13 November 2025

Positive preliminary assessment of the satisfactory fulfillment of milestones and targets related to the fourth payment request submitted by Lithuania on 4 August 2025, transmitted to the Economic and Financial Committee by the European Commission

Executive summary

In accordance with Article 24(2) of Regulation (EU) 2021/241, on 4 August 2025, Lithuania submitted a request for payment for the third, fourth and fifth instalments of the non-repayable support. The payment request was accompanied by the required management declaration and summary of audits.

To support its payment request, Lithuania provided due justification of the satisfactory fulfilment of 39 out of 40 milestones and targets of the third, fourth and fifth instalments of the non-repayable support, as set out in Section 2(1) (1.3) (1.4) (1.5) of the Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Lithuania as amended by Council Implementing Decision of 8 November 2023, 7 November 2024 and 13 June 2025[1].

For 11 targets covering a large number of beneficiaries, in addition to the summary documents and official listings provided by Lithuania, the Commission services have assessed a statistically significant sample of individual files. The sample size has been uniformly set at 60, which corresponds to a confidence level of 95% or above in all cases.

In its payment request, Lithuania has confirmed that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed. The Commission does not have evidence of the contrary. Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. Based on the information provided by Lithuania, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of 39 out of 40 milestones and targets.

The milestones and targets positively assessed as part of this payment request demonstrate significant steps in the implementation of Lithuania's Recovery and Resilience Plan. They notably highlight the continuation of the reform momentum in key policy areas. This includes, among others, reforms in areas including taxation, public spending, renovation of buildings, long-term care and cooperation between healthcare institutions. The milestones and targets also confirm progress towards the completion of investment projects related to digital competences of pedagogical staff, lifelong learning, digital public services, electronic payments in schools and internationalisation of higher education.

By the transmission of this positive preliminary assessment and in accordance with Article 24(4) of Regulation (EU) 2021/241, the Commission asks for the opinion of the Economic and Financial Committee on the satisfactory fulfilment of the relevant milestones and targets.

[1] ST 10477 2021 INIT; ST 10477 2021 ADD 1; ST 14637 2023 INIT; ST 14637 2023 ADD 1; ST 13498 2024 INIT; ST 13498 2024 ADD; 1 ST 9588 2025 INIT; ST 9588 2025 ADD 1

Contents

Non-repayable support

Number and name of the Milestone: 4 Entry into force of legislation establishing a basic public health service delivery model

Related Measure: C1.A-1-1- A-1-1- Improving the quality and accessibility of health services and promoting innovation

Qualitative Indicator: Legislation entered into force

Time: Q1 2023

1. Context:

The objective of reform A.1.1 is to increase the quality and accessibility of health care, with a focus on strengthening primary care, specialised outpatient care, digitalisation of the health sector and innovation.

Milestone 4 relates to sub-measure A.1.1.4, which aims to establish a basic model of public health service delivery providing equal conditions for target groups to receive high quality services and it concerns the entry into force of legislation establishing a basic public health service delivery mode.

Milestone 4 is the only milestone of the sub-measure.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Order of the Minister of Health of Lithuania No. V-363 of 24 March 2023 amending the Order of the Minister of Health No. V-1154 of 10 November 2014 (hereinafter referred to as "Order No. V-363"). Link to the publication in the Register of Legal Acts: TAR 24/03/2023, No. 5243 Entry into force: 25 March 2023.	The Order updates the description of the procedure for planning, allocation, use and reporting on the State budget special purpose subsidy allocated to municipal budgets for the execution of state public health care functions under the supervision of the Ministry of Health (delegated by the State to municipalities).
3	Order of the Minister of Health of Lithuania No. V-481 of 21 April 2023 amending Order of the Minister of Health of the Republic of Lithuania of 11 October 2013 No. V-932 (hereinafter referred to as "Order V-481"). Link to the publication in the Register of Legal Acts: TAR 21/04/2023, No. 7792	The Order establishes that the funds allocated for mental health are part of a special purpose subsidy for the execution of public health care functions delegated by the State to municipalities for the implementation of basic public mental health services.

	Entry into force: 22 April 2023.	
4	Order of the Minister of Health of the Republic of Lithuania No. V-342 on 17 March 2023 amending Order No V-67 of 21 January 2011 of the Minister of Health of the Republic of Lithuania (hereinafter referred to as "Order No. V-342"). The Order is not published in the Register of Legal Acts of the Seimas of the Republic of Lithuania.	The Order revises the staffing and procedural rules for the Commission overseeing state-delegated public health functions in municipalities. The Commission's duties include proposing improvements to legal regulations for public health care, examining municipality financing for public health services (including reasons for unspent subsidies and additional needs), and making recommendations to address operational issues. Additionally, it reviews, approves, and adjusts the list of basic public health services, and evaluates and recommends changes to the annual draft plan for providing these services.
5	Protocol No. LP-228 issued by the Minister of Health of the Republic of Lithuania of 21 November 2023.	Protocol issued by the Minister of Health covering the supervision of the exercise of public health functions by the Commission for the Supervision of the Execution of Public Health Care Functions (delegated by the State to the municipalities). The protocol covers the discussions leading to the approval of the plan for 2024.
6	Plan for the provision of basic public services delegated by the State to the Municipalities for the year 2024, adopted on 21 November 2023.	Copy of the plan for the year 2024 endorsed by the Commission for the Development of Public Health Care.
7	Link to the website of the Ministry of Health where the plans for the delivery of basic public health services are published: https://sam.lrv.lt/lt/veiklos-sritys/visuomenes-sveikatos-prieziura/visuomenes-sveikatos-prieziura-savivaldybese/veikla/	The website includes links to plans for delivering basic public health services by municipalities. The link was checked by the Commission services on 3 June 2025 and confirmed that all plans from 2023 onwards are published.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Legislation shall enter into force

The following legislation has entered into force to deliver the reform:

- Order V-363 (evidence 2) entered into force on 25 March 2023. Chapter III, Article 11, and Chapter 1, Article 10, specify that this Order enters into force upon the enactment of the law approving the state and municipal budgets for a specific year.
- Order No. V-481 (evidence 3) entered into force on 22 April 2023.
- Order No. V-342 (evidence 4) entered into force on 18 March 2023.

In Lithuania, Ministerial Orders enter into force the day after their approval, unless specified otherwise in a provision.

[...] to mandate the delivery of basic public health services that shall be provided by municipalities.
All municipalities in Lithuania are required to provide basic public health services, including mental health services, to their residents. This obligation is stated in Order V-363 (evidence 2), Chapter 1, Article 2, and also in Order No. V-481 (evidence 3). These services are financed by the State budget annually. Order V-363 (evidence 2) outlines the steps to determine which basic public health services are provided (points 4 to 10). This process ensures that all municipalities are consulted, as well as the relevant departments of the Ministry of Health and the Commission for the Development of Public Health Care. As a result, all municipalities deliver a standard set of basic public health services. These services are regularly evaluated using quality and impact indicators (evidence 6). The annual assessment allows for new services to be introduced and existing ones to be targeted to meet the specific healthcare needs of each municipality.

A plan setting out basic public health services to be provided by municipalities shall be endorsed by the Commission for the Development of Public Health Care.
Article 4.5 of Chapter II of Order V-342 (evidence 4) defines the functions and tasks of the Commission for the Development of Public Health Care, including the requirement to endorse the plan for basic public health services (hereinafter referred to as “the plan”). Prior to adoption, the Commission for the Development of Public Health Care reviews the draft plan, evaluates its content and issues recommendations for improvement. The plan for the year 2024 was endorsed by the Commission for the Development of Public Health Care on 21 November 2023 as evidenced in point 3.2 of Protocol No. LP-228 (evidence 5).

The plan shall include indicators to monitor service delivery and identify main target groups.
The plan (evidence 6) includes detailed descriptions of each service to be provided by municipalities, together with specific indicators to monitor the progress of the services delivered and the target groups as set out in Annex 1 of Order V-363 (evidence 2).

For instance, one of the objectives for the 2024 plan (evidence 6) was to improve mental health through interventions in mental health promotion, psychosocial support and suicide prevention. To meet this objective, municipalities are mandated to deliver seven targeted services. Services specified its target groups in their title or in the additional information column. For example, service I.1 targets young people aged between 14 to 21 years who experiment with psychoactive substances on an irregular basis. The service also incorporates its own indicators to monitor progress such as I.1.1.1 (the number of persons having completed the programme) and I.1.1.2. (percentage of persons leaving the programme).

Furthermore, in line with the measure description, **the endorsed plan for the basic public healthcare services delivery model shall be published on the website of the Ministry of Health.**

The plan (evidence 6) for the delivery of basic public healthcare services is published on the Ministry of Health’s website. The plans for the years 2024 and 2025 are publicly accessible via the link provided (evidence 7). The Commission services accessed the link provided by the authorities on 5 September 2025 to verify that the plans are indeed accessible through the Ministry of Health’s website. This check was completed successfully, confirming that the endorsed plan for the basic public healthcare services delivery model is published on the website of the Ministry of Health.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 5 Entry into force of legislation on improving working conditions and professional qualifications of health professionals

Related Measure: C1.A-1-1- A-1-1- Improving the quality and accessibility of health services and promoting innovation

Qualitative Indicator: Legislation entered into force

Time: Q2 2023

1. Context:

The objective of reform A.1.1 is to increase the quality and accessibility of health care, with a focus on strengthening primary care, specialised outpatient care, digitalisation of the health sector and innovation.

Milestone 5 is the only milestone of sub-measure A.1.1.5, which aims to adopt legislation improving the working conditions and professional qualifications of health professionals, establish an action plan for improving the psycho-emotional state of doctors and create a working group that design trainings for healthcare professionals.

Milestone 5 concerns the entry into force of legislation improving the working conditions and professional qualifications of health professionals.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document.	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Order of the Minister of Health of the Republic of Lithuania of 30 June 2021 No. V-1561 ‘On the Establishment of the Health Human Resources Policy Group and the Approval of its Rules of Procedure’ (hereinafter referred to as “Order No. V-1561”). Order No. V-1561 entered into force on 1 July 2021, (the day after adoption, as per Lithuanian rules, unless an article specifies otherwise). Order No. V-1561 has not been published in the Register of Legislative Acts.	Order No. V-1561 establishes a Health Human Resources Policy Group to provide a coordinated approach to the training, planning and qualification development of health care professionals.
3	Resolution of the Government of the Republic of Lithuania No. 386 of 20 April 2022 ‘On the Amendment to Resolution of the Government of the Republic of Lithuania No. 144 of 13 February 2019’ On the Approval of the Description of the	Resolution No. 386 increases the quality of training of doctors; reduces the uneven distribution of resident doctors and dental residents in the country; and expands the network of residency training facilities.

