take also actions to transfer taxes to the energy consumption sector	Measure 1	Promotion of the renovation of multi-apartment buildings. The new wording of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings approved under Resolution No. 1556 of the Government of 28 December 2011. The key amendments - clear achievable results – to save at least 20% of thermal energy in the old-construction residential building sector by 2020, the document is revised according to the new requirements of the Strategic Planning Methodology.	Legal	To encourage owners of multi-apartment buildings built according to the technical construction norms applicable until 1993 to renovate (modernise) multi-apartment buildings so that energy efficiency in them would increase and create conditions for doing so.	Under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings, since 2005 442 multi-apartment buildings (of which 85 in 2011) were modernised. A total of 273 of the aforementioned figure were fully modernised, by insulating exterior walls (81 of which in 2011). The updated Programme was launched for implementation on 1 January 2012.																																					
		Measure 2	Promotion of the renovation of multi-apartment buildings. The description of the procedure for the monitoring of implementation of the Multi-apartment Buildings was approved by Order No. 1055 of 29 December 2011 of the Minister of Environment	Legal	To ensure effective control of the implementation of multi-apartment building renovation (modernisation) projects, which would comprise the construction and technical supervision process	The monitoring of the implementation of the Programme was commenced on 1 January 2007 (this procedure has not been regulated before)																																					
		Measure 3	Promotion of the renovation of multi-apartment buildings. The new wording of the Description of the Preparation of the Multi-apartment Building Renovation (Modernisation) Project was approved by Order No. D1-871 of 11 November 2011 of the Minister of Environment	Legal	To provide the possibility to implement renovation (modernisation) projects in stages by ensuring the allocation of state support having reached the energy efficiency attributable to class D in the building	Applicable since the entry into force of the respective Order																																					
		Measure 4	<b>Promotion of the renovation of multi-apartment buildings.</b> To prepare the draft Law on the Renovation (Modernisation) of Multi-apartment Buildings. The Law will define clearer the conditions and methods of allocation of financing and state support under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and the principles of financing and supervision of the project implementation process	Legal	To improve the legal environment of modernisation by making it clearer and easier to understand for owners of multi-apartment buildings, thus promoting the modernisation of multi-apartment buildings.	It is planned to submit the draft Law to the Seimas in 2013																																					
		Measure 5	Promotion of the renovation of multi-apartment buildings. Extension of the campaign on the publicity of the Programme for the Renovation (Modernisation) of Multi-apartment Buildings and Presentation of Good-Example Practice	Administrative	To encourage implementation of multi-apartment building modernisation projects.	It is planned to implement it in 2012																																					

		Measure 6. Implementation of the JESSICA Holding Fund Initiative	The establishment of the JESSICA Holding Fund and the implementation of financial engineering measures managed by the Fund are aimed at improving the financing conditions of renovation projects of multi-apartment buildings and dormitories of state higher schools and vocational training institutions. The possibilities of including other activities within the scope of the JESSICA Holding Fund and implementation thereof are actively considered.	Administrative (financed from the EU Structural Funds)	To improve the financing conditions for projects aimed at increasing energy efficiency in the housing sector.	On 11 June 2009, the Ministry of Environment, the Ministry of Finance and the European Investment Bank signed the financing agreement and set up a Holding Fund. Currently, within the framework of the announced two calls, 43 agreements for granting loans to finance multi-apartment modernisation projects were signed, and additionally, 63 construction work tendering procedures are being performed. The required technical documentation and investment projects are being prepared for 185 multi-apartment buildings which have expressed their interest to participate in the Programme. Taking due account of the existing trends, based on the data of the Housing and Urban Development Agency, when implementing this measure, the consistent upward trend in the interest and activeness of potential applicants in the proposed initiative was observed at the end of 2011-beginning of 2012. In addition, by expanding the JESSICA activities, the third call for the selection of financial intermediaries has been announced, and the documents for the fourth call for the selection of financial intermediaries are being drafted for the financing of renovation projects of dormitories of state schools of higher education and vocational training institutions and the integrated renovation programme for Visaginas multi-apartment buildings.
		Measure 7 (other measures to increase energy efficiency in building than those indicated in Measure 6)	Increase of energy efficiency in buildings. While implementing the measures related to the increase of the efficiency of energy consumption in buildings, public buildings are renovated (both at the regional and national level), the energy systems of these buildings are modernised and/or reconstructed, and multi-apartment buildings in problematic areas are renovated and modernised, first of all, by increasing the properties determining energy efficiency, etc.	Administrative (financed from the EU Structural Funds)	To reduce energy expenditure in buildings.	The financial indicators of the implementation of public building renovation measures are excellent, compared to other sectors. The projections are that not only all the funds allocated for these measures from the EU Structural Funds and the state budget of the Republic of Lithuania will be used successfully in a timely manner but also the additional demand should be identified and additional funds will be sought for the satisfaction thereof.
		Measure 8 Increase of the Efficiency of Energy Use in Buildings	Transfer of taxes to the energy consumption sector. Upon adoption of the amendments to the Law on Excise Duties, the excise tariff applicable to gasoline was increased	Legal	The provisions of EU legislation are implemented.	The new excise tariffs became effective on 1 January 2011.
<b>Labour Market</b>	<b>3. To increase the flexibility of the labour market, and for this purpose, to amend employment-related legal acts so that the provisions thereof are more flexible and it would be simpler to use fixed-term employment contracts. To amend the relevant legal acts in order to ensure that there are no incentives not to work within the social support system</b>	Measure 1	In 2011, the following legal acts were adopted: the Law on Employment Through Temporary Employment Companies; Law Amending and Supplementing the Code of Administrative Offences; the Law Amending and Supplementing the Labour Code; the Law Amending the Law on Work Councils; these laws provide for the establishment of temporary employment companies since 1 December 2011 and to engage in specific employment activities. Furthermore, the governmental resolution, in which the title of the "temporary" employment contract was changed into the "short-term" contract and the new type of employment contract – the temporary employment contract was indicated.	Legal	To legalise temporary employment companies and provide possibilities for the wider use of fixed-term employment contracts.	The amendments to the legal acts entered into force on 1 December 2011. Currently, there are 16 companies providing temporary employment services.
		Measure 2	The draft amendments to particular articles of the Labour Code are being prepared. The draft is aimed at improving the regulation of working time as well as conclusion and termination of employment contracts: by extending the possibility of concluding fixed-term employment contracts; the deadline for the notification of the termination of the labour contract according to the employee's years with that company; by repealing the provisions regarding the dismissal of certain categories of employees only in exclusive cases; by refusing to pay severance allowances exceeding the average wages for four months; by providing for the possibility to establish longer daily working hours; by providing the possibility to establish the duration of a work week in a more flexible manner, etc. The implementation of the measure is included into the Priority Activities of the Government in 2012.	Legal	It is sought that the legal provisions regulating employment relations would become more flexible and the use of fixed-term contracts would be simpler.	The draft has been prepared and is being coordinated with the social partners.
		Measure 3	Reduction of incentives not to work. The Law Amending the Law on Monetary Social Support to Needy Families and Single Persons was adopted in 2011. The Law entered into force on 1 January 2012. Implementing the Priority Activities of the Government for 2012, the reorganisation of the monetary social support system is carried out in order to make the allocation thereof more transparent, promote employment and thus reduce them incentives to abuse state support. Experimental (pilot) projects are being implemented in 5 municipalities in order to grant more rights and more responsibilities to municipalities in the field of monetary social support. The Law entrenches the provision that 50% of the previously received social benefit is paid to the long-term unemployed for 6 months after they have found a job. The Law also establishes the legal regulation regarding the proportionate reduction of the amount of the social benefit payable to working-age individuals who are capable of working but who are not employed (their families). Thus, it is sought to encourage people to actively search for a job and reduce their long-term dependence on social support. More flexible conditions to receive monetary social support for those who really need it have been provided: the requirement to be registered in the Labour Exchange for six months before being able to receive the benefit was repealed. Cooperation with institutions performing the control and prevention of illegal working was strengthened. The powers of municipalities and communities were strengthened in the field of provision of social support.	Legal	To increase motivation of working-age work capable persons to integrate into the labour market, to reduce their long-term dependence on social support, the risk of poverty trap and abuse of monetary social support as well as to ensure monetary social support for those persons who need it most.	The Law entered into force on 1 January 2012. The reorganisation of the provision of monetary social support has been implemented since 1 January 2012.

Goods and services market	4. To take actions in order to improve the conditions for starting a business and issuance of construction permits and to increase competition in the energy and retail trade sectors	Measure 1	Promotion of entrepreneurship initiatives. In 2011, the closing event 'Enterprise Lithuania' of the European Entrepreneurship Week was organised in Vilnius and 10 entrepreneurship promotion events were held in regions; 3 youth entrepreneurship projects were implemented in cooperation with the public institution Lithuania Junior Achievement. Entrepreneurship promotion events will be held in 2012 as well.	Administrative	Entrepreneurship promotion, acquisition of entrepreneurship skills	In 2011, the events were visited by ~ 10,000 visitors. The implemented projects include 'Young Colleague', 'I Am the Boss of a Successful Business', and 'Business Experience Academy'.
		Measure 2	Family business promotion. The draft Law on the new form of business - Small Community - was prepared. The main features of a small community - the simplified establishment procedure, management structure and business conditions.	Legal	Family business promotion, improvement of conditions for starting a business.	On 28 December 2011, the draft Law on Small Communities and related laws were submitted to the Seimas.
		Measure 3	Support to business start-ups. The first business year baskets containing up to LTL 6,000 for procurement of public services (consultations, training, office services) are allocated to business start-ups.	Legal	Entrepreneurship promotion.	In 2011, 1,486 business baskets were distributed and they were used to set up 286 companies (19% of the distributed business basket amount). Services were provided in 27 districts.
		Measure 4	Improvement of the business environment. When implementing the 'Verslo Laiptai' project (April 2010 – June 2011), recommendations related to the improvement of business conditions and the creation of the tax environment favourable to business were provided. The report and recommendations on the Verslo Laiptai project was approved by the Government on 27 June 2011. On 27 October 2011, the Government of the Republic of Lithuania passed Resolution No. 1261 providing more uniform business conditions for residents, the provisions of which come into force in 2 stages (from 1 January 2012 and 1 May 2012). The key amendments are related to taxation of individuals' income on certain types of business (lease, trade activity, agricultural activity, and construction). Implementing the project for the development of electronic services, business licences and individual activity certificates may be issued by electronic means. Furthermore, on 8 June 2011, the Government of the Republic of Lithuania passed Resolution No. 661, which repealed the duty to provide prevention services to fiscal cash registers. This creates preconditions for economic entities using fiscal cash registers to save around LTL 9 million per year. The amendments to the Law on Corporate Income Tax were adopted; under these amendments, the income limit is increased from LTL 500,000 to LTL 1 million (for companies having up to 10 employees), up to which the 5% preferential rate of the corporate income tax is applied.	Legal	Improvement of business conditions, creation of favourable tax environment for business.	The amendments applicable to individuals, who carry out activities on the basis of a business licence, enter into force in 2 stages (from 1 January 2012 and 1 May 2012). The project, upon implementation of which business licences and individual activity certificates are issued electronically, is scheduled for II-III quarters of 2012. The new provisions regarding the income tax have been applicable since 1 January 2012.
		Measure 5	<b>Support for business start-ups.</b> The information base for starting a business was prepared and integrated into the interactive website.	Administrative	Entrepreneurship promotion.	The new section "Plan Your Business" was created on the website www.verslovartai.lt
		Measure 6	Promotion of competition in the retail trade sector. To draft the supplement to the Law on Prohibition of Unfair Actions by Retail Trade Undertakings by supplying the list of prohibited actions to retail trade undertakings with a high degree of market power with new prohibitions	Legal	To create more favourable competition conditions in the retail market by restricting the market power of retail companies with a high degree of market power.	The draft Law has been submitted to the Seimas, the plans are to discuss it in the 2012 spring session
		Measure 7	<b>Promotion of competition in the retail trade sector.</b> To carry out the monitoring of the Law on Prohibition of Unfair Actions by Retail Trade Undertakings	Administrative	To identify any deficiencies in the legal regulation and provide proposals regarding the improvement thereof.	To submit the monitoring certificate to the Government by 1 March each year
		Measure 8	<b>Promotion of competition in the retail trade sector.</b> To draft legal acts implementing the provisions of Directive of the European Parliament and of the Council of 25 October 2011 concerning consumer rights	Legal	To promote electronic trade, to increase competition and consumer confidence.	The implementation deadline is by quarter IV of 2013.
		Measure 9	Improvement of the conditions for the issuance of construction permits. By implementing the Law Amending and Supplementing certain articles of the Law on Construction adopted on 2 July 2010, 10 implementing legal acts were prepared and adopted.	Legal	To streamline the bureaucracy in the construction process by repealing the designing conditions, narrowing the areas of the necessity of the construction permit, etc.	Implemented. Three governmental resolutions and seven orders of the Minister of Environment were passed in 2010 - 2011
		Measure 10	Review of licences and permits. To carry out a review of permits (licences) to engage in economic-commercial activities and analysis of the issuance conditions thereof (to identify unreasonable, disproportionate and excessive permits (licences) and the conditions and requirements applicable to the issuance thereof). In the first stage, to review the licences and permits assigned to the competence of the Ministry of Environment, the Ministry of Culture, the Ministry of Energy and the Ministry of Finance, to prepare and submit to the Government the draft amendments to the respective legal acts	Legal	Seeking to simplify business conditions, to carry out a systematic review of licences and permits.	Implementation deadline - quarter I-III of 2012.
		Measure 11	The new wording of the Law on Natural Gas, implementing the provisions of the EU Third Energy Package, was adopted in June 2011.	Legal	Upon implementation of the unbundling of the gas supply and transmission activities as provided in the Law, conditions will be created for competition in the gas sector and alternative supply sources will be ensured; Lithuania will be able to implement energy projects at a more rapid pace and ensure non-discriminatory gas prices for its citizens.	
		Measure 12	In January 2012, the new wording of the Law on Electricity implementing the provisions of the EU Third Energy Package and providing conditions and a favourable regulatory environment for the functioning of the Nord Pool Spot trade zone in Lithuania was adopted.	Legal	Family business promotion, improvement of conditions for starting a business	
		Measure 13	On 23 November 2011, the National Control Commission for Prices and Energy issued the natural gas market operator's licence to organise the natural gas exchange to the electricity market operator Baltpool. The natural gas exchange was launched on 1 May 2012.	Administrative	The main target set for the Gas Exchange is to provide the possibility to this country to get a supply of gas under the conditions of a competitive market and thus ensure transparent prices to customers.	
		Measure 14	The gas exchange was established in line with the principles of the power exchange Baltpool, which has been operating for two years already. Following the decommissioning of the Ignalina Nuclear Power Plant in 2009, the power exchange launched in 2010 created conditions for transparent electricity trading in Lithuania.	Legal	After the secondary gas exchange has commenced its activities, all natural gas customers having annual contracts with suppliers and other market participants can purchase or sell surplus or lacking gas quantities on the exchange, thus, balancing the natural gas flows.	

Financial market	5. By the end of 2011, to implement all the aspects of the state-owned enterprise reform package by ensuring that the ownership and regulation functions are unbundled, clear targets of companies are set, transparency is increased, and that the commercial and non-commercial activities are separated as well.	Measure 1	Enhancement of the transparency of activities of state-owned companies. This is one of the targets of the state enterprises' reform provided in the Programme for the Reorganisation of State-Owned Companies 2011-2012 (approved under Resolution No. 172 of 9 February 2011 of the Government). Quarterly reports on the activities and operating results of state-owned companies are drafted and submitted to the Government together with the conclusions regarding the improvement of activities of state-owned companies.	Legal	To ensure the transparency of activities of state-owned companies, to increase the efficiency of activities, and to assess operating results objectively.	In 2011, four summarised reports on the activities and operating results of state-owned companies were prepared and together with the conclusions and proposals submitted to the Government. In 2012, the drafting of reports will be further continued.
		Measure 2	Improvement of strategic business plans of state-owned companies. In the meetings held on 5 December 2011 and 5 March 2012, the Government delegated the rights and duties of the managers of state-owned shares and of the state as the owner to implementing bodies to make recommendations to state-owned companies operating within their competence to improve the drafted strategic plans according to the Strategic Planning and Strategic Management Guidelines, as well as to ensure that strategic business plans of companies would indicate clear strategic targets their and achievement assessment indicators.	Administrative	To improve strategic business plans of companies and indicate clear strategic targets and target achievement assessment indicators.	The strategic planning guidelines for state-owned companies were prepared, and strategic business plans of state-owned companies were improved.
		Measure 3	Preparation of the guidelines for the implementation of the ownership rights of the state. The guidelines will contain the provisions for the implementation of the state's property and non-property rights in state-owned companies; the principles for the unbundling of the regulation and ownership functions, the principles for the formation of managing bodies of state-owned companies, and the requirements for the composition of managing bodies, as well as the selection criteria for members to these bodies and the procedure for the calculation of salaries for members of managing bodies were established.	Legal	To establish uniform principles of implementation of the property and non-property rights of the state in state-owned companies, the principles of economic sector policy formation and organisation of its implementation, coordination and controlling functions from representation of state-owned companies, establishment of the state's objectives in state enterprises, public and private limited liability companies, whose shares or a certain portion thereof is owned by the state by the right of ownership (hereinafter referred to as "state-owned companies"), the procedure for the establishment of objectives and strategic plan of state-owned companies and the procedure for the supervision of implementation thereof, the principles of formation of state-owned companies, their work organisation, and the selection of candidates to managing bodies of state-owned companies.	The drafting of the guidelines on the implementation of ownership rights was commenced in 2011; the guidelines are planned to be approved in the first half of 2012
		Measure 4	Unbundling of commercial and non-commercial functions in state-owned companies. To prepare recommendations for the unbundling of commercial and non-commercial functions in state-owned companies, the definition of non-commercial functions and determination of the price thereof	Legal	To unbundle commercial and non-commercial functions, to clearly define the non-commercial functions, and to prepare recommendations regarding the prices for the provision of non-commercial services	In 2011, recommendations regarding the definition of non-commercial functions, determination of the price thereof, accounting for these functions and potential financing schemes have been prepared. The plans are to submit these recommendations to the Government for approval in the first half of 2012.
Measures with an impact on macroeconomic scenario	6. In line with the recommendations of the Council regarding the excessive deficit procedure, additional fiscal measures to rectify the excessive deficit of continuous character must be approved before the drawing up of the budget for 2012. To strengthen the implementation of tax obligations and take a full advantage of economic recovery so that the deficit is reduced faster and more rapid progress is ensured in achieving the mid-term target – at least 0.5 % of GDP every year. To strengthen the fiscal system, first of all, by establishing mandatory expenditure thresholds according to the mid-term budget system and ensuring compliance therewith.	Measure 1	Due to the macroeconomic indicator projections updated by the Ministry of Finance in November 2011, and seeking to ensure that the public sector deficit does not exceed 3% of GDP, the state budget appropriations provided for all appropriation managers in 2012 were reduced by 4% under the decision of the Government. It is noteworthy that the 4% reductions were not applied to EU and other international financial support, contributions of income of budgetary institutions, contributions to the EU budget and funds related to public debt management, whereas the appropriations earmarked for courts were reduced by 2%. In addition, the appropriations intended for the National Investment Programme 2012-2014 in 2012 were reduced by LTL 30 million.	Legal	To seek to ensure that the public sector deficit does not exceed 3% of GDP	The Law of the Republic of Lithuania on the Approval of Financial Indicators of the State Budget and Municipal Budgets of 2012 was adopted, having regard to the decisions of the Government.
		Measure 2	In 2012, the decision was made to repeal the calculation of the land tax on the basis of the nominal value of land and to switch to land taxation based on the average value of the land market starting with 2013.	Legal	To encourage more rational and effective land use and reduction of abandoned land plots, to strengthen the financial independence of municipalities.	The Law was adopted
		Measure 3	The real estate tax base has been expanded since 1 January 2012.	Legal	To add additional advancement (vertical justice) to the taxation system by ensuring that those who are better off (i. e. capable of paying) would contribute more to the financing of public expenditure.	The Law was adopted
		Measure 4	The excise duty rate on cigarettes, cigars and cigarillos was raised on 1 March 2012.	Legal	Implementing the provisions of the EU legislation.	The Law was adopted
		Measure 5	In 2010, the decision was made to increase the excise duty rate applicable to smoking tobacco from 1 January 2013.	Legal	Implementing the provisions of the EU legislation.	The Law was adopted

		Measure 6	The STI prepared The Taxpayer compliance and tax collection assurance strategy of the State Tax Inspectorate for 2011-2014 (it is provided to further develop education, consulting and communication; Taxpayers will be acquainted with various forms of activities and necessary assistance will be provided in the field of service, monitoring and assistance)	Administrative/ Legal	To strengthen the efficiency of tax collection.	Order of the Head of the STI under the FM approving the Plan of Measures Securing Tax Collection for 2012
		Measure 7	The STI implements the measures provided in the Plan of Measures to Control Unofficial Economy for 2012 approved by the Coordination Commission. The Plan provides for the following directions: • Smuggling and illegal turnover of goods subject to excise duty; • Evasion to account for income and use cash-registers in market places; • Payment of wages that are not accounted for in accounting books and records and illegal working.	Administrative/ Legal	To reduce tax concealment.	Order of the Head of the STI under the FM approving the Plan of Measures Securing Tax Collection for 2012
		Measure 8	The plans are to carry out inspections based on information collected/received by institutions (including that received by the STI confidence telephone). It is planned to implement target projects, for instance, the provision of public catering and accommodation services, passenger transportation, and control of companies that constantly report their loss-making activities. To consistently apply different sanctions to taxpayers of a higher risk level, such as notices/enquiries; invitations to have a conversation, etc.	Administrative	To reduce illegal working and tax concealment.	

(1) This classification is in line with that already used within the framework of CSRs monitoring under the first European Semester.

(2) The number of CSRs differs across Member States

(3) Regardless the main area of intervention, it includes any sort of structural measures planned or enacted by Member States that are not under a previous CSRs, but have an impact on macroeconomic scenario

(4) Other macroeconomic variables mainly refer to the main components of domestic demand (private consumption and investment) and employment.

Reporting table on national Europe 2020 targets and other key commitments

Progress on implementation	List of measures and their state of play that were implemented in response to the commitment	The estimated impacts of the measures (qualitative and (or) quantitative)
<i>National 2020 headline targets</i>		
<p><b>Employment level, 72.8% population aged 20-64</b></p>	<p>The target set in the area of labour market and employment in 2011 was to reduce the unemployment level through more effective application of active labour market policy measures.</p>	<p>According to the data of the Statistics of Lithuania the employment level of individuals of the 20–64 year age group in 2011 was 67.2%. During the year it increased by 2.8% age points. Employment level of elderly individuals (age 55–64 years) in 2011 went up by 1.9% age points to 50.5%. Employment level of youth (15–24 years of age) in 2011 was 19.7% and during the year it increased by 0.5% of age point.</p>
	<p><b>Active labour market measures.</b> In 2011, active labour market measures were used by 72 400 jobseekers. The total amount used for the implementation of active labour market policy measures was LTL 151.8 million.</p>	<p>In 2011, 218,800 jobseekers were provided with employment assistance. The share of employed individuals was 14.4% larger than in 2010. On average about 18,200</p>

		<p>individuals are provided with jobs on a monthly basis. About 73% of employed individuals were provided with steady jobs (in 2010 – 70%). The number of unemployed provided with jobs increased by 20%, while growth of fixed-term employment was 2.1%.</p>
	<p><b>Vocational training of the unemployed and jobseekers.</b>  During 2011, vocational training was provided to 7,500 individuals. Vocational training programmes were completed by more than 4,000 of individuals who increased their opportunities to compete in the labour market.  The amount used for vocational training totalled LTL 24 million. Average expenses for training of one individual were LTL 3,000.</p>	<p>52% of individuals who completed training were employed within 6 months.</p>
	<p><b>Support for acquisition of working skills.</b>  More than 7,000 individuals benefited from support for the acquisition of working skills. LTL 20.2 million were used to finance this measure. Average expenses for support for working skills per capita amounted to LTL 2,800.</p>	<p>75% of individuals who participated in the measure of support for acquisition of working skills were employed within 6 months.</p>
	<p><b>Subsidised employment.</b>  16,600 individuals were involved in subsidised employment. The amount of funds spent for subsidised employment was LTL 36.8 million. An average of LTL 2,200 was spent per capita on subsidised employment.</p>	<p>78.8% of participants in this measure were employed within 6 months after completion of financing of this measure.</p>
	<p><b>Job rotation.</b>  619 out of 992 individuals who participated in job rotation were employed. The job rotation measure was implemented by 448 employers of whom 95% are representatives of small and medium-sized business.  LTL 2.4 million were used for the financing of job rotation. Average expenses for the support of rotation per capital amounted to LTL 2,400.</p>	<p>81% of participants in this measure were employed within 6 months after completion of financing of this measure</p>
	<p><b>Temporary employment.</b>  Temporary employment measures involved 36,000 individuals. Unemployed individuals were temporarily employed according to the public works programmes</p>	<p>Works performed generated social benefits to local</p>

	<p>of municipalities of the country and projects developed by territorial labour exchanges in the territories of increased unemployment and for preservation of jobs in enterprises facing economic difficulties.</p> <p>The amount of funds used for the financing of temporary employment was LTL 51.1 million. Average support expenses per capita for employment under temporary employment programmes amounted to LTL 1,400.</p>	<p>communities or were aimed at maintaining social infrastructure: planting (upkeep) works were carried out in 1,337 ha of forest area and 23,920 ha of parks, cemeteries, beaches and water bodies, small-scale repair and reconstruction works were carried out in 1,320 social and public objects, and upkeep works – in 1,377 objects of historic and cultural heritage.</p>
	<p><b>Reduction of unemployment in high unemployment areas.</b></p> <p>Temporary employment under public works programmes of municipalities of the country and projects developed by territorial labour exchanges in the territories of increased unemployment was provided to 31,400 jobseekers. The major part of the temporary employment programme participants comprised unemployed individuals – 60.6%, rural residents – 43.6%, and unqualified jobless individuals – 39%.</p>	<p>23.7% of jobless individuals were permanently employed within 6 months after participation in temporary employment measures.</p>
	<p><b>Retention of jobs.</b></p> <p>The measure of retention of jobs involved 4,900 employees from enterprises facing economic difficulties. Out of all enterprises participating in the temporary employment programme and facing economic difficulties 98% of enterprises were small and medium-sized enterprises.</p> <p>The average duration of temporary employment for the retention of jobs was 4.7 months.</p>	<p>Within 6 months after implementation of temporary employment in enterprises facing economic difficulties jobs were retained for 77.7% of their employees.</p>
	<p><b>Support for the creation of jobs.</b></p> <p>Support for creation of jobs included subsidies for the setting up of jobs for the disabled, support for voluntary employment of jobseekers and projects of local employment initiatives in territories with high levels of unemployment. LTL 16.7 million was used for creation of jobs.</p>	<p>More than 2,000 jobseekers were employed for jobs created with the help of support for creation of jobs and vacant positions.</p>
	<p><b>Subsidised creation of jobs.</b></p> <p>LTL 1.9 million were used for subsidising the creation of jobs for the disabled with</p>	<p>During 2011, 71 jobs were</p>

	<p>an established working capacity of up to 55%. Expenses for the establishment of one job per disabled individual amounted to LTL 26,800.</p>	<p>created for the disabled with an established working capacity of up to 55%.</p>
	<p><b>Subsidised creation of jobs for disabled individuals.</b>          With the help of the self-employment support measure 40 disabled individuals with an established working capacity of up to 40% created jobs for themselves, and former unemployed individuals created 3 jobs for employment of jobseekers referred by the labour exchange. The amount used was LTL 1.2 million. Average price for the creation of one job is LTL 27,900.</p>	<p>During 2011, 40 jobs were created for disabled individuals with an established working capacity of up to 40%.</p>
	<p><b>Subsidy for individual activity with a business certificate.</b>          Individuals who decided to work independently received compensation for business certificate acquisition expenses. The amount used for compensation of business certificate acquisition expenses totalled LTL 7.3 million. The average compensation for the acquisition of a business certificate expenses per capita was LTL 920.</p>	<p>Almost 8,000 of jobseekers became self-employed.</p>
	<p><b>Projects of local employment initiatives.</b>          49 projects of local employment initiatives were implemented in the territories of 26 municipalities. The amount used for the implementation of projects of local employment initiatives totalled LTL 6.3 million. The project promoters' funds in the total project financing accounted for 43%. The average price of the creation of one job was LTL 21,900.</p>	<p>288 new jobs were created in territories of high unemployment level, of which – 120 new jobs in rural areas.</p>
	<p>Measures related to the development of pre-school education institutions, the reorganisation of the vocational training system, and the improvement of secondary education are provided next to the measures to implement the national target 'Individuals acquiring only basic education and not studying further', individuals of 18-24 age group – maximum 9%.</p>	