	Requirements for the Execution of the Medical Residency Study Programs and the Procedure for the Supervision of the Dental Residency Study Programs' (hereinafter referred to as "Resolution No. 386"). Link to the publication in the Register of Legal Acts: TAR 21/04/2022, Nr. 8135. Entry into force: 1 January 2023.	
4	Order of the Minister of Health of the Republic of Lithuania No. V-1274 of 26 July 2022. of 26 July 2022 on "Amendments to the Order of the Minister of Health of the Republic of Lithuania No. V-1080 of 7 November 2008 'On the Approval of the Procedures for Payment of Students and Resident Doctors by the Institutions of the National Health System of the Republic of Lithuania for their Studies and the Conclusion of the Agreements on Loans with Resident Doctors and Credit Institutions to Ensure the Well-being of the Resident Doctors by Institutions of the National Health System of the Republic of Lithuania" (hereinafter referred to as "Order No. V-1274"). Link to the publication in the Register of Legal Acts: TAR 26/07/2022, No. 16179. Entry into force: 27 July 2022.	Order No. V-1274 encourages Lithuanian national healthcare system (LNHS) institutions to use a variety of incentives to attract health professionals, and to focus not only on attracting medical residents but also on attracting trainees and students, which would help to alleviate the shortage of health professionals and the uneven distribution of health professionals in the country.
5	Law No. XIV-1509 of the Parliament of the Republic of Lithuania of 10 November 2022 on "Articles 1, 2, 3, 4 and Annex to the Law No. I-1555 on Medical Practice amendment and insertion of Annex 1 and Annex 2 to the Law" (hereinafter referred to as "Law No. XIV-1509"). Link to the publication in the Register of Legal Acts: TAR 21/11/2022, No. 23357. Entry into force: 1 January 2023.	Law No. XIV-1509 ensures a consistent increase in the salaries of resident doctors and creates the conditions for expanding the number of residency bases in Lithuania, thus encouraging the attraction of resident doctors to regional personal health care institutions.
6	Law No. XIV-1510 of the Republic of Lithuania of 10 November 2022 on "Dental practices and oral care practices amending Articles 2, 3, 5 and 10 of Law I-1246 on 'The Practice of Dentistry' and adding Annex 1.2" (hereinafter referred	Law No. XIV-1510 aligns with Law XIV-1509 (evidence 5); however, it specifically targets medical specialists in dental health, an area not addressed by the previous legislation.

	to as "Law No. XIV-1510"). Link to the publication in the Register of Legal Acts: TAR 21/11/2022, No. 23359. Entry into force: 1 January 2023.	
7	Sectoral collective agreement No. S-234 of the branch of the Lithuanian National Health System (hereinafter referred to as "the Collective Agreement") of 15 November 2021. Link to the Collective Agreement. Entry into force: 1 January 2022.	The Collective Agreement sets conditions for the harmonious functioning of the institutions of the Lithuanian national health system, to guarantee the working, social and economic conditions of the employees working in these institutions, ensuring a better position of the employees than that provided for in the laws of the Republic of Lithuania and other legal acts.
8	Order of the Minister of Health of the Republic of Lithuania No. V-22 of 9 January 2023 'On Amendments to the Order of the Minister of Health of the Republic of Lithuania No. 728 of 14 December 2000 On the Approval of the Procedure for Provision of Services for Early Rehabilitation of Children with Developmental Disorders and the Procedure for Payment of Their Costs' (hereinafter referred to as "Order No. V.22"). Link to the publication in the Register of Legal Acts: TAR 16/01/2023, No. 795. Entry into force: 17 January 2023.	Order No. V.22 improves the availability and quality of early childhood developmental disorders rehabilitation (ECDDR) services, including a revised minimum workload for ECDDR practitioners.
9	Resolution of the Government of the Republic of Lithuania No. 389 of 24 May 2023 "On Amendments to Resolution of the Government of the Republic of Lithuania No. 370 of 23 April 2014 "On Approval of the List of Conditions for Provision of Personal Health Care Services Paid for the Budget of the Compulsory Health Insurance Fund" (hereinafter referred to as "Resolution No. 389"). Link to the publication in the Register of Legal Acts: TAR 26/05/2023, No. 10086. Entry into force: 27 May 2023.	Resolution No. 389 improves the quality of personal health care services paid for by the budget of the Compulsory Health Insurance Fund (CHIF), by setting out the conditions that must be met in order for services to be paid for by the CHIF.
10	Order of the Minister of Health of the Republic of Lithuania No. 293 of 3 March 2023 "On Amendments to Order of the Minister of Health of the Republic of Lithuania No. V-943 of 5 December 2005	Order No. 293 defines the workload of health professionals in order to improve their working conditions.

	the Description of the Organisation of the Provision of Primary Outpatient Personal Health Care and the Procedures of Payment of the Costs of these Services' (hereinafter referred to as "Order No. 293"). Link to the publication in the Register of Legal Acts: TAR 03/03/2023, No. 3953. Entry into force: 4 March 2023.	
11	Order of the Minister of Health of the Republic of Lithuania No. V-295 of 6 March 2024 'On Amendments to the Order of the Minister of Health of the Republic of Lithuania No V-393 of 4 May 2012' On the Approval of the Requirements for the Provision of Supportive Treatment and Nursing Care and the Description of the Procedure of Payment for this Service' (hereinafter referred to as "Order No. V-295"). Link to the publication in the Register of Legal Acts: TAR 06/03/2024, No. 3953. Entry into force: 7 March 2024.	Order V-295 establishes requirements for the design of facilities for the care of people with dementia. It also aims to specify the provisions on the groups of beneficiaries of the palliative care and nursing care service, the professionals providing the service and the procedure for issuing referrals for palliative care and nursing care services.
12	Order of the Minister of Health of the Republic of Lithuania No. V-257 of 24 February 2023 'On the Approval of the Guidelines for the Development of the Policy on Prevention of Violence and Harassment in a Personal Health Care Institution and its Implementation' (hereinafter referred to as "Order No. V-257"). Link to the publication in the Register of Legal Acts: TAR 28/02/2023, No. 3538. Entry into force: 1 March 2023.	Order No. V-257 allows the managers of personal health care establishments to create and maintain a healthy and safe working environment.
13	Order of the Minister of Health of the Republic of Lithuania No. V-1018 of 22 September 2023 'On Amendments to the Order of the Minister of Health of the Republic of Lithuania No. 132 of 18 March 2002' On the Procedure for the Improvement of Professional Qualification of Health Care and Pharmaceutical Specialists and its	Order No. V-1018 regulates the crediting and validation of professional development, focusing on specialist competences, institutional planning and financing, and recognition of development activities.

	Financing (hereinafter referred to as "Order No. V-1018"). Link to the publication in the Register of Legal Acts: TAR 22/09/2023, No. 18597. Entry into force: 1 December 2023.	
14	Resolution of the Minister of Health of the Republic of Lithuania No. V-519 "On the development of the professional qualifications of doctors in the working group establishing a framework to initiate changes and its rules of procedure approval"(hereinafter referred to as "Resolution No. V-519"). The Resolution No. V-519 is not published in the Register of Legal Acts.	Resolution No. V-519 establishes a working group tasked with initiating reforms to the professional qualification development system for doctors. The aim is to strengthen medical self-governance, define responsibilities and functions, and improve the quality and relevance of continuing professional development for healthcare specialists.
15	Order of the Minister of Health of the Republic of Lithuania No. V-322 "On the approval of the Action Plan Ensuring Psychological Wellbeing of Employees in the Personal Health Care System for 2021-2024" (hereinafter referred to as "the Action Plan"). Link to the publication in the Register of Legal Acts: TAR 16/03/2020, No. 5522. Entry into force: 16 March 2020.	The Action Plan aims to foster a psychologically safe and supportive work environment in Lithuania's personal health care system by preventing psychological violence and enhancing the mental well-being of health professionals.
16	Letter from the Ministry of Finance to the Ministry of Health of the Republic of Lithuania No. 10-3438 of 21 October 2024 "On the Collective Agreement between the Lithuanian national health system sector".	This letter from the Ministry of Finance informs the Ministry of Health that it has no comments on the draft Collective Agreement for the Lithuanian National Healthcare System and emphasises that its provisions will be funded from the state budget for 2025-2027 and the Compulsory Health Insurance Fund.

3. Analysis:
The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of legislation on improving working conditions and professional qualifications of health professionals.

The following legislation has entered into force to improve working conditions:

- Law No. XIV-1509 (evidence 5) provides for the mutual recognition of medical training, diplomas and certificates and for the consistent increase of resident doctors' salaries. Law No. XIV-1509 entered into force on 1 January 2023, as stipulated in Article 8.

- Law No. XIV-1510 (evidence 6) provides for a consistent increase in the salaries of resident dentists to improve their working conditions. Law No. XIV-1510 entered into force on 1 January 2023, as stipulated in Article 7.
- Order No. V-22 (evidence 8) revises the workload for specialist doctors. Order No. V-22 entered into force on 17 January 2023.
- Order No. 293 (evidence 10) reorganises the composition of the family doctor team, the scope of roles, and the salary. Order No. 293 entered into force on 4 March 2023.
- Order No. V-295 (evidence 11) improves the workload for medical staff. Order No. V-295 entered into force on 7 March 2024.
- Order No. V-257 (evidence 12) establishes provisions requiring managers of personal health care establishments create and maintain a healthy and safe working environment. Order No. V-257 entered into force on 1 March 2023.
- Order No. V-1274 (evidence 4) provides monetary and non-monetary incentives to attract health professionals into the national healthcare system. Order No. V-1274 entered into force on 27 July 2022.

In addition, the Collective Agreement (evidence 7) sets the conditions of employment in the health system and safeguards the working, social and economic interests of employees. The Collective Agreement was signed on 15 November 2021 between the Minister of Health of the Republic of Lithuania and representatives of nine organisations and trade unions. The Collective Agreement entered into force on 1 January 2022 as stipulated in point 11.1.

The following legislation entered into force to improve professional qualifications:

- Order No. V-1561 (evidence 2) provides a coordinated approach to the training, planning and qualification development of health care professionals. Order V-1561 entered into force on 1 July 2021.
- Resolution No. 386 (evidence 3) improves the quality of training for family doctors, medical specialists, and dental specialists. Resolution No. 386 entered into force on 1 January 2023 as stipulated in point 2.1.
- Order No. V-1018 (evidence 13) sets professional qualification opportunities for health care professionals to develop their competences. Order No. V-1018 entered into force on 1 December 2023.

Therefore, legislation to improve both the working conditions and the professional qualifications of health professionals has entered into force.

The legislation to improve working conditions and professional qualifications of health professionals shall include provisions on wage regulation, workload, measures to improve the psycho-emotional state of doctors and a mechanism for the in-service training of health professionals.

Provisions on wage regulation are included in Law No. XIV-1509 (evidence 5), Article 5 which sets progressive co-funding ratios for resident doctors, and in Law No. XIV-1510 (evidence 6), Article 6 which sets a progressive increase in co-funding ratios for resident doctors in the area of dental care.

Provisions on workload are established in:

- Resolution No. 386 (evidence 3), points 22 and 23 which limit resident supervision such that a resident supervisor may supervise a maximum of four residents per cycle, and a resident mentor may mentor a maximum of four residents at the same time.
- Order No. V-22 (evidence 8), points 9 and 11, which revise the minimum workload requirements for professionals providing Early Childhood Developmental Disorders Rehabilitation (ECDDR) services.
- Order No. V-295 (evidence 11), points 7.1, 7.2, 8.1, 8.2, 9.1, 9.2 and 13, which regulate the workload of professionals providing palliative care and nursing services.

Provisions to improve the psycho-emotional state of doctors are included in Order No. V-257 (evidence 12) which comprehensively regulates psycho-emotional well-being of health professionals. Order No. V-257 requires managers of Active Ageing Coordination Centers to create and maintain a healthy and safe working environment in which employees including doctors, are not subjected to hostile, unethical, humiliating, aggressive, abusive, insulting, offensive, or insulting acts that infringe upon their honour, dignity, physical or psychological integrity or that are intended to intimidate or embarrass them.

Mechanisms for the in-service training of health professionals are established in Order No. V-1018 (evidence 13). The concept of “Intervision”, described in point 2.1, facilitates peer-based learning through group discussions without a supervisor. “Mentoring”, detailed in point 2.3, involves structured guidance from experienced to less experienced professionals to expedite skill development. “Supervision”, in point 2.7, is a core element of professional qualification improvement, with flexibility for individual or group formats, recognised as a form of qualification development in point 3.2. Institutional responsibilities, outlined in point 26 and its sub-points, require healthcare or pharmaceutical institutions to plan and implement professional development procedures. These include determining responsible parties, functions, organisation of development activities for current and future years, financial planning, and monitoring and accounting for developmental progress.

Furthermore, in line with the description of the measure, **decisions on the financial capacity of the State to fulfil the provisions of the draft agreement shall be assessed and adopted.**

The Council Implementing Decision required that decisions on the financial capacity of the State to fulfil the provisions of the draft agreement shall be assessed and adopted. The financial feasibility of the commitments in the Collective Agreement to increase salaries and improve working conditions, including additional payments for on call duties or additional days off (evidence 7), was assessed and coordinated with the Ministry of Finance as part of the negotiations on the Collective Agreement. This assessment and coordination applied to both budgetary institutions funded by the State budget and public healthcare institutions financed through the Compulsory Health Insurance Fund. The assessment was formalised through a letter from the Ministry of Finance to the Ministry of Health (evidence 16), which states that the provisions of the Collective Agreement will be financed by the appropriations planned for the Ministry of Health in the budget for 2025-2027 and from the Compulsory Health Insurance Fund. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the adoption of the Collective Agreement effectively represents a positive decision on the State’s financial capacity to implement the provisions of the Collective Agreement. Therefore, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Furthermore, in line with the description of the measure, **an action plan for improving the psycho-emotional state of doctors shall be prepared and approved by an order of the Minister of Health**.

The Action Plan ensuring psychological wellbeing of employees in the personal healthcare system for 2021-2024 has been approved by Order No. V-322 of the Minister of Health of the Republic of Lithuania (evidence 16). Chapter III, Article 12 of Order No. V-322 specifies that the goal of the Action Plan is to create legal, financial and organisational conditions to ensure the psychological wellbeing of medical and other healthcare students, residents, lecturers and healthcare specialists, including doctors.

Furthermore, in line with the description of the measure, **a working group shall be set up to develop a mechanism for in-service training of health care professionals.**

Resolution No. V-519 (evidence 15) establishes a working group tasked with drafting proposals for criteria and principles to improve the professional qualification framework for healthcare professionals.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 6 Entry into force of legislation on the establishment and regulation of a network of personal health care institutions based on the model of centers of excellence and regional cooperation

Related Measure: C1.A-1-1- A-1-1- Improving the quality and accessibility of health services and promoting innovation

Qualitative Indicator: Legislation entered into force

Time: Q3 2023

1. Context:

The objective of the reform is to increase the quality and accessibility of health services and promoting innovation.

Milestone 6 relates to sub-measure 6 on the establishment of a network of personal health care institutions based on the model of regional cooperation and concerns the entry into force of legislation on the establishment and regulation of a network of personal health care institutions based on the model of centres of excellence and regional cooperation.

Milestone 6 is the only milestone related to sub-measure 6.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2	Law amending articles 2, 27, 32 and 33 of the law on Health Care Institutions No. I-1367 of the of the Republic of Lithuania (Law No. XIV-814 of 23 December 2021).	The articles of the law establishes that the university-level hospitals should be located in Vilnius, Kaunas and Klaipėda, considered as excellence centers. This law entered into force on 1 March 2022. Link to the publication in the Register of Legal Acts:https://www.e-tar.lt/portal/lt/legalAct/af8b1e70696b11eca9ac839120d251c4
3	Law amending Articles 2, 10, 11, 15(1) and 39 of the Law on Health Care Institutions No. I-1367 and supplementing the Law with Article 46(1) of the Republic of Lithuania (Law No. XIV-1278 of 30 June 2022).	The articles of the law create legal conditions for the formation of a network of secondary level institutions of the Lithuanian National Health System. (hereinafter referred to as the LNHS). This law entered into force on 1 August 2023. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/ef49506000ea11ed8fa7d02a65c371ad.
4	Law amending Article 2 of the Law on the Health System No. I-552 and Supplementing the Law with Articles 12(1) and 51(1) of the Republic of Lithuania	The law regulates that regional functional health care consists of personal health care services provided in an area defined irrespective of administrative county and municipal boundaries, in cooperation between personal health care institutions and municipalities in that area.

	(Law No. XIV-1279 of 30 June 2022).	According to Article 4 of the law, Articles 1(2) and 2 of the Law regulating regional functional health care entered into force on 1 August 2023. Articles 1(1) and 3 of the Law regulating patient transport function entered into force on 1 July 2024. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/2b5c7eb000eb11ed8fa7d02a65c371ad.
5	Resolution No. 551 of the Government of the Republic of Lithuania of 12 July 2023 on the Approval of the Description of the Layout Requirements and the Procedure for the Layout of the Institutions of the National Health System of Lithuania Providing In-Patient Active Treatment Personal Health Care Services.	The resolution approves the description of the requirements and the procedure for the location of the LNHS institutions providing inpatient active treatment personal health care services, establishing the requirements for the location of LNHS personal health care institutions providing inpatient active treatment personal health care services, as well as the system for the location of these institutions. The resolution entered into force on 1 August 2023. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/a53fc150222411ee9de9e7e0fd363afc.
6	Resolution No. 187 of the Government of the Republic of Lithuania of 2 March 2022 on the State's acquisition of participant rights in the public institutions regional Telšiai hospital, Tauragė hospital, Marijampolė hospital, regional Mažeikiai hospital, Utena hospital, Alytus county, Kudirka hospital, Ukmergė hospital and on the investment of state property.	The resolution governs the establishment of the State as a co-founder of hospitals in the regional centers. The resolution entered into force on 8 March 2022. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/40e66cb09de411ec966fd5047f7e7091
7	Order of the Minister of Health of the Republic of Lithuania No. V-879 of 1 August 2023 on the Approval of the Action Plan for the Modernisation of Personal Health Care Facilities Based on the Regional Cooperation Model.	The order approved the action plan for the modernisation of personal health care facilities based on a regional cooperation model, setting out the objectives, tasks, expected results, and the implementation and financing of the modernisation and development of health care facilities. The order entered into force on 2 August 2023. Link to the publication in the Register of Legal Acts https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/576b9f00302811eea0b6cad9848a9596?jfwid=72zogvklp.
8	Order No. V-589 of the Minister of Health of the Republic of Lithuania of 22 May 2023 on the Approval of	The order approves the description of the procedure for the organisation of the provision of health care services assigned to the Health Centre, which defines the principles of the Health Centre's operation. In particular, it refers to the establishment

	the Description of the Procedure for the Organisation of the Provision of Health Care Services Assigned to the Health Centre.	of a Health Centre in a municipality, the list of services assigned to the Health Centre, the organisation of the Health Centre's operation, the provision of health care services in the Health Centre, and the payment for the services of the Health Centre. The order entered into force on 1 August 2023. Link to the publication in the Register of Legal Acts: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/9fcb2bd0f88311edb649a2a873fdbdfd/asr.
9	Order No. V-273 of the Minister of Health of the Republic of Lithuania of 28 February 2023 on the Approval of the Description of the Procedure for the Organisation of Cooperation on Health Activities.	The order approves the description of the procedure for the organisation of cooperation on health promotion activities, which regulates the principles and procedures for the organisation of cooperation between public administration entities and institutions involved in health promotion activities at the national, regional and municipal levels. The order entered into force on 1 August 2023. Link to the publication in the Register of Legal Acts: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/60914eb4d57c11ed9b3c9397e1236c2a?positionInSearchResults=1&searchModelUUID=1e88ff17-1ec4-4d69-8aa8-b52c3b0cf492.
10	Order No. V-865 of the Minister of Health of the Republic of Lithuania of 28 July 2023 on the Approval of the List of Personal Healthcare Services Reimbursed from the Budget of the Compulsory Health Insurance Fund, Classified as Inpatient Active Treatment Personal Healthcare Service Profiles, and the Minimum List of Personal Healthcare Services Provided by Personal Healthcare Institutions (Hospitals) Providing Inpatient Active Treatment Personal Healthcare Services Belonging to the Lithuanian National Health System, Taking into Account Their Classification at the Level of Healthcare Institutions, and Reimbursed from the Budget of the Compulsory Health Insurance Fund.	The order approves the list of personal healthcare services reimbursed from the budget of the Compulsory Health Insurance Fund, classified as inpatient active treatment personal healthcare service profiles, and the minimum list of personal healthcare services provided by personal healthcare institutions (hospitals) providing inpatient active treatment personal healthcare services belonging to the Lithuanian National Health System. The order entered into force on 1 August 2023. Link to the publication in the Register of Legal Acts: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/3f5a84562d7e11eea0b6cad9848a9596?jfwid=ck9gyauk7.

3. Analysis:

The justification and substantiating evidence provided by the Lithuania authorities cover all constitutive elements of the milestone.

Entry into force of legislation on the establishment and regulation of a network of personal health care institutions based on the model of centres of excellence and regional cooperation.

Legislation governing the network of personal health care institutions based on the model of centers of excellence and regional cooperation shall establish the principles and criteria for the formation of a network of personal health care institutions and a mechanism for cooperation between personal health care institutions and centers of excellence.

The legislation governing the network of personal health care institutions based on the model of centers of excellence and regional cooperation comprises a number of legal acts that were adopted and entered into force between 23 December 2021 and 1 July 2024.

- Law Amending Articles 2, 27, 32 and 33 of Law on Health Care Institutions No. I-1367 (Law No. XIV-814 of 23 December 2021): establishes university-level hospitals in Vilnius, Kaunas, and Klaipėda to serve as competence centers. This law entered into force on 1 March 2022, see Article 5.1.
- Law Amending Articles 2, 10, 11, 15(1) and 39 of Law on Health Care Institutions No. I-1367 and Supplementing the Law with Article 46(1) (Law No. XIV-1278): this law establishes the criteria for the formation of a network of personal health care institutions, including the requirements for geographical accessibility, provision of services, and quality of services (see Article 11 of the Law, which sets out the criteria for the location of LNHS institutions). The Law on Health Care Institutions regulates cooperation agreements between health care institutions, including the assurance of the provision of relevant health care services, the obligations of the parties, and the recommended procedure for the conclusion of cooperation agreements (see Article 461 of the Law). This law entered into force on 1 August 2023, see Article 7.1.
- Law Amending Article 2 of Law on the Health System No. I-552 and Supplementing the Law with Articles 12(1) and 51(1) (Law No. XIV-1279 of 30 June 2022): this law regulates regional functional health care and establishes the principles for cooperation between personal health care institutions and municipalities (see Article 12(1) of the Law, which defines the principles of regional functional health care). According to Article 4 of the law, Articles 1(2) and 2 of the Law regulating regional functional health care entered into force on 1 August 2023. Articles 1(1) and 3 of the Law regulating patient transport function entered into force on 1 July 2024.
- Resolution No. 551 of the Government of the Republic of Lithuania of 12 July 2023 on the Approval of the Description of the Layout Requirements and the Procedure for the Layout of the Institutions of the National Health System of Lithuania Providing In-Patient Active Treatment Personal Health Care Services: this resolution approves the description of the layout requirements and procedure for the location of LNHS institutions, which establishes the mechanism for cooperation between personal health care institutions and centers of excellence (see Paragraph 3.1 of the description, which defines the conditions for a Competence Centre). The resolution entered into force on 2 August 2023, see article 2.3.
- Resolution No. 187 on the State's acquisition of participant rights in the public institutions regional Telšiai hospital, Tauragė hospital, Marijampolė hospital, regional Mažeikiai hospital,

Utena hospital, Alytus county hospital, Kudirka hospital, Ukmergė hospital and on the investment of state property of 2 March 2022. Through this resolution the government decided to make the state a shareholder in certain regional hospitals to address regional needs for secondary care services. The resolution entered into force 8 March 2022,

- Order No. V-865 of 1 August 2023 on the approval of the list of personal healthcare services reimbursed from the Budget of the Compulsory Health Insurance Fund: this order establishes a list of healthcare services provided by hospitals that are eligible for reimbursement from the Compulsory Health Insurance Fund. This includes setting a minimum standard of services that hospitals must provide, based on their classification within the healthcare system. The order entered into force on 1 August 2023.
- Order No. V-879 of 1 August 2023 on the Approval of the Action Plan for the Modernisation of Personal Health Care Facilities Based on the Regional Cooperation Model: this order approves the action plan for the modernization of personal health care facilities, which establishes the objectives, tasks, and expected results for the implementation of the regional cooperation model. The order entered into force on 2 August 2023.

To implement the requirements, legislation established the principles and criteria for forming a network of personal health care institutions and a mechanism for cooperation between personal health care institutions and centers of excellence. This network includes:

- University hospitals: There are three university hospitals in major cities: Vilnius, Kaunas, and Klaipėda, serving as competence centers for various regions. The restructuring aims to improve service accessibility, especially in the western region of Lithuania.
- Competence Centers (Clusters): These include the Cardiology Cluster, Acute Stroke Cluster, Severe Trauma Cluster, Perinatology Cluster, and Intensive Care Cluster. Additionally, an Infectious Diseases Cluster has been created to ensure the effective management of serious and particularly dangerous infectious diseases, in order to reduce morbidity and mortality rates.
- Regional hospital network: This network has been developed to ensure high-quality and accessible secondary-level personal health care services that meet the needs of the population in each region. The network formation was guided by criteria and principles for accessibility and service quality.