<b>Research and development expenditure, 1.9% of GDP</b>	<p><b>Implementation of the programmes of integrated science, study and business centres (valleys) 'Saulėtekis', 'Santara', 'Santaka', 'Nemunas' and marine sector of Lithuania.</b></p> <p>All 14 projects of valleys administered by the Ministry of Education and Science are being implemented. The implementation of one of the projects of 'Santara' valley 'Development of IT Open Access Centre' was completed, one supercomputer was acquired and an IT Open Access Centre was created. The amount of eligible expenses to be declared to EC for 14 projects of the valley for the year 2011 is LTL 165.48 million.</p>	
	<p><b>Consolidation and internal optimisation of the institutions of research and studies, strengthening of R&amp;D potential.</b></p> <p>Support was provided to 12 institutions of research and studies allocating funds for the implementation of the successful process of science and studies integration. The premises of the institutions were repaired, new workstations were installed, the personnel structure of institutions was optimised, and systems of financial accounting, personnel management, internal quality, intranet systems, etc. were implemented or updated. The amount of funds used for these works totalled LTL 4.4 million.</p>	
	<p><b>Development and implementation of national complex, research and education programmes.</b></p> <p>As part of the implementation of national complex programmes financing is provided for 12 projects that are being implemented for which the amount of LTL 42.1 million was allocated. By end-2011 LTL 6.6 million had been used in a cumulative manner. These funds were spent for the preparation or updating of 54 study programmes of I and II level, 32 lecturers went on internships and 54 lecturers attended skills upgrading courses, in 2011 816 students of level II were admitted. 10 projects being implemented are aimed at strengthening the general infrastructure of research and studies with the amount of LTL 75.71 million allocated for these projects. In 2011, 4 projects benefited from additional financing of more than LTL 17.4 million. The amount of eligible expenses to be declared to EC totals LTL 21.74 million. In 2011, the following activities were carried out: drafting and coordination of public procurement documentation, announcement of public procurement competitions related with the acquisition of equipment and contractual works (repairs), in some institutions partial repairs were completed;</p>	

	<p>purchase and installation works of research equipment for these premises are already started; the process of preparation of public procurement documentation for purchase of furniture, including laboratory equipment, is under way.</p>	
	<p><b>Implementation of national research programmes.</b>  The purpose of the national research programme 'Social challenges for national security' is to reveal the origin, content, extent, and tendencies of social phenomena posing threat to national security, to prepare strategic solutions and provide for the goals and recommendations on how to overcome such threats. This purpose was achieved through the implementation of 22 projects. The amount allocated for the implementation of these projects in 2011 was LTL 2.8 million.  The purpose of the national research programme 'State and nation: heritage and identity' is to formulate the general theoretical conception of social and cultural; identity, to investigate and assess the development of specific forms of identity in terms of the current identity, condition and effects of challenges of the modern world. This purpose was achieved through the implementation of 21 projects. The amount allocated for the implementation of these projects in 2011 was LTL 2.9 million.</p>	
	<p><b>Development and implementation of competitive subsidy allocation schemes for researchers.</b>  Subsidies were granted to 33 scientists and scientist groups led by them. The total amount of subsidies for the 4-year period is LTL 39.76 million. The amount disbursed is LTL 9.969 million.</p>	
	<p><b>Implementation of Hi-tech Development and Industrial Biotechnology Programmes.</b>  As part of the implementation of projects new technologies and new products were developed and submitted for commercialisation, international patent and national patent applications were filed. The amount allocated for these projects in 2011 totalled LTL 3,569 million. After announcement of the second invitation to tender 72 applications were received according to the Hi-tech Development Programme 2011–2013. In 2011, 2 invitations to tender were announced under the Industrial Biotechnology Programme and 15 projects were approved for an amount of LTL 6 million.</p>	

	<p><b>Support to natural and legal persons seeking to protect their industrial property rights at the global level.</b>  Seeking to encourage the universities, research institutes and enterprises to protect their intellectual property in 2011 financial support (LTL 231,500) was provided for the patenting of inventions and registration of industrial design.</p>	
	<p><b>Creation of conditions for cooperation between business and research bodies in the area of R&amp;D.</b>  The measure being implemented is aimed at financing R&amp;D activities on the subject of joint research relevant for the science-oriented sector, the results of which may be applied in business. After announcement of an advance competition for the selection of the project, 95 applications were received with total requested funding amounting to LTL 187 million.</p>	
	<p><b>Implementation of the innovation voucher scheme for promotion of business innovations.</b>  Promoting business and science cooperation and application of research results in business in 2011 de minimis aid was allocated under the programme of innovation vouchers. A total of 85 enterprises received LTL 1 million of state funds in aid under innovation vouchers.</p>	
	<p><b>Modernisation of Libraries in General Education Schools.</b>  When implementing the ESF projects 'Modernisation of Libraries in General Education Schools', 280 general education schools were modernised, libraries of 216 schools were provided with computer equipment; 'Infrastructure of Technologies, Arts and Natural Sciences' – 403 schools and 3 universities were provided with teaching aids for natural sciences, technologies and arts as well as equipment and furniture for the respective classrooms.</p>	<p>A modern learning environment providing conditions for the improvement of the quality of education was created in modernised general education schools.</p>
	<p><b>Improvement of Competences of Teachers and Pedagogues.</b>  During the implementation of the ESF project 'Testing and Implementation of the Model for the Improvement of Competences of Primary Teachers and Special Education Pedagogues to Apply ICT (Information and Communication Technologies) and Innovative Teaching Methods', the activities of enhancement of teachers' qualifications were carried out.</p>	<p>4,606 primary teachers and educational support specialists acquired new competencies to model the content of primary education by applying innovative teaching methods.  890 teachers improved their qualifications through distance</p>

<p><b>Greenhouse gas emissions, % change from 2005 level (million tonnes of CO<sub>2</sub> equivalent) in sectors not participating in the emissions trading system – not more than +15 % (or 18.7 million tonnes)</b></p>	<p><b>Implementation of the national research programme 'Ecosystems of Lithuania: Climate Change and Human Impact', and other scientific research programmes in the field of climate change, provision of information and education of the public.</b></p> <p>Under the national research programme 'Ecosystems of Lithuania: Climate Change and Human Impact', 24 projects are being implemented; a total of LTL 4.98 million was allocated for the implementation of projects in 2011.</p>	<p>learning.</p> <p>It is sought to mitigate climate change and human impact on ecosystems</p>
<p><b>Consumption of renewable energy sources – 23%</b></p>	<p><b>Adoption of the Law on Energy From Renewable Sources.</b></p> <p>In April 2011, the Seimas passed the Law on Energy from Renewable Sources. Currently, the legal acts implementing the Law are being drafted.</p> <p>The National Action Plan for the Use of Energy from Renewable Sources was prepared pursuant to Directive (2009/28/EC) on the promotion of the use of energy from renewable sources. It provides that the share of energy from renewable sources must account for 16% in the total final energy consumption in 2010. The shares determined by sector (electricity, heating and cooling, transport) in 2010 were as follows: a 28% share of energy from renewable sources in the heating and cooling sector; an 8% share of energy from renewable sources in the electricity generation sector; a 4% share of energy from renewable sources in the transport sector.</p>	<p>According to the data of Statistics Lithuania, the share of energy from renewable sources accounted for 19.7% in the total final energy consumption in 2010 i.e. exceeded the 2010 target set in the National Action Plan for the Use of Energy from Renewable Sources. In 2010, the share of energy from renewable sources by sector was as follows: 33% in the heating and cooling sector, 7.4% in the electricity production sector, and 3.51% in the transport sector.</p>
	<p><b>Implementation of the national research programme 'Future Energy' and other scientific research programmes in the RES area, ensuring energy security.</b></p> <p>11 projects were implemented under the national research programme 'Future Energy'. A total of LTL 3,500 was allocated for the implementation of projects in</p>	<p>The aim is to resolve the issues related to Lithuania's energy security, increase in the</p>

	2011.	efficiency of energy consumption, improvement of future energy production and supply technologies, and optimal application thereof in the Lithuanian energy sector.
<b>Final energy consumption, change from the 2009 level – – 17%</b>	<b>Preparation of the Second Energy Efficiency Action Plan.</b> In 2011, the Commission received the Second Energy Efficiency Action Plan, which outlines the achievement results of the national intermediate energy saving target for 2010 and provides for energy efficiency promotion measures.	In 2010, the estimated final energy savings amounted to 780 GWh. This accounts for 1.5% of the final energy quantity consumed in 2009 (53,358 GWh).
	<b>Renovation of Multi-apartment Buildings.</b> Under the Programme for the Renovation (Modernisation) of Multi-apartment Buildings, 442 multi-apartment buildings (85 in 2011) were modernised, of which 273 multi-apartment buildings (81 in 2011) were fully modernised by insulating the exterior walls.	In modernised multi-apartment buildings, a total of 96.2 GWh of heat energy was saved, which is 21.8% more than the planned 79 GWh reduction in heat energy expenditure. In 2011, thermal energy expenditures per unit of useful floor area were reduced, on average, by 54%, i.e. around 19.2 GWh heat savings were achieved, in modernised multi-apartment buildings.
	<b>Renovation of Public Buildings.</b> Programme for the Renovation of Public Buildings. In 2011, financing was allocated to 66 projects.	The plans are to implement over 742 projects by 2020. The planned energy savings – 187.92 GWh.
	<b>Voluntary agreements with energy companies.</b> At the beginning of 2011, nine voluntary agreements were signed with energy companies.	Indicative quantitative targets for an increase in the efficiency

		of energy consumption were set for Lithuanian electricity distribution companies, heat and natural gas suppliers – to save 10% in energy consumed by final consumers during the 2010–2020 period, compared to the average consumption in 2001-2005. By 2020, it is planned to reduce final energy consumption in the field of transport by 8%.
<b>Early school leavers with basic education, not more than 9% population aged 18-24</b>	<b>Financing of pre-school education establishments.</b> Financing was provided to pre-school education by applying the principles of financing the pre-school education basket.	The pre-school education basket introduced in 2011 allowed allocating support to 400 pre-school education groups, and the number of children learning under pre-school education programmes increased by more than 6,000, compared to 2010.
	<b>Development of private pre-school education establishments.</b> To promote the development of the private pre-school sector, consultations were held with owners or institutions implementing the rights and duties of owners of non-public pre-school education establishments regarding the formation of new groups; the requirements for the establishment of pre-school education establishments were simplified. Educational institutions implementing pre-school education programmes have been modernised and adapted for education of children with various needs.	28 new private kindergartens were established; 63 educational institutions were modernised – the conditions for teaching children were improved, the environment of these institutions was adapted to children with special educational needs, etc.
	<b>Development of multi-functional centres.</b> Universal multi-functional centres have been established and developed in rural	In 2011, 14 multi-functional

	residential areas.	centres were established in rural areas to provide equal opportunities for children residing in rural areas in pre-school/primary education programmes and for parents – to combine family and professional responsibilities.
	<p><b>Improvement of the quality of pre-school education.</b> The following measures aimed at improving the quality of pre-school and primary education were implemented: training courses for pre-school educators, primary teachers, heads of educational establishments implementing the pre-school education programme, and municipality specialists.</p>	<p>3,390 teachers providing pre-school and primary education acquired new competences how to individualise, model and practically implement the decentralised content of pre-school education; 600 heads of educational establishments and 60 specialists of municipal education divisions acquired the abilities of leadership and teamwork. Four methodological title publications intended for pedagogues and municipality specialists were published.</p>
	<p><b>Development and availability of educational services.</b> Implementing Resolution No. 769 'Regarding the Approval of the Rules for the Development of the Network of Schools Implementing Formal Education Programmes' of 29 June 2011 of the Government of the Republic of Lithuania, in Q1 of 2012, the Ministry of Education and Science had to approve the general plans for the reorganisation of the network of general education schools for 2012-2015. These plans were approved by 52 municipalities and the Ministry of Education and Science. From 2011 (also for the year 2012) the student's basket for a student with special educational needs is 35% larger than that of a student who</p>	

	<p>does not have such needs.</p>	
	<p><b>Optimisation and modernisation of the infrastructure of vocational training establishments.</b></p> <p>Six vocational training establishments were merged on 1 July 2011. In 2011, preparatory works for the reorganisation of 12 vocational training establishments into public institutions were carried out. In February 2012, the Government of the Republic of Lithuania passed the resolution regarding the reorganisation of 7 vocational training establishments into public institutions.</p>	
	<p><b>Development of basic competences of pupils.</b></p> <p>When implementing the ESF project '<i>Development of Basic Competences of Pupils in the First Concentre (Grades 5-8) of Basic Education</i>', the electronic instrument and printout of the competence building methodology were drafted. The electronic educational content of natural sciences for grades 7–8 and of the Lithuanian language for grade 5 were prepared. Methodological recommendations regarding the assessment instrument for the competence of the ability to learn and application thereof were prepared. Under the project '<i>Development of Standardised Student Achievement Assessment and Self-Assessment Tools for General Education Schools</i>', 5 standardised programmes and 5 standardised student achievement assessment and self-assessment tools (SAT) were prepared and 70 SAT drafters were trained.</p> <p><b>Enhancement of possibilities to choose the learning direction.</b></p> <p>Under the ESF project 'Enhancement of Possibilities to Choose the Learning Direction for Students Aged 14-19, Stage II: Deeper Learning Differentiation and Individualisation in Order to Ensure the Quality of Education Necessary for the Modern World of Work', the programme modules for general education subjects in grades 9-12, the guidelines on the education organisation model and methodological recommendations were prepared.</p>	<p>Alternative education options and qualification improvement directions were provided.</p>
	<p><b>Update of the description of the secondary education programme.</b></p> <p>The description of the procedure for the transfer of general education technology subjects and vocational training programme modules.</p> <p>The guidelines on the productive education model and four qualification enhancement programmes were developed.</p> <p>Conditions are provided to learn various foreign languages in a more flexible and rational manner, to choose language models reflecting student needs, and to start</p>	

	<p>learning new foreign languages in subsequent educational stages. In compliance with the General Dimensions of European Languages oriented to A2 and B1, the levels proposed by the European Council, foreign language tests were prepared to determine the level of language knowledge for students in grade 10.</p>	
	<p><b>Preparation of the career education model.</b>          Implementing the ESF project 'Creation and Development of Career Education and Monitoring Models in General Education and Vocational Training', the Career Education Model for Students of General Education Schools and Vocational Training Institutions and recommendations for the implementation of this model as well as the Open Information, Counselling and Guidance System (AIKOS) were prepared' the website intended for career education, photographs and films were developed for the promotion of various professions.</p>	<p>Under the National Programme for Vocational Guidance in Education System, 4 projects are being implemented; a total of LTL 89.25 million was allocated for the implementation thereof. The Programme is aimed at creating conditions for further development of vocational guidance services, career planning, and prevention of dropouts in education system.</p>
	<p><b>Development of the career education model for students.</b>          Under the ESF project 'Development and Implementation of Career Education and Career Monitoring Models for Students of Schools of Higher Education, Improvement of the Qualifications of Vocational Guidance Specialists Working with Students and Development of Measures Intended For Them', the description of the Student Career Management Service Model and the draft Quality Guidelines in the Field of Student Career Management Services were prepared.</p>	
	<p><b>Development of career monitoring infrastructure.</b>          The ESF project 'Development of Career Education and Career Monitoring Infrastructure in Schools of Higher Education' is being implemented, and the description of the Student Career Management Service Model, the draft Quality Guidelines in the Field of Career Management Services for Students in Schools of Higher Education, the draft Regulations for the Career Management Information System, and the Programme for Professional Development of Career Consulting Specialists for Schools of Higher Education were prepared and approved.</p>	
	<p><b>Development of the Open Information, Counselling and Guidance System (AIKOS).</b></p>	