The establishment and organization of competence centers (clusters), as well as the delineation of responsibilities among various institutions are addressed in the following orders:

- Order No. V-879 of the Minister of Health of the Republic of Lithuania. This order, which entered into force on 1 August 2023, approved the Action Plan for the Modernisation of Personal Health Care Facilities Based on the Regional Cooperation Model. It sets out the objectives and tasks related to the modernization and development of health care facilities defines functions and responsibilities for competence centers.
- Order No. V-589 of the Minister of Health of the Republic of Lithuania. This order, which entered into force on 1 August 2023, outlines the principles of operation, establishment, and responsibilities of health centers in municipalities, confirming the principles of cooperation and the responsibilities of involved entities.
- Order No. No V-273 of the Minister of Health of the Republic of Lithuania. This order, which entered into force on 1 August 2023, formalises the procedures and principles for organising collaboration at the national, regional and municipal levels within Lithuania. It details the roles

and responsibilities and outlines how different levels of government and health agencies will collaborate.

Furthermore, the following legal requirements establish a mechanism for cooperation between personal health care institutions and centers of excellence:

- Law on Health Care Institutions, Article 39, regulates cooperation agreements between health care institutions and centers of excellence.
- Resolution No. 551 of the Government of the Republic of Lithuania of 12 July 2023, Paragraph 3.1, defines the conditions for a Competence Centre and the requirements for cooperation between personal health care institutions and centers of excellence.
- Order of the Minister of Health No. V-879 approves the Action Plan for the Modernisation of Personal Health Care Facilities Based on the Regional Cooperation Model which sets out the objectives and tasks for the implementation of the regional cooperation model.
- Law on Health Care Institutions No. I-1367, Article 2, defines the requirements for university hospitals and their role in the network; Article 27 regulates the establishment of public institutions for personal health care; Article 32 regulates the management of public bodies established with the State.

Furthermore, the Law on Health Care Institutions in its Article 11(1) establishes principles and criteria for the formation of a network of personal health care institutions. It sets out the requirements for the layout of the network providing hospital care, including the geographical accessibility of inpatient active care, the provision of multi-profile inpatient treatment services, the quality of inpatient active medical care for patients, and 24/7 emergency medical care. In particular, the following principles and criteria apply:

- Geographical Accessibility: institutions should serve as regional health hubs, with categories ranging from national centers to district levels. They must provide emergency services accessible within 60 minutes and manage risks like nuclear accidents or epidemics.
- Inpatient Treatment Services:
    - Municipalities with fewer than 10 000 residents rely on nearby facilities.
    - Municipalities with 10 000-21 000 residents need at least two service profiles, including therapy and intensive care.
    - Municipalities with 21 000+ residents provide multiple profiles and meet quality standards.
- Quality Standards: institutions must comply with specified service quality criteria.
- 24/7 Emergency Care: facilities must offer round-the-clock emergency services.
- Network Inclusion: to be in the network, institutions must meet at least one condition from both the accessibility and treatment criteria, as well as all quality and emergency care requirements.

Furthermore, in line of the description of sub-measure 6, **a decision of the Government on the necessary regulatory, investment and communication actions to form a sustainable network of health care institutions shall be adopted.**

To form a sustainable network of health care institutions, the Government adopted the following legal acts, setting forth the necessary regulatory, investment and communication actions:

- Law on Health Care Institutions No. I-1367, which requires university-level hospitals to be located in the three largest cities as competence centres, thereby enforcing regional cooperation, see Article 5 of the law. The law established the principles for the formation of a health care network and a mechanism for cooperation between health care institutions.
- Law Amending Article 2 of the Health System Law No. I-552 and supplementing it with Articles 12(1) and 51(1) (Law No. XIV-1279 of June 30, 2022) which mandates mandatory cooperation between healthcare institutions. This cooperation includes the coordination of work organisation and joint service provision to enhance the delivery and efficiency of healthcare services across the Lithuanian National Health System thus constituting communication actions. The law established the principles of regional partnership and functional network operation essential for optimising the structure of healthcare services.
- Order of the Minister of Health No. V-879 approves the Action Plan which outlines the distribution of investment funds across regions and municipalities. Section I of the action plan mandates that health institutions providing regional functional healthcare comply with regulatory requirements. The action plan outlines specific allocations for investments in basic and regional healthcare services improving healthcare quality and accessibility. The plan is structured around a regional cooperation model promoting collaboration between healthcare institutions and municipalities, thereby enhancing communication. According to Section II, point 94.6, municipal public health offices perform public health functions and may, on the bases of cooperation agreements between municipalities, provide public healthcare services to residents of other municipalities as well. Government resolution No. 551 adopted by the Government on 12 July 2023 mandates the formation of a network of healthcare institutions specifically addressing the provision of inpatient treatment services and the assurance of quality, safe and accessible healthcare services across national territories. It underscores the necessity for the optimisation and restructuring of the current healthcare network as detailed in Articles 6, 7 and 8 of resolution No. 551, with the objective to prioritise regulatory actions and targeted investment. According to these articles, the priority is placed on services offered by family doctors and outpatient specialists, thereby reducing dependence on inpatient care. Additionally, the resolution focus on multi-profile inpatient care, integration of specialized institutions, and organizing healthcare provision according to regional needs. Moreover, it is envisaged to organise the provision of specialised personal healthcare services in line with the regional functional healthcare model. The resolution includes the criteria for the strategic placement of healthcare institutions, as delineated in Article 11 serving as a basis for decisions on resource allocation and investment strategies.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 15 Entry into force of legislation governing the implementation of the long-term care model

Related Measure: C1.A-1-2- A-1-2- Provision of long-term care services

Qualitative Indicator: Legislation entered into force

Time: Q1 2024

1. Context:

The objective of the reform is to improve the accessibility of integrated social and healthcare services by developing and gradually implementing a sustainable long-term care model.

This reform consists of 2 sub-measures: (1) Adoption of the long-term care model (sub-measure 1); (2) Increase of human resources and infrastructure capacity for the provision of long-term care services (sub-measure 2). Milestone 15, which is linked to sub-measure 1, concerns the entry into force of legislation governing the gradual implementation of the long-term care model.

Milestone 15 is the only milestone of sub-measure 1.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Joint order of the Minister of Health and the Minister of Social Security and Labour No. A1-492/V-836 of Lithuania of 21 July 2023 on the approval of the description of the procedure for the provision of Long-term Care services and the guidelines on the qualification improvement programme of the fundamentals of the provision of Long-term Care Services (hereinafter referred to as "Order No. A1-492/V-836").	Order No. A1-492/V-836 defines the objective of long-term care, the types of long-term care services, and the requirements for the provision of these services. Order No. A1-492/V-836 entered into force on 22 July 2023. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/f0ff5fe027c611ee9de9e7e0fd363afc/asr
3	Order No. V-1495 amending order No. V-393 of the Minister of Health of the Republic of Lithuania on the approval of the requirements for the provision of supportive treatment and nursing care and the description of the procedure for payment for this service (hereinafter referred to as "Order No. V-1495").	Order No. V-1495 aligns existing social services with the long-term care framework, by clarifying and updating requirements for services, such as outpatient nursing and palliative care. Order No. V-1495 entered into force on 10 October 2022. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.E0B9DEA640BA/asr
4	Order No. V-1357 amending order No. V-1026 of the Minister of Health of the Republic of Lithuania on the approval of the requirements for the provision of	Order No. V-1357 lays down the requirements for the provision of outpatient home nursing services, including the expansion of the professional team to improve accessibility,

	outpatient home nursing services and the description of the procedure for the payment of such services (hereinafter referred to as "Order No. V-1357").	establishment of a needs assessment mechanism. Order No. V-1357 entered into force on 1 July 2020. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.D1F63CA62424/asr
5	Order No. V-691 of the Minister of Health of the Republic of Lithuania of 5 April 2022 on the approval of the description of the procedure for the provision of general nursing services to persons receiving integral assistance (hereinafter referred to as "Order No. V- V-691").	Order No. V- V-691 approves the description of the procedure for the provision of general nursing services to persons receiving integral assistance. Order No. V- V-691 entered into force on 5 April 2022. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/95b6f040b48f11ec8d9390588bf2de65
6	Order V-1510 amending order No. V-14 of the Minister of Health of the Republic of Lithuania on the approval of the description of requirements for the provision of inpatient palliative care services to adults and children, the description of requirements for the provision of outpatient palliative care services to adults and children, and the description of the requirements for the training programme on the fundamentals of the provision of palliative care (hereinafter referred to as "Order No. V-1510").	Order No. V-1510 lays down the requirements for the providing outpatient home nursing services, including expanding the professional team to improve accessibility, establishment of a needs assessment mechanism. Moreover, they also address the provision of palliative care, detailing the standards for inpatient and outpatient palliative care services for adults and children. Order No. V-1510 entered into force on 4 October 2022. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.00CD30AC2BB1/asr
7	Law No. XIV-2357 of 14 December 2023 amending the Law of the Republic of Lithuania on Social Services No. X-493 (hereinafter referred to as "Law No. XIV-2357").	Law No. XIV-2357 concerns the provision of social services to persons in need, by amending the definitions, procedures and requirements for social services, and aligning them with the long-term care framework. Law No. XIV-2357 entered into force on 28 December 2023, see Article 5. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/77def150a54511eea5a28c81c82193a8
8	Order No. A1-516 amending Order No. A1-317 of the Minister of Social Security	Order No. A1-516" establishes the minimum working time requirements for employees

	and Labour of the Republic of Lithuania on the approval of norms of working time consumption of social care workers (hereinafter referred to as "Order No. A1-516").	providing day, short-term and long-term social care, based on different groups of social care recipients. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.EDC7E98206C5/asr
9	Order A1-375 of 30 May 2024 amending Order No. A1-93 of the Minister of Social Security and Labour of the Republic of Lithuania on approval of the catalogue of social services (hereinafter referred to as "Order No. A1-375").	Order No. A1-375 regulates social services, providers of social services and types of social service institutions. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.51F78AE58AC5/asr
10	Order A1-626 of 20 September 2024 amending Order No. A1-46 of the Minister of Social Security and Labour of the Republic of Lithuania on the approval of the description of the norms of social care (hereinafter referred to as "Order No. A1-626").	Order A1-626 regulates the procedure for the provision of social care for children, adults with disabilities, the elderly, adults at social risk and adults addicted to the use of psychoactive substances, as well as the mandatory quality requirements for long- and short-term social care, and for day social care provided by social care institutions. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/TAR.46C1D5EE2AC4/asr
11	Order No. A1-417 of 20 June 2024 of the Minister of Social Security and Labour of the Republic of Lithuania on the amendment of Order No. A1-492 on the approval of the requirements for the provision of accredited social care (hereinafter referred to as "Order No. A1-417").	Order No. A1-417 regulates the requirements for the provision of accredited social care services set out in the Catalogue of Social Services. Order No. A1-417 entered into force on 1 July 2024. Link to the publication in the Register of Legal Acts https://www.e-tar.lt/portal/lt/legalAct/8a971b502f0711efbdaea558de59136c/asr
12	Order No. A1-428 amending Order No. A1-94 of the Minister of Social Security and Labour of the Republic of Lithuania on the Approval of the Procedure for Determination and Assignment of the Need for Social Services of a Person (Family) and the Methodology for Determination of the Need for Social Care of an Elderly Person and an Adult with Disability (hereinafter referred to as "Order No. A1-428").	Order No. A1-428 aim to align the procedure for determining and allocating the need for social services with the Law No. XIV-2357. Specifically, the revisions focus on updating the entities responsible for determining need, as well as the procedures for assessing individual needs, to ensure consistency with the law. Order No. A1-428 entered into force on 1 July 2024. Link to the publication in the Register of Legal Acts https://www.e-

		tar.lt/portal/lt/legalAct/TAR.D892F4364169/asr
13	The results of the public consultation on a model for long-term care services dated 27 July 2022.	The public consultation aimed to gather insights from social partners regarding the organization, provision, and financing of long-term care services in Lithuania. A set of questions was publicly shared, and responses were solicited to understand stakeholders' positions. The document available at https://e-seimas.lrs.lt/portal/legalAct/lt/TAK/14ca6b100f2511edbfe9c72e552dd5bd?jfwid=iov1g68tj
14	The results of the impact assessment on the implementation of the long-term care model.	The impact assessment outlines the need for legislative reform in Lithuania to address the ageing population's complex care and social service needs through an integrated care model, improved regulation, and infrastructure development, targeting specific groups like elderly and disabled individuals and service providers.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of legislation governing the implementation of the long-term care model

The following pieces of legislation have entered into force:

- Order No. A1-492/V-836 (evidence 2) defines the objective of long-term care, the types of long-term care services, and the requirements for the provision of these services. Article 2.2 of Order No. A1-492/V-836 defines the concept of long-term care; requirements for the provision of these services are detailed in Articles 2.1 to 2.5 defining both outpatient and inpatient long-term services. Administrative roles and responsibilities of healthcare providers are outlined in Articles 11 and 12, which detail the functions of nurses, nursing assistants and social workers. Article 13 of Order No. A1-492/V-836 emphasises coordination and integration of services, ensuring comprehensive service delivery. Articles 15 to 17 of Order No. A1-492/V-836 outline the financing mechanisms, specifying that services are funded by the Compulsory Health Insurance Fund, alongside contributions from state and municipal budgets. Order No. A1-492/V-836 entered into force on 21 July 2023, except for certain provisions, which entered into force on 1 January 2024 or will enter into force on 1 January 2027, in line with the gradual nature of the implementation of the model, as specified in the milestone description. Gradual implementation is ensured by setting deadlines for compliance (Section 4.6), allowing for phased adaptation to the new system. The aspects whose entry into force is deferred to 1 January 2027 concern point 16 of Order No. A1-492/V-836, which states that inpatient general nursing services are financed by the Compulsory Health Insurance Fund, and point 4.6, which stipulates that establishments starting to provide long-term care services must comply with all the requirements set out in the description of order No. A1-492/V-836. These provisions are not required under the milestone.
- Law No. XIV-2357 (evidence 7) improves the organisation of social service provision and enhances the legal requirements related to: types of social services, governance, assignment and

provision of social services. Articles 15, 21 and 30 of Law No. XIV-2357 set out the requirements for social care institutions, social service providers, and the financing of social services. Law No. XIV-2357 entered into force on 28 December 2023, with some provisions, as listed in Article 5, entering into force on 1 January 2029. Specifically, starting on 1 January 2029, amendments to the Lithuanian Social Services Act will enforce stricter quality standards and compliance for social services. Key changes include updating service evaluation and supervision requirements to be adhered to by social care providers. Penalties, including license suspension, will be imposed for failing to meet the updated standards for social care and service provision. The aspects whose entry into force is deferred to 1 January 2029 are not required under the milestone.

- Order No. V-691 (evidence 5) approves the description of the procedure for the provision of general nursing services to persons receiving integral assistance. Order No. V-691 entered into force on 5 April 2022.
- Order No. V-1357 (evidence 4) includes requirements for the provision of home ambulatory care services related to health care specialists, medical equipment and other tools in health care institutions. Order No. V-1357 also includes provisions on remuneration, the link between the need for services and their number, as well as the maximum number of services that may be provided per day. Order No. V-1357 entered into force on 1 July 2025.
- Order No. V-1495 (evidence 3) aligns existing social services with the long-term care framework, by clarifying and updating requirements for services, such as outpatient nursing and palliative care. Order No. V-1495 entered into force on 1 January 2025.
- Order No. V-1510 (evidence 6) lays down the requirements for the provision of inpatient palliative care services to adults and children, and the description of the requirements for the training programme on the fundamentals of the provision of palliative care. Order No. V-1510 entered into force on 28 March 2025.
- Order No. A1-516 (evidence 8) clarifies the requirements related to minimum working time for employees providing daily, short-term, and long-term social care, tailored to different groups of social care recipients. Order A1-516 entered into force on 1 August 2024.
- Order No. A1-375 (evidence 9) outlines standards for social service delivery, including the scope, beneficiaries, service location, duration, frequency, composition, and categories of service providers. The amendments also provide a definition of various social services. Order No. A1-375 entered into force on 1 July 2024, with some provisions, as listed in Articles 2.2 and 2.3, entering into force on 1 January 2027 and 1 January 2029. Specifically, the deferred provisions relate to expanding classifications of social service institutions and introducing the accompaniment service for at-risk individuals and those recovering from substance abuse, aimed at aiding social integration and personal skill development. The provisions whose entry into force is deferred to 2027 or 2029 are not required under the milestone.
- Order No. A1-626 (evidence 10) regulates the procedure for the provision of social care for children, adults with disabilities, the elderly, adults at social risk, and adults addicted to the use of psychoactive substances, as well as the mandatory quality requirements for long- and short-term social care, and for day social care provided by social care institutions. Order No. A1-626 entered into force on 21 September 2024.
- Order No. A1-417 (evidence 11) regulates the requirements for the provision of accredited social care services set out in the Catalogue of Social Services. Order No. A1-417 entered into force on 1 July 2024.
- Order No. A1-428 (evidence 12) aims to align the procedure for determining and allocating the need for social services with Law No. XIV-2357. Order No. A1-428 entered into force on 1 July 2024.

Legislation governing the gradual implementation of the long-term care model shall include the concept of long-term care services, [...]

The concept of long-term care services, referring to various forms of social and healthcare services, is outlined in Order No. A1-492/V-836 (evidence 2). Articles 1, 2 and 3 of Order A1-492/V-836 define long-term care including its objectives and scope. Specifically, Article 2.2 of Order No. A1-492/V-836 provides a definition of long-term care, emphasising assistance for individuals who have lost autonomy, aiming to maintain functional capacity, prevent social exclusion and enhance carers' ability to balance care responsibilities with employment and social participation.

[...] service provision requirements, [...]

Order No. V-1357 (evidence 4) lays down service provision requirements. Article 1 of Order No. V-1357 establishes the overall framework for the provision and payment of home ambulatory nursing services, setting the baseline for required qualifications, resources, and the institutional framework for healthcare institutions delivering these services. Article 3 of Order No. V-1357 specifies that only licensed healthcare facilities can provide these services, ensuring that service provision is carried out by qualified entities. The requirements for long-term care staff are included in Article 8 of Order No. V-1357, which defines the composition of the healthcare team required to provide services. Articles 22, 24 and 25 of Order No. V-1357 include requirements for patient management and monitoring to ensure that long-term care services are personalised and appropriate for each patient's condition. Service accessibility and continuity requirements are included in Article 21 of Order No. V-1357 to ensure that services are accessible within specific timeframes. Article 18 of Order No. V-1357 mandates the use of an integrated data registration and transmission information system to ensure coordination and tracking of services provided, contributing to better patient management and coordination of care.

[...] the administration of long-term care services, clear assignment of service administration functions to specific institutions, [...]

Section 1 of Order No. A1-492/V-836 (evidence 2) outlines procedures for organising care, including the roles of institutions and professionals. According to Article 2.4 of Order No. A1-492/V-836, inpatient long-term care institutions must hold licenses for health/social care activities, ensuring structured administration.

Law No. XIV-2357 (evidence 7) includes specific provisions on administration of long-term care services and clear assignments of service administration functions to specific institutions. It includes the planning, organisation, quality assessment and supervision of service providers at state and municipal levels (Article 12.1). Article 12.2 lists the main institutions involved, i.e. the Ministry of Social Security and Labour, municipal institutions and administrations, and the Department of Supervision of Social Services. Articles 13-16 stipulate clear assignments of service administration functions to specific institutions, thus ensuring a coordinated approach to administering and providing social services. Specifically:

- Article 13 stipulates that responsibility of Ministry of Social Security Labour is to develop social services policies, proposing improvements to the government, analysing service status, and participating in national planning.
- Article 14 requires that municipal institutions are responsible for ensuring services for residents, allocating funds, establishing or reorganising service institutions, and evaluating service needs and quality.
- Article 15 mandates that the Social Services Supervision Department provides methodological support, evaluates service quality, regulates practice standards and manages licensing.

- Article 16 stipulates that the State Data Agency conducts annual statistical surveys on social services.

[...] set out the basic requirements for relevant entities to provide long-term care services [...]

To provide long-term care services, entities must adhere to basic requirements regarding facilities and staffing, as outlined in various articles of the adopted legislation. According to Order No. A1-417 (evidence 11), entities must adhere to requirements specified in points 5.1.1, 9.1 and 16.2.2 of Order No. A1-492/V-836 ensuring that facilities include designated living spaces and adhere to privacy and accessibility standards as directed. According to Order No. A1-492/V-836, the staff structure and minimum staffing requirements are applicable to full-time employees for outpatient long-term care services. These requirements are explicitly defined for home help services offered by a social service institution (point 1.1), home help services provided by a private individual (point 1.2), and relief care services (point 16.1). Points 9.2 and 16.2.2.2 require appropriate professional allocation and a minimum ratio of staff to service recipients. Personnel must meet educational qualifications as specified in Article 16.2.2.3.

[...] and establish principles and mechanisms for the financing of long-term care services.

Order No. A1-492/V-836 (evidence 2) includes the provisions governing the financing of long-term care services. Section IV of the Order defines the financing sources for Integrated Personal Health Care (IPP) services, as outlined in Articles 15 to 18. According to Article 15 of the Order, the following services are financed through the Compulsory Health Insurance Fund: outpatient nursing services provided at home; and palliative care services for both adults and children. According to Article 17, social services are funded by state and municipal budgets and through personal contributions. Furthermore, Article 18 allows for additional funding to be sourced from European Union funds and other international financial support. Order No. V-1357 (evidence 4) further elaborates on principles and mechanisms for the financing of long-term care services. Section VI of Order No. V-1357 includes provisions on funding mechanisms for ambulatory nursing services at home through the Compulsory Health Insurance Fund budget, as detailed in Articles 37 to 42. Article 37 mandates that referrals for ambulatory nursing services at home shall qualify for remuneration under the auspices of the Compulsory Health Insurance Fund. Article 38 prescribes the requisite documentation and validation of ambulatory nursing services at home in the medical records of patients by the designated providers. Article 40 outlines the payment modalities, comprising a basic payment structure for recipients of ambulatory nursing services at home as enumerated in Article 19. It also includes provisions for an incentive bonus structure contingent upon conditions specified in Sub-articles 40.2 through 40.2.4. Article 41 clarifies the inclusion of costs associated with specified medical aids within the established base prices. Finally, Article 42 provides a framework wherein ambulatory nursing services at home may obtain funding from both the Compulsory Health Insurance Fund budgetary allocations and auxiliary financial sources, thereby ensuring compensation for these healthcare services.

Furthermore, in line with the description of the sub-measure**, the model for the provision and financing of social and personal healthcare shall simplify the pathway for patients for obtaining long-term care, thus preparing for the introduction of a long-term care model based on the one-stop shop principle.**

Article 6 of Order No. V-1357 (evidence 4) establishes that institutions providing outpatient nursing services at home are required to organise an assessment of social service needs. The needs assessment for social services with regard to inpatient and palliative care is ensured as well - healthcare institutions providing inpatient services have their own social workers who perform the mentioned functions, and a palliative care team includes a social worker who assesses the need for social services. Hence, this is a significant step towards implementing the “one-stop shop” principle in practice, whereby a person in need of long-term care services receives support through a single coordinating institution. For example, if a person starts receiving outpatient nursing services and the nurse identifies a need for social services, the provider institutions must organise the social needs assessment. Article 6 of Order No. V-1357 outlines that they can either conduct these assessments themselves or collaborate with a social services institution. Article 7 mandates that providers ensure outpatient palliative care, either independently or through another healthcare facility. Furthermore, point 13.2 of Order No. A1-492/V-836 (evidence 2) regulates the transfer of the results of the assessment of the need for home nursing services and the assessment of the need for individual (family) social services through the integration interfaces of the Electronic Health Services and Cooperation Infrastructure Information System (ESPBI IS) and the Family Social Support Information System (SPIS). This essentially enables the centralized data exchange between healthcare and social services and re-enforces the intersectoral cooperation mechanism.

These provisions simplify the pathway for patients to obtain long-term care, preparing for the introduction of a long-term care model based on the one-stop shop principle, by ensuring that patients receive coordinated support from a single point of contact, rather than having to navigate multiple institutions and services.