	<p>Under the ESF project 'Development of the Open Information, Counselling and Guidance System (AIKOS)', the following three studies were prepared: 'Analysis of System Use Habits, Information Search and Requests of the Existing AIKOS Users', 'Analysis of the Ergonomity, Compatibility and Convenience of the AIKOS User Interface' and 'Analysis of the Most Recent Experience in Developing and Using Similar Systems Abroad and Analysis of the Legal Environment Affecting the System Development'; technical documentation for the preparation of the regulations of six educational registers (Educational and Scientific Institutions, Qualification Improvement Programmes and Events, Diplomas and Certificates, Licence, Education Certificate Forms, Studies, Training Programmes and Qualifications), and the drafting of the AIKOS Regulations.</p>	
	<p><b>Development of vocational training infrastructure.</b>  During 2011, 32 project financing and administration contracts were signed under the Measure 'Development of Vocational Training Infrastructure' (it is projected to allocate up to LTL 274.65 million for the implementation of projects). After these projects have been implemented, 33 sectoral practical training centres will be established.</p>	<p>The Programme provides for activity groups for the formation of qualifications, development of the module vocational training system (up to LTL 9.97 million), further development of the system to ensure the quality of vocational training (up to LTL 9.65 million), development of infrastructure intended for vocational and technological training, including sectoral practical training centres (up to LTL 409.5 million), improvement of technological competences of profession teachers (up to LTL 20 million), and provision of general competencies to adults (up to LTL 15 million).</p>
	<p><b>Improvement of the quality of vocational training.</b>  In 2011, 11 projects, which are intended to improve the quality of vocational</p>	

	<p>training, develop the internal mechanisms to ensure the quality of vocational training in vocational training institutions and to carry out external assessments of the quality of vocational training in financing and administration contracts under the Measure 'Provision of the Highest-Quality Formal and Informal Education Services' were signed.</p>	
	<p><b>Increase of the appeal of vocational training.</b> The appeal of vocational training is increased: conditions for entering higher schools are improved for students who successfully graduated from the respective vocational study programmes; the system of vocational guidance and counselling is developed; the legal framework for modular vocational training system is created; the network of vocation schools is optimised; close cooperation with social partners is carried out in order to engage them in the management of educational institutions.</p>	
<p><b>Population having higher or equivalent education, 40% population aged 30-34</b></p>	<p><b>Improvement of the training of specialists with higher education.</b> In 2011, the number of state-funded places in schools of higher education was not reduced. Some expenditure was covered from the EU Structural Funds earmarked for the <i>National Studies Programme</i> (over 400 places in the field of second-cycle physical sciences). An additional LTL 900,000 was allocated in 2011 for the improvement of specialist training under the measure 'Upgrading of Teaching Equipment Necessary for Practical Training of Aviation Specialists in Antanas Gustaitis Aviation Institute of the Vilnius Gediminas Technical University'.</p> <p><b>Management of the network and infrastructure of schools of higher education.</b> By Order No. V-286 of 24 February 2011 of the Minister of Education and Science, LTL 2.91 million was allocated to scientific and study institutions to ensure implementation of the integration process. 18 descriptions of state projects were approved for inclusion in the List of State Projects. The Description of the Project Financing Conditions, under which scheduled financing and other project financing sources amount to LTL 17.4 million, of which LTL 13.1 are financing from the EU Structural Funds, is currently being prepared and coordinated. 3 descriptions of state projects were approved for inclusion into the List of State Projects. The Description of the Project Financing Conditions was approved; currently, the applicants are drafting descriptions of state projects for the European</p>	<p>Adequate accessibility of studies in training highly qualified specialists, lecturers, and researchers.</p> <p>In 2011, 3,176 student applications for state-funded loans intended to cover living expenses, 4,621 applications for state-funded loans to pay for the price of the studies, 26 applications for state-funded loans for part-time studies under international (interdepartmental) contracts and 176 applications for state-funded loans for the payment</p>

	Social Fund Agency.			of the studies instalment (LTL 520) were approved ( <i>Note: budget funds</i> ).												
	<p><b>Application of the European Credit Transfer and Accumulation System (ECTS).</b> The European Credit Transfer and Accumulation System (ECTS) has been introduced to universities in Lithuania.</p>															
	<p><b>Publicity of higher education on the international scale.</b> When implementing the national study programme, experience analysis and study on publicising higher education internationally was prepared.</p>															
	<p><b>Joint study programmes with foreign universities, adaptation of study programmes for foreigners.</b> Currently, there are 8 registered study programmes carried out in Lithuanian higher education establishments (two in MRU, VU and VGTU, and one in the Social Studies College and VDU). In order to promote this process, LTL 38.8 million from EU Structural Funds will be assigned for the development and implementation of joint study programmes. When implementing the national study programme, 69 projects intended to update courses and adapt some of them to be taught in a foreign language, were prepared and implemented. A total of 111 study programmes were updated during these projects.</p>															
	<p><b>Support for international mobility of students and professors.</b> In May 2011, new contracts to support Erasmus mobility for the 2011-2012 school year with 18 universities and 23 colleges were signed. Funding:</p> <table border="1" data-bbox="535 1089 1612 1461"> <thead> <tr> <th data-bbox="535 1089 877 1273">Activities</th> <th data-bbox="877 1089 1087 1273">Funding from European Union funds (EUR)</th> <th data-bbox="1087 1089 1383 1273">Funding from the national budget of the Republic of Lithuania (for fall semester) (LTL)</th> <th data-bbox="1383 1089 1612 1273">Funding from the European Structural Funds (LTL)</th> </tr> </thead> <tbody> <tr> <td data-bbox="535 1273 877 1385">Mobility of studies and practice of <i>Erasmus</i> students</td> <td data-bbox="877 1273 1087 1385">5.30 m</td> <td data-bbox="1087 1273 1383 1385">1.40 m</td> <td data-bbox="1383 1273 1612 1385">6.90 m</td> </tr> <tr> <td data-bbox="535 1385 877 1461">Mobility of <i>Erasmus</i> teaching staff</td> <td data-bbox="877 1385 1087 1461">0.68 m</td> <td data-bbox="1087 1385 1383 1461">1.30 m</td> <td data-bbox="1383 1385 1612 1461">–</td> </tr> </tbody> </table>			Activities	Funding from European Union funds (EUR)	Funding from the national budget of the Republic of Lithuania (for fall semester) (LTL)	Funding from the European Structural Funds (LTL)	Mobility of studies and practice of <i>Erasmus</i> students	5.30 m	1.40 m	6.90 m	Mobility of <i>Erasmus</i> teaching staff	0.68 m	1.30 m	–	
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Mobility of <i>Erasmus</i> teaching staff	0.68 m	1.30 m	–													

Organising <i>Erasmus</i> mobility (OM)	0.51m	0.68 m	–	
<p><b>Increase of international appeal of higher education.</b>          In 2011, a procedure schedule to provide assistance to foreigners admitted to postgraduate full-time study programmes in Lithuanian universities was approved. Assistance was provided for foreigners of Lithuanian descent and emigrants. A total of 144 Lithuanians living abroad were awarded scholarships for good academic results, while 55 Lithuanians living abroad were granted social benefits.</p>				
<p><b>Development of adult continuous informal education.</b>          Accessibility to studies for adult continuous informal education using EU funds was increased. In the period from November 2010 until September 2011 1,194 unemployed persons were studying in 22 higher schools under 125 training programmes.</p>				
<p><b>Reorganisation of institutions of higher education.</b>          When implementing the provisions of the Law on Science and Studies, all 26 state institutions of higher education were transformed into public institutions (the last higher education institution was transformed into a public institution on 3 January 2012).</p>				
<p><b>Support for the best students.</b>          In 2011, student rotation was performed for the first time and compensations were paid for the best state non-funded students. Students who entered higher schools in 2009 and studied for two years or those who completed half of the study programme were reimbursed the monies paid for their studies. A total of 1,767 students received compensation, of whom 883 were studying in universities, 884 in colleges; LTL 11.6 million were allocated for this purpose.          The approved procedure for allocating state-focused funding for implementation of study programmes allowed for the application of focused-funding of study programmes starting from 2012. It is planned to allocate LTL 1.11 million from the state budget for this purpose. Focused study places will be assigned to specialties that are needed for the state, but unpopular among applicants. A student accepted to such a place will have to practice his specialty for three years, while an employer, if they represent the private sector, will have to contribute to the studies of the future employee. Higher schools submitted applications for almost 2,400 places for the focused studies funding.</p>				
<p><b>Improvement of the system of financial support for students and study loans.</b></p>				

	<p>The system of financial support for students and study loans has improved. A 27 May 2009 resolution No. 480 of the Government of the Republic of Lithuania ‘On the approval of a schedule for procedure on granting, administration and repayment of state loans and government-sponsored loans for students’ (Official Gazette, 2009, No. 64-2569) is being successfully implemented. In 2011, students signed 2,839 contracts with credit institutions for state-sponsored loans to cover their living expenses, 4,137 contracts for state-sponsored loans to pay tuition, 23 contracts for state-sponsored loans in accordance with international (interagency) agreements and 170 contracts for state loans to receive a tuition fee (of LTL 520). In order to ensure financial support to the most disadvantaged students, there is a focus on the payment of social grants. In recent years a number of those requesting such grants has been significantly increasing, thus the need for funds for this purpose has also been growing. In the spring term of 2012 more than 8,600 students will receive social grants, with more than LTL 21.5 million being paid out for this purpose. It should be noted that since 2010 students from all higher education institutions can apply for social grants – those who study in state and non-state higher education institutions, those who receive state funding and pay for their studies at their own expense. The amount of the social grant is LTL 390 per month.</p> <p>To reduce the administrative burden, since the autumn of 2011 applications for social grants have been submitted to the National Studies Foundation online, on the website of the National Studies Foundation (a total of 12,228 applications were submitted).</p>	
<p><b>Persons at risk of poverty / severe material deprivation / living in households of very low work intensity – 814 thousands.</b></p>	<p>Policy measures for active labour market and subsidies for job creation are provided by the national target ‘Employment level, 72.8% of population aged 20 – 64’.</p> <p><b>Implementation of the professional rehabilitation programme.</b> 812 disabled persons took part in the programme with a total expenditure of LTL10.93 million on the professional rehabilitation of these persons. The average cost for professional rehabilitation for one person is LTL 13,500.</p>	<p>The rate of employment of individuals who have completed the professional rehabilitation programme or acquired skills and competencies over a six-month period was 47%.</p>

	<p><b>Support to social enterprises.</b> In 2011 social enterprises were granted LTL 32.5 million in support.</p>	<p>By making use of state assistance funds, in 2011 134 new job positions were created, social enterprises subsidised the salaries of 148 assistants, who helped 827 disabled persons to perform their job functions.</p>
	<p><b>Reconciliation of family and work responsibilities.</b> LTL 54 million was allocated for implementation of this programme.</p>	<p>In 2011, the implementation of 22 projects financed in 2009 was continued. By the end of 2011 more than 4,600 individuals took part in the projects, 14.4% of project participants were employed or continuing with their studies.</p>
	<p><b>Youth policy.</b> 1The Action Plan for 2011–2013 Implementation of National Youth Policy Development Programme for 2011–2019 was approved.</p>	<p>The programme is intended to ensure development of social security, education and health systems meeting the needs of different youth groups.</p>
	<p><b>Strengthening of youth organisations.</b> In 2011 national and regional youth structures, and youth organisations were further strengthened – 49 programmes and projects intended for strengthening youth organisations were financed.</p>	<p>In 2011, 37,500 young persons took part in programmes. The number of young people taking part in the activities of various youth organisations accounts for 12% of all young people in Lithuania.</p>

	<p><b>Adoption of the Law on Protection Against Domestic Violence.</b> The Law on Protection against Domestic Violence was adopted, which provides for a more efficient and expeditious response to manifestations of violence in the immediate environment.</p>	<p>The programme of specialised health centres was prepared providing for the possibility to systematically provide specialised complex assistance for persons affected by violence.</p>
	<p><b>Support to non-governmental organisations fighting against violence.</b> Non-governmental organisations providing help for persons experiencing violence in their immediate environment were supported.</p>	<p>21 projects of non-governmental organisations working in this area were financed.</p>
	<p><b>Reorganisation of the child custody (care) system.</b> When implementing the reorganisation strategy of child custody (care) system in 2011 children's day care centres were financed, and day-patient social care services for children and their family members were provided. For this purpose LTL 7,382,700 was allocated from the national budget in 2011.</p>	<p>176 projects were partially financed. 5,165 children and 3,406 members of their families received services provided by children's day care centres.</p>
	<p><b>Reduction of the number of children in the custody of child care institutions.</b> In order to ensure a child's right to grow in a family and reduce the number of children in the custody (care) of child care institutions, searches for custodians (carers) and foster parents were organised in 2011 training, selection, counselling and assistance services were provided to them, partially supporting projects of 25 organisations.</p>	<p>2 international events were organised: the Nordic and Baltic event 'The North Baltic way towards the equality of men and women' and a conference intended to discuss achievements, challenges and problems of women in business in the OSCE countries.</p>