Furthermore, in line with the description of the sub-measure**, an in-depth analysis shall be carried out to determine the model for the provision of long-term care services.**

The Ministry of Health carried out an in-depth analysis that consisted of two parts. First, in the first quarter of 2022, the Ministry carried out an impact assessment on five alternative models for long-term care, using the Methodology for the Assessment of the Impact of Anticipated Legal Regulation and evaluated the following five alternatives: 1) status quo, 2) partial integration, 3) full integration through coordination, 4) full integration with full state funding, 5) no regulation. The Ministry selected the third option, i.e. the model with full integration through coordination because it was deemed best suited to ensuring accessibility, continuity and quality of services, as well as sustainability. Second, the Ministry of Health started a public consultation on the model for the provision of long-term care services on 29 June 2022 to gather views on the most acceptable long-term care (LTC) model. The Ministry of Health held a series of related events, including a roundtable discussion. During these consultations, strong support was expressed for an integrated long-term care model, as well as concerns about financing, staff shortages, and coordination challenges. Social partners recommended that the Ministry ensure equal access to services, establish a clear coordination mechanism, prioritise professional training, and guarantee long-term financing. Respondents supported a comprehensive LTC model including outpatient nursing, home help, day social care, transport and palliative care services for all recipient groups.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 18 Entry into force of an Action plan on improving cooperation between health care institutions and modernization of infrastructure for emergency situations

Related Measure: C1.A-1-3- A-1-3- Systemic improvement of the health system resilience to deal with emergencies

Qualitative Indicator: Adoption of the Action Plan on cooperation between health care institutions and modernisation of infrastructure for emergency situations by the Ministry of Health

Time: Q1 2023

1. Context:

The objective of the reform is to ensure a balanced, safe and efficient delivery of health services in emergency situations by improving cooperation between health care institutions and adapting infrastructure to emergency situations. This reform consists of 3 sub-measures: (1) Action plan on improving cooperation between health care institutions and modernisation of infrastructure for emergency situations (sub-measure 1); (2) modernisation of centres of expertise in the cluster of infectious diseases (sub-measure 2); and (3) modernisation of emergency departments and resuscitation units in regional hospitals (sub-measure 3).

Milestone 18 concerns the entry into force of an action plan on improving cooperation between healthcare institutions and modernisation of infrastructure for emergency situations. The action plan shall include requirements on preparedness to emergencies for healthcare institutions and ensure efficient deployment of human resources.

Milestone 18 is the only milestone under sub-measure 1.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2	The Action Plan on improving cooperation between healthcare institutions and modernisation of infrastructure for emergency situations of 7 December 2022	The Action Plan on improving cooperation between health care institutions and modernisation of infrastructure for emergency situations 2022–2029 (hereinafter referred to as the 'Action Plan'), approved by Order No. V-1822 of the Minister of Health of the Republic of Lithuania on 7 December 2022 "On the Approval of the Action Plan on Improving Cooperation Between Health Care Institutions and Modernisation of Infrastructure for Emergency Situations 2022–2029", which entered into effect on 8 December 2022. Link to the publication in the Register of Legal Acts: https://www.e-tar.lt/portal/lt/legalAct/33dbd970760a11edbc04912defe897d1
3	Order No. V-1822 of the Minister of Health	Order No. V-1822 on "On the Approval of the

	of the Republic of Lithuania of 7 December 2022	Action Plan on Improving Cooperation Between Health Care Institutions and Modernisation of Infrastructure for Emergency Situations 2022–2029" of 7 December 2022. Link to the publication in the Register of Legal Acts: https://www.e-tar.lt/portal/lt/legalAct/33dbd970760a11edbc04912defe897d1
4	Order No. V-1007 of the Minister of Health of the Republic of Lithuania of 17 October 2024	Order No. V-1007 on "On the Approval of the Action Plan on Improving Cooperation Between Health Care Institutions and Modernisation of Infrastructure for Emergency Situations 2022–2031" of 17 October 2024. Link to the publication in the Register of Legal Acts: https://www.e-tar.lt/portal/legalAct.html?documentId=444f26308c4311ef92b19bb92dd76d17
5	Risk Analysis on Prevention and Management of Emergency Situations	The Risk Analysis on Prevention and Management of Emergency Situations finalised by the Ministry of Health in 2022. Link to the publication in Ministry of Health website: https://sam.lrv.lt/lt/veiklos-sritys/visuomenes-sveikatos-prieziura/ekstremaliuju-situaciju-prevencija-ir-valdymas/
6	The assessments of the emergency preparedness of healthcare institutions	Emergency preparedness assessment certificates issued by the Lithuanian Ministry of Health for various healthcare institutions, evaluating their ability to respond to crisis and emergency situations.
7	Order No. V-1170 of the Minister of Health of the Republic of Lithuania of 26 November 2024	Order No. V-1170 of 26 November 2024 of the Minister of Health of the Republic of Lithuania "On the Preparedness and Organization of Activities of Personal and Public Health Care Institutions in the Event of Incidents, Emergencies, Crises, or Emergency Situations". Link to the publication in the Register of Legal Acts: : https://www.e-tar.lt/portal/lt/legalAct/dd145b83abf911ef90b5ee8931e5ce5e/asr

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of an Action Plan on improving cooperation between health care institutions and modernisation of infrastructure for emergency situations.

The Action Plan on improving cooperation between health care institutions and modernisation of infrastructure for emergency situations (evidence 2, hereinafter the 'Action Plan') was approved by Order No. V-1822 of the Minister of Health of the Republic of Lithuania on 7 December 2022 and entered into force on 8 December 2022 (evidence 3). The Action Plan was revised as approved by Order of the Minister of Health of the Republic of Lithuania of 17 October 2024 No. V-1007, which entered in force on 18 October 2024 (evidence 4).

In 2022, a risk analysis on Prevention and Management of Emergency Situations was conducted by the Ministry of Health of the Republic of Lithuania identifying potential hazards and extreme situations that could affect the healthcare system in Lithuania (evidence 5). It highlighted various potential hazards, assessed their likelihood and potential impact, and prioritised them based on their risk level. The goal is to prevent or mitigate the effects of these hazards and ensure the continuity of healthcare service.

The Action Plan is a response to the risks identified in the risk analysis. The Action Plan aims at improving cooperation between health care institutions and modernisation of infrastructure for emergency situations, in order to reduce the risks and consequences of potential hazards, such as epidemics, natural disasters and other extreme situations. The Action Plan outlines specific measures and actions to be taken to prevent or mitigate these risks, including the modernisation of infrastructure, training of healthcare professionals and improvement of emergency preparedness.

The action plan shall include requirements on preparedness to emergencies for healthcare institutions…

The Action Plan includes the following requirements on preparedness to emergencies for healthcare institutions:

- Modernisation of the infrastructure of 7 regional-level centres, emergency medical and resuscitation and intensive care units (Chapter IV; Measure 8 of the Action Plan);
- Adaptation of existing premises to ensure continuity of healthcare services during emergencies (Chapter II, Section 8.1 of the Action Plan);
- Availability of alternative means of communication during emergencies (Chapter II, Section 8.2 of the Action Plan);
- Installation of reserve heat infrastructure including an independent heating system that ensures uninterrupted heat supply during emergencies and security of water supply (Chapter II, Section 8.3 and 8.4 of the Action Plan);
- Availability of stand-alone oxygen generators to ensure continuity of healthcare services during emergencies (Chapter II, Section 8.5 of the Action Plan);
- Reserve of personal protective equipment to protect staff and patients from exposure to dangerous substances during emergencies (Chapter II, Section 8.6 of the Action Plan);
- Training for healthcare professionals on emergency preparedness and response (Chapter II, Section 7.4.6 of the Action Plan);
- Response to chemical pollution hotspots, suspicious detections, chemical emergencies, emergencies and other events posing a risk to the health and life of the population: this includes training for National Public Health Centre specialists and Radiation Protection Centre specialists

(Chapter II, Section 7.4.3 of the Action Plan) and training for members of the Emergency Operations Centre (Chapter II, Section 7.4.4 of the Action Plan);
- Use of information technology to acquire knowledge on emergency preparedness (Chapter IV, Measure 4 of the Action Plan);
- Rapid dissemination of relevant information, emergency management solutions (Chapter II, Section 13 of the Action Plan);
- Ensuring the preparedness of in-patient health care facilities for up to 3 days of emergency, crisis, war (Chapter IV, Measure 13 of the Action Plan).

… **and ensure efficient deployment of human resources.** Furthermore, in line with the description of the sub-measure, **the preconditions shall be created for more efficient cooperation of available human resources**:

- Coordination of the distribution of functions and human resources during an emergency is outlined in the action plan (Chapter II, Section 13 of the Action Plan).
- Developing guidelines and frameworks for emergency preparedness and response: This action aims to develop guidelines on how health care institutions can be prepared to work in alternative premises in case of emergencies. This will enable health care institutions to maintain their operations and ensure continuity of care even in exceptional circumstances (Action 10 of the Action Plan).
- Modernising infrastructure to enable better care and collaboration during emergencies: a) modernise infrastructure of 5 infectious disease cluster centres (Action 8 of the Action Plan); b) modernise infrastructure of 7 regional-level health institutions serving as trauma centres, emergency medical and resuscitation and intensive care units (Action 9 of the Action Plan). Upgrading the infrastructure of these centres will enable the centres to provide better care and work together more effectively during public health emergencies.
- Establishing common standards and criteria for emergency preparedness and response: developing the criteria will ensure that all health institutions have a common framework for emergency preparedness and response, which will facilitate cooperation between them (Action 12 of the Action Plan).
- Training programmes for staff have been digitalised to allow the creation of content based on specific needs. The digital platform accommodates interactive learning and remote simulation exercises, enabling healthcare facilities to plan and utilise their human resources more effectively. This approach promotes flexible scheduling and enhanced capacity building (Order No. V-1007, point 7.1).

Structured coordination and information-sharing: a framework for the sharing and management of information regarding healthcare institutions' preparedness for various emergencies is formalised in Order V-1170, point 1.1. It ensures standardised procedures for collecting, evaluating and sharing information, improving the flow of information that helps healthcare institutions to cooperate during emergencies.

It is envisaged to strengthen the collaboration of the health institutions, the infectious diseases cluster, and the intensive care and trauma clusters while coordinating the distribution of functions and human resources among the personal health facilities during an emergency, coordinating the management of patient flows, and providing methodological support (paragraph 13 of the Action Plan). These actions will enable health institutions to work together more effectively during public health emergencies.

Furthermore, in line with the description of the measure, **an assessment of the emergency preparedness of healthcare institutions shall be carried out**.

Assessments of the emergency preparedness of healthcare institutions are carried out by the Health Emergency Centre under the Ministry of Health on an annual basis (evidence 7, Chapter II, Article 8). The healthcare institutions submit their emergency management plans to the Health Emergency Centre, which carries out assessments of these plans in accordance with Order No. V-1170 (evidence 7). The 2024 annual assessment included 30 healthcare institutions (evidence 6). These assessments include an evaluation of the emergency management plans submitted by the institutions, as well as recommendations on how to increase their preparedness.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 10 Establishment of a Health Professionals Competence Platform

Related Measure: C1.A-1-1- A-1-1- Improving the quality and accessibility of health services and promoting innovation

Qualitative Indicator: The establishment of Health Professionals Competence Platform

Time: Q4 2024

1. Context:

The objective of the reform is to increase the quality and accessibility of health care, with a focus on strengthening primary care, specialised outpatient care, digitalisation of the health sector and innovation. The reform consists of 9 sub-measures.

Milestone 10 is linked to sub-measure A.1.1.9 the objective of which is to establish a health professionals competence platform to be used for identifying, monitoring and managing health professional's skills development. Milestone 10 relates to the establishment of the health professionals' competence platform.