	<p><b>Restructuring of cash social assistance.</b></p> <p>The Law on Amending the Law on Cash Social Assistance to Low-income Families and Single Persons was adopted in 2011 and entered into force on 1 January 2012. The system of providing monetary social assistance has been improved with the help of provisions of the law.</p> <p>A legal basis has been created for providing monetary social assistance to deprived residents by implementing two models: as a state (handed over by state to local governments) function and as an independent function of municipalities in five experimental (pilot) municipalities. More flexible conditions for receiving monetary social assistance were established by law. Also, the right to receive contributions towards heating, drinking and hot water costs for low-income individuals was established. In addition to this, it is possible to combine the provision of monetary social assistance with social services for social risk families, to strengthen the powers of municipalities and communities in providing social assistance where justified. A model based on the economies of scale is legitimised: having assessed the distribution of total family expenses, monetary social assistance is provided taking into account the number of family members, i.e. social allowance for the first family member and a person living alone is increased to 100% and it is differentiated for each subsequent family member. Cooperation with institutions carrying out illegal work control and prevention is strengthened. One of the key goals for rearranging the system of monetary social assistance is to increase the motivation of recipients of social allowances to work, therefore, the promotion of recipients of social allowances is provided for – an additional allowance is allocated for those who have been unemployed for a long time. By reducing the potential for abuse of monetary social assistance, it is planned to reduce social allowance for people of working age capable of working but who choose not to work.</p>	<p>Individuals are encouraged to actively search for work, take part in active labour market policy measures, and activities beneficial to the public, instead of settling for long-term social support. A complex implementation of innovations of monetary social assistance in all 60 municipalities will allow savings of about LTL 27.2 million per year; starting from January 2015 another LTL 6.4 million per year will be saved by reducing social allowances for people of working age capable of working but who are not working.</p>
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	<p><b>Financing of projects for social rehabilitation services for disabled people in the community.</b></p>	<p>In 2011, 240 projects coordinated and implemented by 23 organisations selected by means of tender were financed from the national budget LTL 13,244,300 was used, about 59,000 people with disabilities benefited from social rehabilitation projects.</p> <p>In 2011, 277 projects were carried out in municipalities, for the benefit of about 11,500 disabled people. These projects were financed from the municipal budget; the amount spent was LTL 2,362,000.</p>
	<p><b>Reorganisation of social care institutions for the disabled.</b> Possibilities for the reorganisation of public social care institutions for the disabled were analysed and recommendations for decentralisation of services provided by these institutions were prepared. From 2012, the function of implementing social rehabilitation service projects for the disabled in the community was handed over to municipalities.</p>	
	<p><b>Housing adaptation for the disabled.</b> In order to improve legal regulations and financing for adapting the environment for the disabled as well as to improve its accessibility, a schedule on financing procedure for adapting housing for the disabled was prepared and approved by the 28 December 2011, order No. A1-560 (Official Gazette, 2012, No. 1-18).</p>	<p>5 buses for transporting the disabled were purchased (LTL 609,561)</p>
	<p><b>Financing of projects for people with physical disabilities.</b> Projects for training the mobility and independent living skills of people with physical disabilities were financed.</p>	<p>2 projects were financed (LTL 143,300 spent)</p>

<p><b>Financing of publications for the disabled.</b> Publication and distribution of periodicals and informational publications for the disabled was partially financed.</p>	<p>11 projects were financed (9 periodicals and 3 informational publications were published and distributed). One edition of a periodical is 17,000 copies.</p>
<p><b>Transportation of students with special needs to educational institutions.</b> In order to implement the measure – to assess the need for transporting students with special needs to educational and training institutions as well as to ensure that this need is met, 5 buses adapted to transport disabled people were purchased.</p>	
<p><b>Analysis of the position of the disabled in the labour market.</b> The Department of Disability Affairs under the Ministry of Social Security and Labour conducted a study and prepared an analysis on the position of the disabled in the labour market ‘People with disabilities in the labour market’.</p>	
<p><b>Preparation and implementation of the Programme for Community Social Development 2011–2013.</b> A Programme for Community Social Development in 2011-2013 was prepared, the implementation of which strengthens the abilities of community organisations to act with competence in the area of social activities and become the partners of municipalities in providing social services. In order to strengthen the partnership of local community organisations, provisions for arranging tenders for financing projects of associated structures of community organisations were approved and three associated structures were financed.</p>	<p>61 community organisation projects performing social activities for communities were financed by means of tender.</p>
<p><b>Preparation of the Programme for Self-governing of Local Communities for 2012.</b> A Programme of Self-governing of Local Communities for 2012 was approved, allowing local communities, in cooperation with municipalities and local administrations, to adopt decisions with regards to the use of funds allocated for the needs of those communities.</p>	
<p><b>Development of outpatient social services infrastructure for the disabled.</b> Using the funds of the European Regional Development Fund, projects of development of outpatient social services infrastructure for the disabled were implemented.</p>	<p>By the end of 2011 6 projects for the development of outpatient social services infrastructure had been implemented.</p>

	<p><b>Modernisation of the infrastructure of inpatient social service institutions.</b>  Improving living conditions and the quality of service of people living in inpatient service institutions, promoting the creation of small, appealing inpatient social service institutions related to housing, a Programme for the modernisation of the infrastructure of inpatient social service institutions was launched.</p>	<p>Implementing the 2007–2013 Programme for Promotion of Cohesion Development of Infrastructure of Inpatient Social Services by means of national project planning in the first stage 52 projects included on the list were selected. A figure of LTL 148 million is forecast for implementation of this measure.</p>
	<p><b>Extension of the retirement age.</b>  On 9 June 2011, the Seimas adopted amendments to laws regarding the gradual increase in the age of retirement to 65 years of age starting from 1 January 2012 (the retirement age for women is increased 4 months each year, while for men – 2 months each year, until it reaches 65 years of age in 2026).</p>	<p>The aim is that current and future pensioners have adequate and sustainable income, while the social security and pension system is safe and financially sustainable, so that it will ensure implementation of the principle of solidarity, private pension saving will be encouraged, institutions administering the system will function more efficiently.</p>

	<p><b>Improvement of the regulation of the pension system.</b> Draft laws for amendment of the Law on Pensions and the Law on the Pensions System Reform were prepared and coordinated.</p>	<p>The aim is to totally stop deductions from payments to a pension fund by gradually lowering it and to reduce the deduction amount from the accumulated wealth; participation of people themselves in pension accumulation by paying additional contributions from the national budget is encouraged.</p>
<p><i>Euro-plus pact commitments</i></p>		
<p><b>Promoting competitiveness</b></p>		
<p>Improving the business environment (in particular, reducing the administrative burden for businesses and the reform of optimising business-inspecting institutions)</p>	<p><b>Tax changes improving the business environment.</b> Amendments of laws related to improvements in the business environment were adopted (came into force on 1 January 2012):</p> <ol style="list-style-type: none"> <li>1. The threshold for obligation to register as a VAT payer was increased from LTL 100, 000 to LTL 155, 000.</li> <li>2. The income limit up to which a reduced income tax tariff of 5% is applied was increased from LTL 500,000 to LTL1 million for companies employing no more than 10 employees.</li> </ol>	<p>According to data of 2010, prior to extension of the relief, the tariff of 5% could have been applied to more than 45,000 companies (which is 60% of all companies). Having extended the relief, the tariff of 5% will be applied to about 56,000 companies.</p>

	<p><b>Reduction of business costs.</b>  On 27 October 2011, the Government of the Republic of Lithuania adopted resolution No. 1261 ensuring more equal business conditions for residents, the provisions of which take effect in two stages (starting from 1 January 2012, and from May 1 2012).  The most important changes relate to tax on personal income from certain types of business (rent, trading activities, agricultural activities, construction).  Also, on 8 June 2011, the Government of the Republic of Lithuania adopted a resolution No. 661, which denied the obligation for preventive servicing of fiscal cash registers.</p>	<p>The Resolution provides the possibility for economic entities using fiscal cash registers to save about LTL 9 million per year; it also, reduces labour costs associated with monitoring preventive maintenance of cash registers (the obligation to not miss the 12-month deadline, a call out of a servicing company specialist, interruption of work when cash registers are serviced, etc.).</p>
	<p><b>Reorganisation of business-inspecting institutions.</b>  In 2011, the following main tasks in the reforming of business-inspecting institutions were carried out:</p> <ul style="list-style-type: none"> <li>- In September 2011, 43 business-inspecting institutions signed the ‘Declaration on the first business year’, by which they committed to consult companies in the first year of their business and to not punish them;</li> <li>- In April 2012 checklists for 14 areas of economic activities started to be applied as well as general questionnaires to verify the requirements for labour law as well as occupational safety and health, safe performance of work and fire safety.</li> </ul>	
	<p><b>Two-date rule.</b>  In 2011, lists of legal acts regulating business conditions and entering into force in accordance with the ‘two-date’ rule were posted on the website of the Ministry of Economy. The ‘two-date’ rule means that the resolutions of the Government, orders of ministers, heads of government agencies and agencies under the Ministries shall enter into force on either 1 May or 1 November.</p>	

<p>Promotion of Innovative Activities (innovation vouchers, assistance to innovative companies, incubators for innovative companies, industrial property protection, promotion of clustering)</p>	<p><b>Integration of scientists and other researchers into the European R&amp;D area.</b>  The project ‘International Competence Development of Researchers’ aimed at the development of the skills of scientists and other researchers to integrate into the European R&amp;D area is implemented.  Conditions for researchers, students, employees of science and research institutions to improve their abilities to transfer skills needed to commercialise research (non-formal education) are created. A list of planned projects is approved, which includes 4 projects intended for promoting the improvement of scientists, researchers, responsible employees in the area of hand-over of knowledge and technologies. Funds to the value of LTL 10 million were allocated for these projects. On 22 December 2011 the public institution Lithuanian Innovation Centre and the public institution Saulėtekio slėnis signed a contract (worth EUR 3.5 million) which provides for 959 persons (at least 429 scientists and other researchers and at least 530 students) to be enrolled in non-formal education programmes.</p>	
	<p>Other measures related to the promotion of innovative activities are provided by the measures to implement the national target ‘Investments in R&amp;D – 1.9% of GDP’.</p>	
<p>Restructuring of Electricity and Gas Sectors</p>	<p><b>Implementation of the EU’s Third Energy Package.</b>  In June 2011 a new version of the Law on Natural Gas implementing the provisions of the 3rd EU energy package was adopted.</p>	<p>Having implemented the principle of separation of gas supply and transmission functions, competition in the gas market will be promoted, energy security will be increased, alternative sources of supply will be ensured, and conditions for a reduction in the price of gas supplied to companies and retailers will be created.</p>

	<p><b>Strengthening of the electricity market.</b> In January 2012 a new version of the Law on Electricity implementing the provisions of the 3rd EU energy package and providing for conditions and a favourable regulatory environment for creation/strengthening of the electricity market was adopted.</p>	<p>The law creates a legal basis for the development of the Lithuanian electricity market and increase of competition as well as ensuring the separation of functions of electricity transmission system from other companies in the electricity sector. The Energy Exchange Baltpool was started.</p>
	<p><b>Adoption of the Law on Energy Resource Market.</b> On 11 January 2012, at a meeting of the Government the draft Law on Energy Resource Market was approved, the draft was submitted to the Seimas.</p>	<p>An exchange of biofuel and oil reserves as well as of natural gas will be established, which will increase transparency and competition in the market of energy resources.</p>
	<p><b>Establishment of the natural gas exchange.</b> On 23 November 2011, the National Control Commission for Prices and Energy issued a natural gas market operator's licence to electricity market operator Baltpool, providing for the possibility to establish a natural gas exchange.</p>	<p>A natural gas exchange was opened on 1 March 2012. The opening of the exchange provides for the creation of a competitive gas market. After the construction of a liquefied gas terminal in Klaipėda and gas connection with Poland, the exchange will also become a marketplace for gas coming to Lithuania from other sources.</p>
Increasing		

<p>transparency in the Lithuanian Public Procurement system</p>	<p><b>Improvement of dispute settlement and the centralised public procurement system.</b>  The project ‘Improvement of Dispute Settlement System in Public Procurement’ was implemented.  4.2 Centralisation of public procurement practices was analysed (a survey of purchasing organisations was carried out, its results were summarised and conclusions on how purchasing organisations should carry out centralised public procurement were made).  4.3. Directive 2009/81/EC on Defence Procurement was transposed properly and in a timely manner (Lithuania was the first of the EU Member States to have implemented this Directive).  4.4 Lithuania submitted to the European Commission proposals for the modernisation of public procurement.</p>	<p>Main reasons for protracted dispute settlement were identified. In 2012, the following actions are planned with regards to this issue:  Together with the Public Procurement Office and other interested institutions examine the proposals received asking to extend the deadline for claims handling established in the Law on Public Procurement and to start counting the limitation deadline from the moment when it becomes clear that a violation has occurred. Whenever appropriate, initiate amendments to the Law on Public Procurement.  Together with the Public Procurement Office and the Ministry of Justice examine proposals received to increase stamp duty on public procurement matters. Whenever appropriate, propose respective amendments to the Code of Civil Procedure. Regarding centralised public procurement:  The study revealed that a Central Purchasing Organisation (CPO) was proposed:  To spread information on procurement via CPO;  To evaluate proposals submitted by purchasing organisations regarding the categories of the current CPO directory.  To evaluate the possibility to expand the CPO directory with new categories of goods and services: Electricity purchase; Automotive repair and maintenance services; Cleaning services; Insurance services; Fixed connectivity; Travel/ air ticket purchase; Postal and courier services.  The Government priority for 2012 is to extend a list of centrally purchased goods, services and works. Also, in 2012 the share of value of public procurement carried out in a centralised way would make up not less than 8% of the total value of public procurement.</p>
<p>Consolidation of</p>	<p>Measures related to the higher education reform are provided by the national target</p>	

Academic and Research institutions, Enhancing the Quality of Studies	‘Persons with higher or equivalent education in the age group of 30-34 years – 40 %’.	
<b>Promoting employment</b>		
Promoting entrepreneurship	<p><b>Business vouchers.</b> Business vouchers – support amounting up to LTL 6,000 for the procurement of public services (counselling, training, office services) (the voucher is given to a newly established company).</p> <p><b>Informational database for business start-ups.</b> An informational database for business start-ups is prepared and integrated into an interactive website <a href="http://www.verslovertai.lt">www.verslovertai.lt</a> (a section ‘Plan Your Business’ was created).</p> <p><b>Promotion of student entrepreneurship.</b> 5 ESF projects for the development of entrepreneurial competencies of students were carried out, where teacher-training events were organised and methodical material for developing student entrepreneurship was prepared.</p> <p>Other measures related to promotion of entrepreneurship are provided by the national targets ‘Not more than 9% of early school leavers with basic education in the age group of 18-24 years’ and ‘Persons with higher or equivalent education in the age group of 30-34 years – 40 %’.</p>	Attitudes of teachers, and principals with regards to the relevance of developing student entrepreneurship will change; students will acquire entrepreneurial skills.
Development of long-term skill needs forecasting system	<p><b>Forecasting the demand for human resources.</b> Organisation of preparatory works forecasting the demand for human resources and development of a qualification interface with the workstation – monitoring system Specialist Skill Map.</p>	The objective is to provide for the substantive need for skilled specialists.
Enhancement of involvement in the labour market (subsidies and social insurance tax benefits for employers, who	<p><b>Increase of the flexibility of labour relations.</b> Working group, formed from representatives of the Government, employers, and trade unions, worked out draft amendments to respective articles of the Labour Code of the Republic of Lithuania. Adoption of amendments to the Labour Code has been included in the Activity Priorities of the Government for 2012.</p> <p><b>Support to employers for employment of a person who has never worked</b></p>	The objective is to establish the legal environment for internal and external flexibility of the labour market.

employ young people; compensations for business certificates and setting up a business; subsidies, when self-employed people create new workplaces; incorporation of tripartite agreements when organising vocational training).	<p><b>before.</b> When employing a person under an employment contract, who has never worked before, the national insurance contribution is reduced from 31% to 7.7% for one year. An employer, who employs a young unemployed person, is entitled to a subsidy (50% compensation of wages) for up to 6 months and for a person, who commences work activities as per acquired qualification for the first time ('apprenticeship') – up to 12 months.</p>	<p>In 2011 62,000 people used the support. Employers saved LTL 50.7 million by paying reduced national insurance contributions. Employment of 7,000 persons was subsidised in 2011.</p>
	<p><b>Subsidies to acquire a business certificate.</b> Monthly subsidies for persons looking for work (up to LTL 200) to acquire a business certificate and partly cover national insurance contributions are granted for up to 12 months.</p>	<p>As many as 9,500 young people began self-employed activities by acquiring business certificates.</p>
	<p><b>Vocational training of the unemployed.</b> Adoption of amendments to the Law on Support for Employment, establishing a new procedure for organising vocational training for the unemployed and the jobseekers. Upon signing of a tripartite agreement, an unemployed person chooses an educational institution or employer, where they will be trained. The job centre covers the vocational training costs and the employer undertakes to provide the employee with work for a minimum of one year.</p>	<p>Artificial presumptions to related vocational training of the unemployed to future employment or self-employed activities.</p>
<b>Sustaining public finances</b>	<p><b>Drafting and adoption of legal acts related to the reform of budget planning and performance system.</b> Continuation of the Reform of budget planning and performance system, closely related to the transfer of provisions of the Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States to the national law.</p>	<p>The reform will create a long-term basis for maintaining sustainable finances of the state, independent of the political cycle, and make prerequisites for debt reduction a duty and not an option.</p>

	<p><b>Optimisation of the network of health care institutions and restructuring of the health care services.</b>  Implementing the Programme for the third stage of restructuring health care institutions and services, the date of implementation thereof will be extended until the end of 2012. Further recommendations for reorganisation of the health care system will be prepared with reference to the results of the analysis of implementation of the Programme.</p>	<p>With a view to creating a more efficient network of health care institutions through optimisation thereof, health care institutions were reduced by 19 legal entities in 2010–2011 (from 81 health care institutions to 62) – these institutions were integrated into bigger legal entities. More complex services, the provisions whereof require higher technologies and special personnel skills, are recruited in higher-level hospitals. Preparation and adoption of legal acts, enabling provision of health care services in a more economically efficient way – day hospitalisation, day surgery, etc.</p>
	<p><b>Setting of short-term objectives for state enterprises</b> (implementing State enterprise reform).  See Clause 5 of Annex 3.</p>	
	<p><b>Ensuring sustainability and adequacy of pensions and social support</b> (preparation of legal acts that will ensure the extension of pension age and transition to a new procedure for calculating pensions; optimising the accounting of the State Social Insurance Fund Board and restructuring the subdivisions of the administration of the State Social Insurance Fund Board (Q2 of 2012). See Recommendation 1 of Annex 3.</p>	

<p><b>Enhancing financial stability</b></p>	<p><b>Implementation of measures for enhancing financial stability.</b>  Measures for enhancing financial stability are implemented by Lithuania based on the following key instruments, listed in the National Reform Agenda and Convergence Programme: Law on Financial Sustainability, Provisions for the Organisation of Internal Control and Risk Assessment (Management) of the Banks, Financial Crisis Prevention and Management Plan.  The Seimas in 2011 adopted the amendments to the Law on Financial Sustainability.</p>	<p>The Law allows the Government to assume measures to enhance financial stability for increasing state guarantees and the capital redemption of assets, as well as seizure of shares for the needs of society. Moreover, the amendments to the law, adopted in 2011, establish the reformation mechanism, according to which the assets and liabilities of a problematic bank may be handed over to another bank (already operating or temporary bank established by the state). This mechanism will contribute to the enhancement of financial stability of the banking system and problem solving thereof in a swifter and more efficient way without disturbing the functioning of the banking sector.</p>
	<p><b>Regulation of problematic banks.</b>  Fulfilment of regulation for factoring and reforming problematic banks. Amendments to various legal acts to this regulation came into effect as of 18 November 2011.</p>	<p>Factoring, reforming, and sales process of problematic banks became more efficient, expeditious, and having less negative impact on other sectors.</p>

<i>Bottlenecks</i>		
<b>Ensuring sustainability of public finances</b>	<p><b>Preparation of the Lithuanian Health System Development Guidelines for 2011-2020.</b></p> <p>The Seimas of the Republic of Lithuania approved the Lithuanian Health System Development Guidelines for 2011–2020 (Official Gazette, 16/06/2011, No. 73, Publication No. 3498). The Guidelines cover consistent and purposeful development of the health system.</p>	<p>Consistent and purposeful development of the health system with a view to developing a more efficient and competitive health system.</p>
	<p><b>Restructuring of health care institutions and services.</b></p> <p>Implementing the Programme for the third stage of restructuring health care institutions and services. The purpose of the Programme is to continue working on health care system reform: improve the availability and quality of services and optimise the health care infrastructure.</p> <p>Implementing optimisation of the network of health care institutions for 2010–2011, health care institutions were reduced by 19 legal entities in 2010–2011 (from 81 health care institutions to 62). The merger of institutions resulted in a reduction in operating expenses, more rational use of available premises, more efficient use of human resources, and waiver of financing unreasonable projects.</p> <p>Implementing the restructuring of health care services, the number of hospitalisation services was reduced by 2.6% and the number of non-hospitalisation services increased by 8.2% in 2011 compared with 2009. Following the decrease in the number of hospitalisation services, the funds saved were directed towards the development of outpatient health care services.</p>	<p>The funds saved were directed towards the provision of quality and available health care services.</p> <p>New health care technologies, diagnostics and treatment techniques enable patients to be treated in an innovative and economically efficient service. Such services save health care resources and state funds as well as reduce patient queues and save time.</p>
	<p><b>Optimisation of health care infrastructure.</b></p> <p>Implementing the Programme for continuity of the health care system reform and optimisation of health care infrastructure.</p>	<p>Implementing the Programme, 57 projects were implemented, moreover, financing and administration agreements were signed and implementation of 33 new projects was commenced in 2011. In 2011 LTL 110 million was used for projects: new</p>

		medical equipment and vehicles were acquired and premises were renovated.
	<p><b>Development of the E-health system.</b> The amendments to the Law on the Health Care System were adopted in pursuance of the E-health system development programme for 2009–2015. The law covers the definition of the e-health system, Lithuanian e-health system management, the establishment of an information system of national e-health services and cooperation infrastructure, as well as approval of the regulations of this system.</p>	Thanks to repeated data application and better cooperation among institutions by using information and telecommunication technologies, the funds of the mandatory health insurance fund, intended for health care institutions, will be used in a more efficient way.
<b>Preventing macroeconomic imbalances</b>	<p><b>Responsible lending.</b> Responsible lending regulations, approved by the Board of the Bank of Lithuania dated 1 September 2011 (with effect as of 1 November 2011).</p>	Lower the possibility of unduly rapid credit growth, oblige the banks to duly assess debtors' risk, protect consumers against unfounded borrowing solutions and unduly high debt burden, thereby ensuring a more cohesive and balanced macroeconomic development.
<b>Fostering competitiveness</b>	<p><b>Enhancement of foreign language teaching.</b> Pursuant to the Common European Framework of Reference for Languages that was oriented towards A2 and B1 levels, offered by the European Council, foreign language tests were prepared for 10<sup>th</sup> grade pupils to identify the language knowledge level, and methodological material was prepared for teachers and pupils. Commencement of the implementation of 3 ESF projects, aimed at development of integrated discipline and foreign language teaching in the educational process. Performance of the ESF project 'Development and introduction of language teaching, enterprise training, and innovative educational methods', aimed to improve <i>Early foreign language teaching</i>. Improvement of foreign language skills</p>	Better knowledge of languages is expected through relating the language knowledge level with further learning of foreign languages. To what extent learning of languages increased in certain levels.

	<p>of teachers of elementary grades, skills of foreign language teachers, who will be teaching foreign language to pupils of elementary grades, skills of teachers of elementary grades. Funding of LTL 5.4 million has been granted for implementation of this project.</p>	
	<p><b>Consolidation of institutions of higher education and improvement of the quality of studies.</b>        Eight joint study programmes are being carried out in 5 colleges. It is planned that the development and implementation of joint programmes will be granted LTL 38.8 million from EU Structural Funds.        A total of 78 projects, aimed at improving the study programmes and adapting a part thereof to teaching in a foreign language, were prepared and are being implemented in pursuance of the National Study Programme. In total 139 study programmes were improved during the course of such projects.</p>	
	<p><b>Improvement of vocational training.</b>        Implementation of activity groups, provided in the Practical Vocational Training Resource Development Programme, for the formation of skills, development of modular vocational training system (establishment of 17 sectoral vocational committees; analysis of vocational training conditions in Lithuania and foreign countries; adjustment of the concept of a modular training system as well as the methodology of modular vocational training programmes; analysis of vocational training programmes of sub-areas), further development of vocational training quality security system, development of infrastructure aimed at vocational and technological training (13 draft agreements amounting to LTL 7.7 million were signed in February-March 2012), improvement of technological competences of vocational teachers, and granting of general competences to adult students (agreement of the second stage of the project 'Development of adult education system' was signed in February 2012 with funding of LTL 8.25 million. The first stage covered the description of professional activities of andragogues and methodologies of andragogy; application research on adult education and analysis of the situation of the quality of the informal adult education system; training of 1,243 adults). The Agency for Science, Innovation and Technology is implementing the project 'Education of international skills of researchers' with the objective – education of abilities of scientists and other researchers to integrate into the European SR&amp;ED environment.</p>	
	<p><b>Improvement of scientists' and researchers' knowledge under informal</b></p>	

	<p><b>educational programmes.</b> Establishment of conditions for researchers, students, and the personnel of science and study institutions to improve their knowledge and technology transfer skills, necessary for the commercialisation of scientific research (informal education). Approval of the list of projects, planned by the state, including 4 projects, aimed at encouraging the improvement of scientists, researchers, and responsible employees in the field of knowledge and technology transfer. These projects have been given grants of LTL 10 million. On 22 December 2011 an agreement was signed between public institution Lithuanian Innovation Centre and the public institution Saulėtekio Slėnis (LTL 3.5 million providing for a minimum of 959 persons (minimum 429 scientists and other researchers as well as a minimum 530 students) to study according to informal education programmes.</p>	
	<p><b>Attracting investments.</b> With a view to attracting more investors who could take advantage of the infrastructure, built in industrial parks, as well as to provide them with better operating conditions by granting tax benefits, free economic zones were established in Kėdainiai, Marijampolė, Naujoji Akmenė, Panevėžys, and Šiauliai industrial parks. On 23 December 2011 the Seimas adopted the laws on establishment of the Naujoji Akmenė, Marijampolė, and Šiauliai Free Economic Zones and on 13 March 2012 – on the establishment of Kėdainiai and Panevėžys Free Economic Zones as of 1 January 2012.</p>	
	<p><b>Reduction of administrative burden for economic entities.</b> The analysis of the assessment of administrative burden on business, performed in Q3 of 2011, demonstrated that the administrative burden during the period 1 January 2009 – October 2011 in the field of territory planning and construction reduced by almost 11%, in the statistics sector – by approximately 10%, and in the transport sector – by approximately 8%. On 13 February 2012 the Government of the Republic of Lithuania approved the Action Programme for Reducing Administrative Burdens for 2012, covering 24 measures, upon implementation whereof the burden according to the preliminary assessment should reduce by approximately 26% (approximately LTL 36 million on an annual basis).</p>	<p>Decrease in administrative burden enables economic entities to grant more time and funds to direct economic activities, thereby establishing the conditions for increase of competitiveness of the companies.</p>
	<p><b>Implementation of service directive. Review of permits and licenses for economic commercial activities.</b> Of 40 draft amendments to the laws, submitted by the Government and prepared in 2008-2009 in pursuance of the provisions of service directive, in 2011 the Seimas</p>	<p>It is expected that annulment of provisions conflicting with the</p>

	<p>approved 5 (4 were adopted during the spring session (VI), 1 – during the fall session (VII)), thus in total <b>37</b> draft laws were approved. <b>2</b> draft laws are provided for the Legislation plan of the Seimas for <b>2012</b>, whereas the date of adoption of <b>1</b> draft law has not been planned yet.</p> <p>Moreover, the Ministry of Economy, coordinating the review of the national legal acts as to permits and licenses for economic commercial activities as well as other documents of a similar nature, required for commencement or performance of activities, terms and conditions as well as requirements for issuance thereof, in 2011 prepared and furnished four ministries with questionnaires on permits for economic commercial activities established in legal acts, the procedure as well as terms and conditions for issuance thereof in consideration of conformity thereof with the principles of necessity, proportionality, and non-discrimination.</p> <p>Other measures related to fostering of competitiveness are provided by the national targets ‘Investments in R&amp;D – 1.9% GDP’ and ‘40% of people in the 30-34 age group are with higher education or equivalent’.</p>	<p>service directive contained in the national legal acts, amendments to the legal acts governing the economic commercial activities by revoking unnecessary, disproportionate, and discriminating requirements by replacing them with less restricting measures or simplifying the procedure for issuance of permits will encourage competition within the service sector.</p>
<p><b>Ensuring structural provisions for economic growth: improving business environment and developing infrastructure</b></p>	<p><b>Integration into the European Network of Transmission System Operators for Electricity.</b></p> <p>Lithuania implements the Lithuania-Poland interconnection LitPol Link project (international public procurement tender for the preparation of the technical design for a 400 kV high-voltage transmission line; preparation of the technical design for the reconstruction and expansion of the 330 kV switchyard of Alytus substation; an international public procurement tender for the design and construction works of a high-voltage direct current back-to-back converter station with a 400 kV switchyard in Alytus).</p> <p>Implements the Lithuania-Sweden interconnection NordBalt project (detailed territory planning documents were prepared and coordinated; manufacture of maritime cable for the interconnection was commenced).</p> <p><b>Construction of Visaginas Nuclear Power Plant.</b></p> <p>Adoption of political decisions on the construction of Visaginas Nuclear Power Plant. The agreement of essential contractual provisions for the concession of Visaginas Nuclear Power Plant was signed with strategic investor Hitachi on 23 December 2011. With reference to the Treaty of the European Atomic Energy Community (EURATOM), the European Commission was officially furnished</p>	<p>Physical electricity network links will increase competition on the power market, ensure the stability of prices and supply, and in the long run (after construction of the Visaginas Nuclear Power Plant) – open new power export markets.</p> <p>In the long run Visaginas Nuclear Power Plant will enable Lithuania to meet its power needs, increase energy security and independence of</p>

	with the design plan of Visaginas Nuclear Power Plant.	energy resources, received from Russia, create new export potential, as well as reduce the Lithuanian payment balance deficit.
	<p><b>Restructuring of the electricity sector.</b>  AB Lietuvos Energija (including branch establishments, Kaunas Hydroelectric Power Plant, ‚Kruonis Pumped Storage Plant‘) and ‚Lietuvos Elektrinė were reorganised and merged into one company – AB Lietuvos Energija – as part of the restructuring of the energy sector.</p>	LTL14 million was saved following the reorganisation of the Lithuanian electricity generation unit over six months of 2011.
	<p><b>Development of the gas market.</b>  The implementation of the liquefied natural gas terminal in Klaipėda was commenced as part of the development of a functioning gas market (the LNG terminal development plan was approved, the report on strategic environmental impact assessment was prepared; planning terms and conditions were issued for preparation of the special plan for the LNG terminal, related infrastructure, and pipeline; the supplier of the LNG floating storage terminal was selected – the Norwegian company Høegh LNG, with which a contract was signed on 2 March 2012; the environmental impact assessment programme of the LNG terminal was approved; the resolution regarding the security of necessary activities of the liquefied natural gas terminal was adopted by the Government on 29 February 2012).</p>	Implementation of the project will result in an abolition of the monopoly of natural gas supply from Russia as well as increased energy security. It is expected that the competition will reduce gas prices for companies and retail consumers.
	<p><b>Development of the information society.</b>  Implementing the Programme for Information Society Development in Lithuania for 2011–2019:</p> <ul style="list-style-type: none"> <li>▪ the methodology for monitoring the implementation of the Programme for Information Society Development in Lithuania and its monitoring mechanism were approved;</li> <li>▪ the Plan of Measures for 2012–2014 for implementation of the Programme of Information Society Development in Lithuania for 2011–2019 was approved;</li> <li>▪ the description of criteria for assessing the information society development was approved.</li> </ul>	The objective is to improve the quality of living of Lithuanian residents and the environment of corporate activities, using the potential of information and telecommunication technologies (ITT), as well as achieve Internet usage by a minimum 85% of Lithuanian residents by 2019.
	<b>Drinking water supply and wastewater management.</b>	