Milestone 10 will be followed by milestone 14 related to sharing of healthcare professionals whose license is recorded and digitally monitored. The sub-measure has a final expected date of implementation on 31 March 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary Document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Act of Acceptance No. F16-198 signed by the Director of the State Accreditation Service for Health Care Activities under the Ministry of Health on 31 December 2024 (hereinafter referred to as "Act of Acceptance").	The Act of Acceptance recognises that the Health Professionals Competence Platform has been installed, meets all technical requirements, performs the intended functions, and is fit for use. Link to the Health Professionals Competence Platform: https://kplatforma.vaspvt.gov.lt/
3	Technical Specification on the modalities of the Health Professionals Competence Platform, approved by the Director of the State Accreditation Service for Health Care Activities under the Ministry of Health on 23 December 2024. Updated Technical Specification on the modalities of the Health Professionals Competence Platform, approved by the Director of the State Accreditation Service for Health Care Activities under the Ministry of Health on 26 February 2025, Registration No. D4-143, Version	The Technical Specification stipulate the modalities of the platform. Link to publication: https://registrai.lt/ (https://registrai.lt/management/objects/view/10466)

	Number V2.0 (agreed by the State Agency for Digital Solutions by letter No. S-116(2025) dated 19 February 2025) (hereinafter referred to as "the Technical Specification").	
4	Order No. V-1325 of 12 December 2024, amending order V-645 of the Minister of Health (hereinafter referred to as "the Order No. V-1325").	Order No. V-1325 regulates the procedures and requirements for the organisation, implementation and evaluation of professional qualification development programmes for healthcare and pharmaceutical professionals in Lithuania. Order No. V-1325 specifies that coordination and announcement of professional qualification development programs for healthcare and pharmaceutical specialists. are managed within the Lithuanian Health Care Professionals Competence Platform. Link to the publication in the Register of Legal Acts:https://www.e-tar.lt/portal/legalAct.html?documentId=65fbeba4b85e11ef88c08519262548c4 Order No. V-1325 entered into force on 1 January 2025.
5	Order No. 61 of 5 February 1999 "List of Types of Personal Healthcare Activities", last amended on 11 May 2022 (hereinafter referred to as "the Order No. 61").	Order No. 61 establishes the official list of types of personal healthcare activities in Lithuania, defining the categories of healthcare professions authorised to provide medical services. Link to the publication in the Register of Legal Acts: https://e-seimasx.lrs.lt/portal/legalAct/lt/TAD/TAIS.73291/asr
6	Government resolution No. 665 dated 7 August 2024 regarding the amendment of the government resolution No. 690 of 23 June 2005 " On the Amendment of the Reorganisation of the Register of Practice Licences of Health Care and Pharmaceutical Specialists and Approval of the Regulations of the Register of Practice Licences of Health Care and Pharmaceutical Specialists" (hereinafter referred to as "Government resolution No. 665")..	Government resolution No. 665 adds point 13.8, which introduces the storage of professional development data (e.g. certificates) in the Register of Practice Licences for Health Care and Pharmaceutical Specialists, and point 37.8, which allows the Competence Platform to transmit this data to this register. Link to the publication in the Register of Legal Acts: https://www.e-tar.lt/portal/lt/legalAct/9438ba70593111efbdaea558de59136c The amendment entered into force on 1 January 2025.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Health Professionals Competence Platform shall be established and include modalities to identify, monitor, plan and manage health professionals such as doctors, nurses, public health, pharmaceutical specialists' skills development (reskilling and upskilling); [...] The Platform shall enable monitoring and planning professional development of specialists, monitoring of upskilling and reskilling of specialists of national health providers and public health care.

The Health Professionals Competence Platform (hereinafter referred to as "the Competence Platform") has been established, as confirmed by the Act of Acceptance (evidence 2), signed on 31 December 2024, confirming that the platform meets technical and functional requirements. The Competence Platform allows health professionals and institutions to identify, monitor, plan and manage skills development (reskilling and upskilling) by tracking competency development and progress within each professional's account and allowing healthcare institutions to monitor these developments and plan the necessary courses and events for further skills development. Specifically, the Competence Platform includes the following functionalities:

- Identify skills development needs: data on all qualification trainings is stored in each healthcare professional's account, is visible to them and to their employer (the healthcare institution where the professional is employed), and is shared with the authorities responsible for the licencing and supervision of healthcare professionals (evidence 3, Chapter 4). Healthcare professionals can identify skills development needs using a standardised questionnaire (evidence 3, Chapter 4, point 4).
- Plan and manage: aggregated data from the Competence Platform allows the Institute of Hygiene to plan and manage professional development programmes and events. It also enables the Ministry of Health to identify priority areas for professional development and retraining (evidence 3, Chapter 4, point 5). Healthcare professionals can develop a competence development plan and manage their progress (evidence 3, Chapter 4, point 4).
- Monitor: the institutions, namely the State Health Care Accreditation Agency under the Ministry of Health, the State Medicines Control Agency and the Institute of Hygiene, can monitor the progress of each healthcare professional's personal competence development plan (evidence 3, Chapter 4, point 2).

The Technical Specification (evidence 3) lists the target audience of the Competence Platform as health professionals (personal healthcare, public health care and complementary and alternative healthcare) and pharmaceutical professionals (Chapter 4). Order No. V-1325 (evidence 4) specifies that the Competence Platform is meant for healthcare and pharmaceutical specialists (Chapter I, Article 2-5). Healthcare specialists include doctors and nurses, as regulated by Order No. 61, "List of Types of Personal Healthcare Activities", last amended on 11 May 2022 (evidence 5).

The Platform shall store records of health professionals' licences [in line with the relevant regulatory framework] and be linked to the Licensing Register of Healthcare and Pharmaceutical Professional Practices.

The Competence Platform stores records of health professionals' licences (evidence 3, Chapter 5) in line with Government resolution No. 665.

The Competence Platform is explicitly linked to the Register of Practice Licences for Health Care and Pharmaceutical Specialists (hereinafter referred to as “Register of Licences”) (evidence 3, Chapter 5), providing a flow of information regarding issued, suspended and revoked licences, ensuring that licensing data is current and accessible. The data exchange between the Competence Platform and the Register of Licences ensures that all changes in a specialist’s licensing status are reflected, supporting the regulatory supervision of healthcare practices.

The Commission services conducted an on-the-spot check on 14 August 2025 and verified that the Competence Platform has been established. This check was completed successfully verifying the authenticity of the evidence provided by Lithuania, confirming that the Competence Platform includes modalities to identify, monitor, plan and manage health professionals and enables monitoring and planning professional development of specialists, monitoring of upskilling and reskilling of specialists of national health providers and public health care and stores records of health professionals’ licences. The Commission services were also able to verify the link to Register of Licences during the on-the-spot checks.

4. Commission Preliminary Assessment: Satisfactorily fulfilled**.**

Number and name of the Milestone: 48 Entry into force of the following legislative acts: a) the Plan of Implementation of the Long-term Building Renovation Strategy, b) Amendment of Construction Technical Regulation “Design and Certification of the Energy Performance of Buildings”, approved by 2016-11-11 Order No. D1-754 of the Minister of Environment, c) Guidelines for Sustainable Urban Development approved by Order of the Minister of Environment, d) Amendment of Construction Technical Regulation CTR 2.05.07:2005 “Design of Wooden Structures”, approved by 2005-02-10 Order No. D1-79 of the Minister of Environment

Related Measure: C2.B-1-3- B-1-3-1- Update of building renovation packages and standards and creation of a methodology for the development of sustainable cities

Qualitative Indicator: Legislation entered into force.

Time: Q4 2023

1. Context:

The objective of Measure B.1.3. is to increase the pace of the building renovation process by exploiting the benefits of the digitalised serial renovation of buildings, by broadening the integrated approach to the living environment, including adaptation of buildings to the needs of persons with disabilities, and by promoting a climate- and environment-friendly transformation of the construction sector and products.

The objective of Sub-measure B.1.3.1. is to update and test in practice building renovation packages and standards and create a methodology for the development of sustainable cities. Milestone 48 relates to the entry into force of necessary regulatory changes to accelerate the renovation of building and to contribute to the greening of regions.

Milestone 48 is the only milestone of sub-measure B.1.3.1.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary Document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Order of Minister of Environment No. D1-336 of 19 October 2022 “On the adoption of the implementation plan of the Long-Term Building Renovation Strategy” (hereinafter referred to as “Order No. D1-336”). Link to the publication the Register of Legal Acts: TAR, 2022-10-19, No. 21147	Order approving the implementation Plan for the Long-term Strategy for the Renovation of Buildings was approved.
3	Order of Minister of Environment No D1-347 of 17 October 2023 on the amendment of order No. D1-754 of the Minister of environment of the Republic of Lithuania of 11 November 2016 “On the approval of the technical regulation for construction STR 2.01.02:2016 ‘Design and certification of the energy performance of buildings’” (hereinafter referred to as “Order No. D1-754”). Link to publication in the Register of Legal Acts: TAR, 2023-10-17, No. 20325	Technical Construction Regulation on the design of the energy performance of heated residential and non-residential buildings.
	Order of Minister of Environment No. V-186 of 23 December 2023 “On the approval of sustainable urban guidelines and	Guidelines for Sustainable Urban Development and the

	recommendations for their implementation" (hereinafter referred to as "Order No. V-186"). Link to the Publication: Sustainable city guidelines - Ministry of Environment of the Republic of Lithuania	Recommendations for their implementation.
	Order of Minister of Environment No. D1-334 of 9 October 2023 on the amendment of order No. D1-79 of the Minister of the Environment of the Republic of Lithuania of 10 February 2005 "On the approval of the technical regulation for construction STR 2.05.07:2005 "Design of wooden structures" (hereinafter referred to as "Order No. D1-334"). Link to publication in the Register of Legal Acts: TAR, 2023-10-09, No. 19825	Construction Technical Regulation on the Design of Wooden Structures.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

The following legislative acts have been approved and entered into force:
1. The Plan of Implementation of the Long-term Building Renovation Strategy, which provides:

Order No. D1-336, which was adopted and published in the Register of Legal Acts on 19 October 2022 and entered into force on the day following its adoption, states that the Plan of Implementation of the Long-term Building Renovation Strategy (as attached to the order) is approved by the Minister of Environment.

1.1 a legislative plan to accelerate the conversion of residential sites, [...]

The legislative plan of implementation of the long-term building renovation strategy, as approved by Order No. D1-336, proposes the following actions:

- to develop and implement fundamentally new solutions for the administration of multi-apartment building renovation (modernization) projects by IT means that ensure the quality and efficiency of the process (Action 1.1.2.);
- to amend legal acts in order to improve the procurement of construction works for the renovation (modernisation) of multi-apartment residential buildings and the quality of their performance, the quality of technical maintenance by applying information modelling of the building (Action 1.1.4.);
- to change the legal framework to remove obstacles to the installation of recharging stations for private electric vehicles in the vicinity of residential multi-apartment buildings (Action 1.2.5);
- through the amendment of the law on energy from renewable resources and other legal acts, it is to use the roof and/or facade of residential and non-residential buildings to install solar panels (making it possible for the owners of the building to install the solar panels themselves or transferring the right to use the roof to third parties) (Action 5.1.1);

- to change legislation to introduce technical requirements for the renovation (modernisation) of buildings, taking into account the use of standardised modular structures of organic material, other technological solutions and the industrialisation of the construction process (Action 2.1.3).

[...] to formalise the use of building information modelling (BIM) techniques, [...]

- Action 1.1.3. of the Plan for the implementation of the long-term building renovation strategy, as approved by Order No. D1-336, is to amend legislation to improve the quality of the technical working designs for the renovation/modernization of multi-apartment buildings through building information modelling.
- Action 1.1.4. of the Plan for the implementation of the long-term building renovation strategy, as approved by Order No. D1-336, is to change the legislation to improve the procurement and quality of construction works for the refurbishment (modernisation) of multi-apartment housing, and the quality of technical supervision, through building information modelling (BIM).

[...] as well as assessing possible models for sites conversion, reconstruction or renovation of existing buildings; [...]

- Action 1.3.1. of the Plan for the implementation of the long-term building renovation strategy, as approved by Order No. D1-336, is to prepare a "feasibility study to develop a model (schemes) for building reconversion, promotion of conversion of residential neighbourhoods (when their renovation is not meaningful), implementation model (schemes) and regulatory design provisions".