	<p>Implementation of Drinking Water Supply and Wastewater Management Development Strategy for 2008-2015: National Strategic Waste Management Plan and National Cohesive Development Strategy.</p>	<p>138 water supply and wastewater management projects (whereof 2 have already been finalised) with LTL 1 995 million financing and 28 waste management system development projects (whereof 2 have already been finalised) with LTL 716 million financing were implemented between 2007 and the end of 2011.</p> <p>Water supply and/or wastewater systems were renovated or built in 67 inhabited localities; It is planned to modernise similar systems in a further 345 inhabited localities by the end of 2015.</p> <p>A total of 13,000 inhabitants were connected to such systems; By 2017 178,000 will be connected.</p> <p>EU support funds provided funding for 5 sludge-processing facilities to be built and 92 dumping grounds to be closed. It is planned that 343 dumping grounds will be closed by the end of 2015.</p> <p>In addition, 10 regional waste management systems were developed and 20 municipal biodegradable waste grounds</p>
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		were built in Lithuania. The amount of biodegradable waste, dumped in the dumping grounds, was reduced by approximately 20% compared to 2000.
<b>Preventing structural unemployment and development of an inclusive labour market</b>		
<b>1. Increasing labour market participation</b>		
1.1. Ensuring that the retirement age, the raising of which started as of the year 2012 will reach 65 years in 2026 by adding 4 months for women and 2 months for men on an annual basis.	<b>Extension of the retirement age.</b> As of 1 January 2012, the gradual raising of the retirement age has started by adding 4 months for women and 2 months for men on an annual basis (in 2026, the said age will be 65 years for both genders).	The number of older persons participating in the labour market would increase.
1.2. Encouraging persons of retirement age to remain longer in the labour market by means of introducing a system of premiums ensuring a higher old-age pension for longer working pensioners and rearranging early	<b>Participation of people of retirement age in the labour market.</b> As of 1 January 2012, upon expiry of the Provisional Law on Recalculation and Payment of Social Benefits, the restriction of pensions in terms of the received wages expired for working pensioners; thus, absence of financial inducement to work for people of retirement age has been removed.	The number of older persons participating in the labour market would increase.

<p>retirement schemes.</p> <p>1.3. Enhancing the possibilities for youth to access to the labour market by arranging high quality apprenticeships and placements during the study period and creating learning possibilities at the workplace</p>	<p><b>Improvement of apprenticeships and traineeships.</b> Business associations and companies in cooperation with higher schools develop information systems on traineeship places for students, thus creating conditions for students to find a traineeship in the most attractive company in their area of interest. The business associations and companies arranging student traineeships are responsible for the planning of traineeship supervisors.</p>	<p>Possibility for youth integration into the labour market would be increased.</p>
<p>1.4. To provide incentives to employers to employ young persons for the purposes of attainment of professional skills by granting social insurance tax advantages and subsidies according to the acquired qualification</p>	<p><b>Support to employers who employ people without any practical skills.</b> Employees who employ persons under labour contracts for the purposes of acquiring practical skills for the first time do not have to pay SODRA (State Social Insurance Fund Board) contributions towards pensions, i.e. the contribution of 23.3%. (Temporary measure, valid till 31 July 2012)</p>	<p>Possibility for youth integration into the labour market would be increased. In 2011, 62,000 people took advantage of the support. The employers saved LTL 50.7 million.</p>
<p><b>2. Making work more attractive</b></p>		
<p>2.1. In pursuance of making employers interested in creating workplaces, analysing the possibility for reducing the tax burden within the labour market.</p>	<p>See Paragraph 1.4.</p>	
<p>2.4. In pursuance of</p>	<p>Measures related to prevention of structural unemployment are provided by the</p>	

<p>avoiding dependency on social benefits, drawing up amendments to the legal acts concerning preserving incentives for work within the social support system and enhancing single nature of the support</p>	<p>national target 'Residents bearing the risk of poverty/materially deprived/living in households with persons who are unemployed or have very low work intensity – 814,000.'</p>	
<p>2.5. Creating possibilities for reconciliation of family, education and work responsibilities by establishing extra privileges in the Labour Code for shift workers with children</p>	<p><b>Reconciliation of family, education and work responsibilities.</b> On 19 April 2011, the Law Amending Articles 101, 146 and 214 of the Labour Code of the Republic of Lithuania setting forth the possibility for shift workers with children to take advantage of a period off work for longer than a month.</p>	<p>Increased possibilities for reconciliation of family, education and work responsibilities.</p>
<p>2.6. In pursuance of reducing the scope of illegal work, drawing up the Law on Prohibition of Illegal Work and amendments to the Code of Administrative Offences and Criminal Code providing for stringent sanctions for illegal work not only for employers, but also for employees.</p>	<p>The measure is described in the part on enforcement of commitments of the Euro Plus Pact.</p>	
<p><b>3. Re-absorption of</b></p>		

<b>the unemployed into the labour market</b>		
3.1. Drafting amendments to the legal acts governing unemployment social insurance establishing a direct link between unemployment social insurance benefit and the participation in training and finding a job by the unemployed, adjusting the unemployment insurance benefits with business cycle	<p><b>Link between unemployment social insurance benefits and participation of the unemployed in training.</b></p> <p>The by laws legitimise the amendment establishing a direct link between unemployment, social insurance benefit and participation in training and finding a job by the unemployed. Unemployment social insurance benefit is not granted or payment thereof is suspended if an unemployed person registered at the labour exchange rejects any job offer, refuses to participate in active labour market policy measures referred to in the individual employment activity plan, fails to appear at the territorial labour exchange to accept a job offer or participate in the active labour market policy measures referred to in the employment plan or refuses a health examination to establish fitness for work at the established time. Unemployment social insurance benefit may be re-granted only after 12 months as of the date of the decision of granting or suspending thereof.</p>	Motivation of the unemployed to participate in the active labour market policy measures and find a job would be increased.
3.2. Promoting self-employment of the jobless by compensating part of the expenses related to business certificate acquisition and starting up a business, as well as paying a subsidy if a jobless individual who becomes self-employed creates a job place for another unemployed person	The measure is described in the part on enforcement of commitments of the Euro Plus Pact.	In 2011, 7,939 persons looking for jobs became self-employed.
3.3. Reorganising vocational training for the jobless: organising	The measure is described in the part on enforcement of commitments of the Euro Plus Pact.	

<p>training on the basis of the trilateral agreement, providing the educational establishment with a document guaranteeing payment (voucher), enabling the jobseeker to choose the form, place and time of training</p>		
<p>3.4. Preparing implementation measures for mapping the need for specialists and competences and drafting the respective legal acts.</p>	<p>The measure is described in the part on enforcement of commitments of the Euro Plus Pact.</p>	
<p><b>4. Ensuring the balance between the labour market flexibility and employment</b></p>		
<p>4.1. Developing social dialogue to arrive at a flexicurity approach acceptable to the State, employers and employees; developing the balance between social guaranteed flexibility and security of work; preparing drafts of the legal acts</p>	<p>The measure is described in the part of enforcement of commitments of the Euro Plus Pact.</p>	

<p>regulating employment relations by creating conditions for flexible work agreements and flexible working time arrangements.</p> <p>With a view to avoiding labour market segmentation and facilitating labour mobility, upon evaluation of the application of fixed-term, temporary employment contracts, part-time and other flexible work organisation provisions in practice, drafting amendments to the <i>respective</i> legal acts.</p>		
<p>4.2. Regulations ensuring equal guarantees and rights of part-time and full-time employees employed for the same or equivalent jobs in the Labour Code</p>	<p><b>Ensuring guarantees and rights for part-time workers.</b></p> <p>The Seimas adopted the law amending the respective articles of the Labour Code which ensures equal treatment of part-time and full-time employees employed for the same or equivalent jobs in the Labour Code in terms of their guarantees and rights.</p>	<p>Equal rights would be ensured.</p>
<p>4.3. Adopting and implementing the law regulating the activities of temporary</p>	<p><b>Regulation of temporary employment agencies.</b></p> <p>On 1 December 2011, the Republic of Lithuania Law on Employment through Temporary Employment Agencies and amendments to the respective articles of the following laws came into force: amendments to the Labour Code of the Republic</p>	<p>The form of employment through temporary employment agencies gives</p>

<p>employment agencies enabling employment of people through such agencies, facilitating the creation of new jobs by such temporary employment agencies under more favourable conditions and ensuring the employees of such agencies access to relevant guarantees.</p>	<p>of Lithuania, the Code of Administrative Offences of the Republic of Lithuania, the Law on Work Councils of the Republic of Lithuania.</p>	<p>flexibility, encourages creation of new workplaces and helps employees to integrate into the labour market.</p>
<p><b>Main (new or updated) commitments in the National Reform Programme for the next 12 months</b></p>	<p><b>Foreseen main measures</b></p>	<p><b>The estimated impacts of the measures (qualitative and/or quantitative)</b></p>
<p><b>Main commitments in relation to each of the Annual Growth Survey priorities:</b></p>		
<p>Implementing fiscal consolidation promoting differentiated growth</p>	<p><b>Financial Policy Strategy.</b> A detailed Financial Policy Strategy for the years 2012-2015 is laid down in the Convergence Programme 2012 (Chapter III, Section I).</p>	
<p>Greenhouse gas emissions, the change from 2005 level (million tonnes of CO<sub>2</sub> equivalent) in sectors not participating in the emissions trading</p>	<p><b>'National Strategy for the Implementation of the United Nations Framework Convention on Climate Change until 2012'.</b> Currently the National Strategy for Climate Change Management Policy covering average and long-term objectives for the period 2013-2050 is under preparation and will be approved at the end of 2012. Furthermore, the plan of implementation measures of the National Strategy for Climate Change Management Policy for the period 2013-2020 providing for</p>	

system is not greater than +15% (or 18.7 m tonnes)	measures for implementation of the aims and objectives of the strategy is under preparation.	
Ensuring structural conditions for economic growth: improving the business environment and developing the infrastructure	<p><b>Improvement of the regulation of the supply of drinking water and wastewater management.</b> Draft Law on Supply of Drinking Water and Wastewater Management (the draft has been submitted to the Seimas)</p>	<p>The draft aims at specifying and supplementing legal regulation of the supply of drinking water and wastewater management with a view to clear regulation of the relationship among persons (municipalities, drinking water supply and wastewater management companies, consumers, other persons) arising out of drinking water abstraction, use, supply, wastewater management in order to ensure the protection of the lawful interests and defence of the rights of subscribers and consumers, drinking water suppliers and wastewater managers, reduce disparities in terms of development of cities and other residential locations, ensure the development of drinking water supply and wastewater management infrastructure meeting the public needs.</p>
	<p><b>Preparation of the Wastewater Management Plan.</b> Draft National Wastewater Management Plan for the period 2014–2020 (drawn up</p>	The National Wastewater

	in 2012)	<p>Management Plan will set out wastewater management priorities, strategic wastewater management aims, objectives and measures for the years 2014-2020 with a view that:</p> <ul style="list-style-type: none"> <li>- 50% of waste generated in a household (paper, metal, plastic, glass etc.) would be prepared for reuse and recycling, 70% of non-hazardous construction and demolition waste would be prepared for reuse, recycling and other use till the year 2020;</li> <li>- recycling, use of as much waste as possible for generating energy. It is also important within the context of increasingly costly fossil fuels and other natural resources.</li> </ul>
Promoting growth and competitiveness for today and the future	<p><b>Implementation of integrated science, studies and business centres (valleys).</b>  The implementation of integrated programmes of science, studies and business centres (valleys) 'Saulėtekis', 'Santara', 'Santaka', 'Nemunas' and the Lithuanian Marine Sector will be further continued. The plans are to amend the conception of establishment and development of integrated science, studies and business centres (valleys) taking into consideration the management models and other recommendations offered by the experts.</p>	

	<p><b>Implementation of the sectoral programmes enhancing competitiveness.</b> The implementation of industrial biotechnology development projects and the Programme for Development of Higher Technologies for the years 2011-2013 will be further continued; joint research programmes (of cultural and creative industries) implemented in biomedicine and biotechnology, material science, physical and chemical technology, engineering and information technology, natural resources and agriculture etc and other programmes will be implemented.</p>	
	<p><b>Strengthening of vocational training.</b> The activity groups referred to in the Practical Vocational Training Resource Development Programme with a view to the formation of qualifications, development of a modular vocational training system (up to LTL 9.97 million), further development of the vocation training quality assurance system (up to LTL 9.65 million), development of the infrastructure for vocational and technological training including sectoral practical training centres (up to LTL 409.5 million), improvement of the technological competences of vocational teachers (up to LTL 20 million) and awarding of general competences to adults who are studying (up to LTL 15 million) are carried on. Work in increasing the attractiveness of vocation training is carried out: conditions for entering higher schools for schoolchildren who have successfully accomplished the respective vocational training programmes are improved; a vocational guidance and consultancy system is developed; the legal framework for creating the modular vocational training system is developed; the network of vocational schools is optimised; closer cooperation with social partners is carried out with a view to integrating them into the management of educational establishments.</p>	
Solving the issue of unemployment and the consequences caused by the crisis	<p><b>Implementation of the Pre-primary and Pre-school Education Development Programme for 2011–2013.</b> The following measures of the Pre-primary and Pre-school Education Development Programme for 2011-2013 will be implemented using national funds and EU support: organisation of a tender promoting a variety of pre-primary education arrangement forms, conducting public consultancies on more diverse pre-primary education arrangement possibilities and establishment of private kindergartens, research results which will be employed for evaluation of the consistency of the contents of pre-school and primary education, drafts of the achievements of children of pre-school age (and children with special education</p>	The measures aim at increasing access to pre-primary and pre-school education and variety thereof particularly in rural locations, reducing social exclusion and differences between municipalities; improving possibilities for

	<p>needs) and the General Pre-school Education Programme, development of the portal activities etc. will be drawn up.</p>	<p>families to reconcile parenthood and career (40 consultations in municipalities, 1 tender (25 organisation models financed), 1 research, 1 draft pre-school education programme, 1 draft description of the achievements of children of pre-primary age).</p>
	<p><b>Modernisation of pre-primary educational establishments.</b>          In the course of implementation of the Programme for Modernisation of Pre-primary Educational Establishments for 2012 it is planned to modernise 55 pre-primary educational establishments.</p>	<p>The conditions concerning the education of children will be drawn up adjusting them to children with special education needs living in social exclusion conditions.</p>
	<p><b>Establishment of universal multi-functional centres.</b>          In the course of implementation of the project 'Establishment of Universal Multi-functional Centres in Rural Areas', in 2012 it is planned to establish seven universal multi-functional centres.</p>	<p>The centres will provide possibilities for children living in rural areas to take part in pre-primary/pre-school education programmes and possibilities for their parents to reconcile family and career responsibilities.</p>
	<p><b>Strengthening of vocational guidance.</b>          Promotion of training the disabled and their integration into the labour market through implementation of the projects concerning development of the professional rehabilitation of the disabled, professional rehabilitation centres will be established in Panevėžys, Klaipėda, Utena and Mažeikiai (with a total expenditure of LTL 42.2 million).          In accordance with the National Programme for Vocational Guidance in Education System 4 projects have been implemented. EU Structural Funds and general finance funds are used for implementation of the projects. Pursuant to the Programme, LTL 89.25 million is awarded for implementation of the projects. The</p>	

	<p>Programme aims at creating conditions for further development of vocational guidance services within the education system; it contributes to better career planning, development of career management competences and prevention of drop out from the education system. The following measures have been planned within the framework of the Programme: development and implementation of the model and infrastructure of the education of pupils from general education and vocation schools for career (up to LTL 66.86 million); development of the model of education of students from higher schools for career, infrastructure of education for career and career monitoring (up to LTL 16.63 million); further development of the Open Information, Counselling and Guidance System (AIKOS) (up to LTL 5.76 million). The activity groups referred to in the Practical Vocational Training Resource Development Programme with a view to the formation of qualifications, development of the modular vocational training system (up to LTL 9.97 million), further development of the vocation training quality assurance system (up to LTL 9.65 million), development of the infrastructure for vocational and technological training including sectoral practical training centres (up to LTL 409.5 million), improvement of the technological competences of vocational teachers (up to LTL 20 million) and awarding of general competences to adults who are studying (up to LTL 15 million) are in progress.</p>	
<p>Amending the legal acts concerning work and employment security to make their provisions more flexible and enable better use of fixed-term contracts.</p>	<p><b>Increase in the flexibility of the labour market (labour relations).</b>  Drafting and adoption of amendments to the Labour Code of the Republic of Lithuania by extending the possibility for conclusion of fixed-term employment contracts; revoking the provisions concerning dismissal of employees of certain categories only in exceptional cases; establishing the possibility for setting a longer daily working time; creating possibilities for more flexible establishment of the weekly working time etc.  The Government has been furnished with the Draft Law Amending the Labour Code. Implementation of the measure has been included in the activity priorities of the Government for the year 2012.</p>	<p>Flexibility of employment relationship has been increased and possibilities for employers to respond to the changes in a more prompt manner have been created.</p>
<p>Review of the regulation of working time and conclusion and termination of employment contracts.</p>	<p><b>Reduction of administrative burden in the area of employment relations.</b>  Drafting and adopting amendments to the Labour Code of the Republic of Lithuania granting the right to economic entities to use working time sheets of the form approved by the employer, free-form employment contract, and free-form documents certifying the employee's identity.</p>	<p>The administrative burden in the area of employment relations has been reduced for employers.</p>
<p>Equalisation and</p>	<p><b>Improvement of remuneration for work of officials of state and municipal</b></p>	

<p>legalisation, by introducing legislation on remuneration conditions for employees engaged in jobs of equivalent qualifications and complexity in the institutions financed from State and municipal budgets</p>	<p><b>institutions.</b> The Draft Law on Remuneration for Work of Officials of the State and Municipal Authorities is under preparation. It is planned to draw up the draft law in Q2 2012 and implement it not earlier than in the 2013-2014 period. Implementation of the measure has been included in the activity priorities of the Government for the year 2012.</p>	<p>Conditions for equalisation of remuneration conditions for employees engaged in jobs of equivalent qualifications and complexity in institutions financed from State and municipal budgets would be created.</p>
<p>Reducing the tax burden for employers within the context of employment relations</p>	<p><b>Subsidies for compensation of the paid compulsory social insurance contributions.</b> Granting subsidies for compensation of the paid compulsory social insurance contributions for companies and natural persons who receive loans from the Entrepreneurship Promotion Fund.</p>	<p>Possibilities for establishment in the market at the initial stage of independent activities have been created.</p>
<p>Reducing the tax burden for employers in the field of employment relations</p>	<p><b>Reimbursement of social security contributions for persons who are employed for the first time.</b> Extending the application of the compulsory social insurance advantage and, by reimbursing social security contributions for persons who are employed for the first time, ensuring all social security guarantees for them after 31 July 2012.</p>	<p>Facilitated access for youth to access to the labour market.</p>
<p>Promotion of the establishment of companies and independent work including social entrepreneurship by raising the quality of support systems and encouraging entrepreneurship skills.</p>	<p><b>Application of new financial engineering measures.</b> Implementing new financial engineering measures (guarantees to secure the leasing transactions concluded by small- and medium-sized business entities, new venture capital measures – investments for the start of activities).</p>	<p>Increased access to financial resources for small- and medium-sized business entities.</p>
<p>Enhancing the measures encouraging</p>	<p><b>Educative activities in the area of illegal work prevention.</b> Carrying out permanent educative activities in relation to illegal work prevention</p>	<p>The scope of illegal work has</p>

<p>the transition from unofficial or undeclared work to official work.</p>	<p>by informing society of the negative social and economic consequences, damage caused, and building intolerance to illegal work.</p>	<p>been reduced, the number of lawfully concluded employment contracts has increased.</p>
	<p><b>Strengthening of sanctions for illegal work.</b> In 2012, amending the effective legislation, in particular, the Labour Code, will transfer the provisions concerning regulation of the prohibition on illegal work.</p>	<p>Legal conditions for imposing sanctions for illegal employment of third country nationals on employers will be created.</p>
<p>Reforming the system of social benefits by establishing a link between the benefits and more efficient activity, required training and support schemes with a view to promoting return to work.</p>	<p><b>Restructuring of cash social support.</b> Continuation of the cash social support reform launched in 2012 aimed at making the provisions thereof more transparent, promoting employment, and reducing the possibilities for the misuse of state support. Since the beginning of this year, experimental (pilot) projects have been implemented in five municipalities by granting more rights and more responsibility to municipalities in the field of granting monetary social support. Development of cooperation between territorial labour exchange offices and municipal administrations for the purposes of integrating the beneficiaries of social benefits into the labour market.</p>	<p>Motivation to work by the unemployed is increased. Decrease in the long-term unemployed receiving social benefit by 3%.</p>
<p>Offering of the particular actions intended, first of all, to the unemployed and non-studying youth.</p>	<p><b>Training for non-qualified young unemployed persons.</b> Arrangement of training for non-qualified young unemployed persons in accordance with the primary vocational training programmes by applying the principles of the student's basket so that unqualified youth registered in the Labour Exchange under 21 years of age could acquire the first professional qualifications under formal vocational training programmes.</p>	<p>Possibilities for employment have been increased.</p>
<p>Encouraging conclusion of contracts for high quality apprenticeships and placements in cooperation with social partners.</p>	<p><b>Application of new forms of internships for the studying youth.</b> Development of attractive internship systems for the studying youth, thus, providing possibilities for them to participate in temporary employment projects, creating student internship organisation models (systems) in companies and/or non-profit organisations, and supporting the development of apprenticeship and placement search and organisation portals by involving employers, youth organisations and education institutions in the process.</p>	<p>Practical skills are developed.</p>
	<p><b>Development of practical training in companies.</b> Preparation of the draft agreement for the acquisition of professional skills and</p>	<p>Possibilities for acquiring</p>

	<p>accompanying documents by providing the possibilities to sign practical training contracts between the employer and the trainee.</p> <p><b>Promotion of apprenticeship.</b> Development of forms of apprenticeship training by organising practical vocational training at the particular workplace, creating information systems on apprenticeship places in enterprises.</p>	<p>working skills would increase.</p> <p>A permanent relationship between educational establishments and business institutions has been ensured; possibilities for employment have been increased.</p>
Encouraging entrepreneurship skills of the youth.	<p><b>Development of consulting and information services to young people.</b> Support to the provision of consulting, information, business training (mentoring) and coaching (coaching specialist) services to young people on the subjects of business start-up, business financing and development. Support for programmes drawn up by universities and entrepreneurship centres of associated business structures aimed at encouraging graduates to start up their own business and develop it successfully. Subsidisation of consulting services and working place lease for rapidly growing businesses (Start-up Nitro baskets). Five projects intended to develop pupil entrepreneurship have been implemented.</p>	Entrepreneurship skills are developed.
Financing of measures aimed at reducing youth unemployment from the funds of the European Social Fund.	<p><b>Subsidies to young people starting their working careers.</b> Subsidisation of working skill acquisition by young people starting their working careers and employment thereof.</p>	Youth integration into the labour market is facilitated.
Improving the possibilities for lifelong learning.	<p><b>Promotion of lifelong learning.</b> Drawing up of the Lifelong Learning Action Plan which would become an integral part of the National Long-term Education Strategy for 2013-2022.</p>	The possibilities for professional mobility of an older workforce have been increased.
Non-conformity of the workforce qualification with the labour market	<p><b>Human resource demand forecasting.</b> Starting the works of development of medium-term human resource demand forecasting system.</p>	Preconditions for balancing between the workforce supply and demand have been created.

demands	<p><b>Balance between workforce supply and demand.</b> Starting preparation of the monitoring system for relationships between human resource qualifications and workplaces. As part of the preparatory work for development of human resource demand forecasting and the monitoring system for relationships between human resource qualifications and workplaces, a Specialist Qualifications Map has been organised. The draft legislation setting forth the method for gathering and systemising data on the education and profession of employed persons making use of the available registers and the database of SODRA (State Social Insurance Fund Board) is under preparation. Implementation of the measure has been included in the activity priorities of the Government for the year 2012.</p>	Preconditions for balance between workforce supply and demand have been created. Attempts are made to forecast the actual demand for qualified specialists.
	<p><b>Professional qualification demand surveys.</b> Performance of professional qualification demand surveys in two economic sectors (out of the five priority sectors, namely: energy and environmental protection; construction and architecture; accommodation and catering, tourism, sports and recreation; information technologies and communication; transport and storage services).</p>	Preconditions for balance between workforce supply and demand have been created.
	<p><b>Linking of Lithuanian and European qualifications.</b> Linking of Lithuanian higher education and professional training qualifications according to the Lithuanian Qualifications Framework with the European Qualifications Framework.</p>	Preconditions for balance between workforce supply and demand have been created.
	<p><b>Establishment of seven sectoral practical training centres.</b> Establishment of seven sectoral practical training centres in vocational training institutions by adapting the vocational training institution system accordingly</p>	Conformity of practical skills with labour market demands is increased.
Enhancement of the coverage and efficiency of activities of employment services	<p><b>New model for service to the unemployed.</b> Implementation of a new model for service to the unemployed in territorial labour exchange offices. This model will help identify the groups of unemployed that are hardest to integrate, to which individual measures of a more rapid return to the labour market will be applied.</p>	Helps to determine the abilities, readiness to work and motivation of the unemployed.
	<p><b>New labour exchange management model.</b> Implementation of the result-oriented and evidence-based management model in employment intermediation activities, application of new employee motivation methods by linking their activities with the results of obtaining employment by jobseekers in territorial labour market offices.</p>	Increased interest in the results of activities.

	<p><b>Individual occupational activity plans for the unemployed.</b>  Enhancement of the effectiveness of individual occupational activity plans. The unemployed person themselves who will be encouraged to conclude a preliminary individual occupational activity plan by providing a purposeful activity aimed at achieving the main goal of integration into the labour market, will be involved in the career planning process.</p>	<p>Conditions for individualisation of the services provided will be created.</p>
	<p><b>Cooperation between labour exchanges and municipal institutions.</b>  Development of cooperation between territorial labour exchange offices and municipal institutions and non-governmental organisations by providing possibilities to provide labour market services not only in the premises of remote work centres but also through e-services.</p>	<p>Increased coverage of the services provided.</p>
<p><b>New or updated Euro Plus Pact commitments</b></p>	<p><b>Drawing up of the National Programme for the Development of Studies and Research and Development for 2013–2020.</b>  The Programme will set out the major guidelines for development of studies and R&amp;D systems till the year 2020.</p>	
	<p><b>Strengthening of the quality of studies.</b></p>	<p>Implementation of 18 selected national projects for qualification enhancement of highly qualified specialists and requalifying thereof has been started. Higher schools in cooperation with their mandatory partners (employers, organisations representing them) will draw up approximately 20 experimental programmes (modules) and carry out pilot trainings according to the programmes drawn up.  It is expected that in the course of implementation of the activities under the projects (until the end of 2014) around 117 lecturers of higher schools</p>

		will take part in training and about 800 persons (graduates (potential employees) and employees of the current partners) will enhance their qualification.
<b>Other commitments (e.g. in relation to key bottlenecks identified in the National Reform Programme)</b>	<b>Enhancement of the qualifications of scientists and other researchers, promotion of their mobility and competitiveness.</b>	Attempts are made to raise the level of researchers, reinforce the relationship between the 'brains' working abroad with the Lithuanian institutions of science and studies, assist in the preparation for attracting high-level foreign scientists to Lithuania and encouraging the scientists who have left to return.
	<b>Encouragement of the partnership of the institutions of science and studies and companies.</b> Encouraging the partnership of the institutions of science and studies and companies in the field of R&D at regional, national and international levels (implementation of joint scientific-business projects aiming at commercialisation of results of the research carried out on the topics of joint research programmes).	Preconditions for cooperation between science and business and commercialisation of R&D results have been created.
	<b>Dissemination of knowledge about research and innovations.</b> The national researchers will be provided with access to the global scientific journals. In pursuance of encouraging youth to choose the researcher profession, scientific achievements will be popularised among schoolchildren.	