Furthermore, in line with the description of the measure, **As regards the regulatory changes, the following shall be adopted and enter into force: Resolution of the Republic of Lithuania approving the Plan of Implementation of the Long-term Building Renovation Strategy, which shall provide [...] a plan for district renovation initiatives and investment projects;**

The Council Implementing Decision required the adoption and entry into force of a Resolution of the Republic of Lithuania approving the Plan of Implementation of the Long-term Building Renovation Strategy. Lithuania has adopted and published the Order No. D1-336 "On the adoption of the implementation plan of the Long-Term Building Renovation Strategy" in the Register of Legal Acts on 19 October 2022. Order No. D1-336 entered into force on the day following its adoption. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, the deviation is acceptable given that the plan of implementation of the Long-Term Building Renovation Strategy remains approved through the adoption and entry into force of a regulatory change. As of this, this minimal deviation does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Action 1.3.2. of the Plan for the implementation of the long-term building renovation strategy, as approved by Order No. D1-336, is to review the Description of the Procedure for the Preparation and Implementation of District Energy Efficiency Improvement Programmes. It is to optimise the requirements for the planning, organisation and implementation of districts located in municipalities and evaluating the results of the study specified in Action 1.3.1 (described above).

1.2. recommendations for the preparation of quarterly renovation projects.

Action 1.3.3 of the Plan for the implementation of the long-term building renovation strategy, as approved by Order No. D1-336, is to create conditions and implement pilot projects of the quarterly complex renovation model and based on them, refine the comprehensive quarterly renovation model.

2. Amended Construction Technical Regulation "Design and Certification of the Energy Performance of Buildings", approved 2016-11-11 by Order No. D1-754 of the Minister for the Environment, legitimising the energy performance class of the renovated building at least B.

Order No. D1-347 was adopted and published in the Register of Legal Acts on 16 October 2023 and entered into force on the day following its adoption, with the exception of paragraph 1.1 which came into force on 1 January 2024 (see paragraph 2 of Order No. D1-347). That same Paragraph 1.1 of Order No. D1-347, which adds point 22.4 to the legislation, states that "Buildings for which a permit for renovation/modernisation of the building (part of the building) has been issued as of 1 January 2024, where construction permits are not required, construction works have started as of 1 January 2024, and the project is financed from the budget of the Republic of Lithuania and/or the European Union, the energy performance class shall not be lower than B, except in cases where the signed contract for the provision of State support for the renovation (modernisation) of multi-apartment buildings provides for an energy performance class C."

3. Guidelines for Sustainable Urban Development, setting out the indicators for sustainable cities and the methodology for calculating them.

Order No. V-186 was adopted and published in the Register of Legal Acts on 23 December 2023 and entered into force on the day following its adoption. Paragraph 1 of the Order V-186 states that the "'Guidelines on sustainable cities and recommendations for their implementation' ('Guidelines and Recommendations') is a document outlining sustainable urban development pathways, tools, methods of measuring urban sustainability and their application in urban planning (visual map showing the development potential and needs of urbanised areas)".

For this, paragraph 7 states that the objectives of the Guidelines and Recommendations are to:

- "define the concept of sustainability of cities and urbanised areas in Lithuania" (paragraph 7.1);
- "provide a basis for assessing and comparing the sustainability of Lithuanian cities and their evolution" (paragraph 7.2);
- "identify strategic areas for sustainable development [...], principles, measures and recommendations for sustainable and balanced urban development" (paragraph 7.3);
- "inform and encourage municipalities and other institutions and individuals to initiate and organise planning processes, projects, discussions and other forms of planning and design for the territories" (paragraph 7.4).

Order V-186 sets-out indexes and indicators for sustainable cities, whereby an index is “a set of indicators that measure a problem or an area of development in a given area in which a change is sought” (Paragraph 5.4.), and an indicator is “a quantitative and qualitative criterion for which a target value is specified (where this can be set)”.

The indicators, and the methodology to define them, are detailed and explained under each thematic chapters of Order V-186 (chapters IV-XI) and recalled under Annex 1 to Order V-186 in the table of Guidelines and Recommendations on indices, indicators, type of indicators, data sources and targets for indicators

4. Amendment of Construction Technical Regulation CTR 2.05.07:2005 “Design of Wooden Structures”, approved by 2005-02-10 Order No. D1-79 of Minister of Environment, expanding the use of wooden construction products in multi-purpose buildings.

Order No. D1-334 was adopted and published in the Register of Legal Acts on 9 October 2023 and entered into force on the day following its adoption. Paragraph 1 of Order D1-334 adds point 7^1 to the legislation stating that “Contracting authorities and contracting entities planning to procure the design services and contract the works for the new construction of the public purpose buildings (except for the restoration of an immovable cultural property which has not been preserved) falling under the category of extraordinary and non-extraordinary constructions, financed by the State budget of the Republic of Lithuania (including the European Union Structural Funds and other international financial assistance), borrowed on behalf of the State or guaranteed by the State, the State monetary funds, municipal budgets, shall use at least 50 per cent of wooden and other organic materials from renewable natural resources for manufacturing of the construction products”.

4. Commission Preliminary Assessment: Satisfactorily Fulfilled

Number and name of the Milestone: 58 Entry into force of Action Plan for the transition to Circular Economy

Related Measure: C2.B-1-5- B-1-5- Towards a circular economy

Qualitative Indicator: Legislation entered into force

Time: Q1 2023

1. Context:

The objective of the reform is to develop a fully-fledged circular economy model with the involvement of all stakeholders, ensuring circularity principles and waste prevention in the industrial sector, expanding the production and use of secondary raw materials, increasing material and resource efficiency, promoting sustainable design and green innovation, ensuring the sustainability, durability, repair and renewal of products. As a result of the reform, an action plan for Lithuania's transition to a circular economy by 2035 shall be adopted and enter into force.

Milestone 58 concerns the entry into force of a Government Resolution approving Lithuania's action plan for the transition to a circular economy by 2035.

Milestone 58 is the only milestone of this reform.

2. Evidence provided:

	Name of the evidence.	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Government Protocol of 21 June 2023, No. 21 (hereinafter referred to as "Government Protocol No. 21"). Link to where it can be accessed: https://am.lrv.lt/public/canonical/1732201877/14716/Annex%201.pdf	On 21 June 2023, by Government Protocol No. 21, question No. 2, the Guidelines for Lithuania's Transition to a Circular Economy by 2035 were approved.
3	Guidelines for Lithuania's Transition to a Circular Economy by 2035 (hereinafter referred to as "Action Plan"). Link to publication where it can be accessed: VPA20230621_2+kl_+priedas(1)(1).pdf (lrv.lt)	Guidelines for Lithuania's Transition to a Circular Economy by 2035
4	Order of Minister of Environment No. D1-236 of 11 July 2024 on monitoring the implementation of the Guidelines for Lithuania's transition to a circular economy by 2035 (hereinafter referred to as "Order No. D1-236"). Link to publication where it can be accessed: D1-236 On the monitoring of the implementation of the Roadmap for Lithuania's transition to a circular economy by 2035	The order of the Minister of Environment officially entered into the force on 12 July 2024. The Guidelines are supported by a monitoring plan approved by the Minister of Environment, aimed at ensuring the implementation of measures and monitoring indicators, addressing implementation issues, and achieving the circular economy's objectives.

5	Comments and Suggestions of 3 November 2022 of the Ministry of Economy and Innovation (hereinafter referred to as “Document containing the Ministry of Economy and Innovation’s Comments and Suggestions on the draft Action Plan”)	Comments and Suggestions of the Ministry of Economy and Innovation of 3 November 2023 on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.
6	Email of 20 June 2023 from the Ministry of Education, Science and Sports containing Comments and Suggestions on the draft Action Plan (hereinafter referred to as “Email from the Ministry of Education, Science and Sports containing Comments and Suggestions on the draft Action Plan”)	Comments and Suggestions from the Ministry of Education, Science and Sports of 20 June 2023 on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.
7	Email Exchanges between the Ministry of Agriculture and the Ministry of Environment of 23 January 2023 until 16 June 2023 containing Comments and Suggestions on the draft Action Plan (hereinafter referred to as “Email Exchange between the Ministry of Agriculture and the Ministry of Environment containing Comments and Suggestions on the draft Action Plan”)	Comments and Suggestions from the Ministry of Agriculture on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.
8	Email of 25 January 2023 from the Ministry of Transport and Communications containing Comments and Suggestions on the draft Action Plan (hereinafter referred to as “Email from the Transport and Communications containing Comments and Suggestions on the draft Action Plan”)	Comments and Suggestions from the Ministry of Transport and Communications of 25 January 2023 on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.
9	Email of 9 February 2023 from the Ministry of Social Security and Labour containing Comments and Suggestions on the draft Action Plan (hereinafter referred to as “Email from the Social Security and Labour containing Comments and Suggestions on the draft Action Plan”)	Comments and Suggestions from the Social Security and Labour of 9 February 2023 on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.
10	Letter of Director of the Circular Economy non-governmental organisation of 18 October 2022 No. AM-12/22 On Lithuania’s action plan for the transition to a circular economy by 2035 (hereinafter referred to as “Letter from the Circular Economy NGO”)	Comments and Suggestions from the Circular Economy NGO of 18 October 2022 on the draft Action Plan for Lithuania’s transition to a circular economy by 2035.

11	Letter of Director of the Agriculture Cooperative Union of 19 October 2022 on Lithuania's action plan for the transition to a circular economy by 2035 (hereinafter referred to as "Letter from the Agriculture Cooperative Union")	Comments and Suggestions from the Agriculture Cooperative Union of 19 October 2022 on the draft Action Plan for Lithuania's transition to a circular economy by 2035.
12	The participants are listed under the following link: https://klimatokaita.lt/dekarbonizacija/proceso-dalyviai/ .	List of over 80 representatives from state institutions, businesses, the scientific community, and society that have participated in thematic working groups contributing to the development of the Action Plan.
13	Records of the thematic meetings are available under the following link: https://klimatokaita.lt/dekarbonizacija/susitikimai/	Records of thematic working groups in which over 80 representatives from state institutions, businesses, the scientific community, and society have participated.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Approval by Government Protocol of Lithuania's action plan for the transition to a circular economy by 2035. Furthermore, in line with the description of the measure, **as a result of the reform, an action plan for Lithuania's transition to a circular economy by 2035 shall be approved by Government Protocol.**

According to Government Protocol No. 21 (paragraph 1 of question No. 2), the Guidelines for Lithuania's transition to a circular economy by 2035 (Action Plan, provided under evidence 3) were approved, as prepared by the Ministry of Environment. The approved Action Plan also lists under Annex 1 the implementing measures to be achieved by 2035 and responsible implementers for each of these measures.

Order No. D1-236 (evidence number 4) on monitoring the implementation of the Guidelines for Lithuania's transition to a circular economy by 2035 (the Action Plan) also lists the measures, indicators, and responsible implementers of the Action Plan. Order No. D1-236 was adopted on 11 July 2024 and entered into force the day after its publication in the Register of Legal Acts, thus the implementation of the Action Plan was adopted on 11 July 2024 and entered into force on 12 July 2024.

[...] drawn up with the involvement of interested institutions and socio-economic partners,

Paragraph 11 of the Action Plan (evidence 3) states that the plan distinguishes between the six following horizontal principles and intervention strands: circular industries (paragraph 11.1); circular construction (paragraph 11.2), circular bioeconomy (paragraph 11.3), circular transport (paragraph 11.4), circular recovery of waste (paragraph 11.5), and circular consumption (paragraph 11.6).

The horizontal principles and interventions are a result of five thematic working groups (waste and the circular economy, energy (including buildings), industry, transport, and agriculture and forestry), in which over 80 representatives from state institutions, businesses, the scientific community, and society have participated. The Commission services accessed the link provided by the authorities on 29 August 2025 to verify representatives from state institutions, businesses, the scientific community, and society have participated (Evidence 12 and 13). This check was completed successfully, confirming the involvement of interested institutions and socio-economic partners.

Moreover, prior to the adoption of the Action Plan on 21 June 2023, the Ministry of Environment consulted interested institutions to draft the Action Plan:

- The draft Action Plan was presented on 16 September 2022 at a Waste and Circular Economy working group meeting.
- On 3 November 2022, the Ministry of Economy and Innovation provided their comments and suggestions, as evidenced by the Document containing the Ministry of Economy and Innovation's Comments and Suggestions on the draft Action Plan (evidence 5).
- On 20 June 2023, the Ministry of Education, Science and Sports provided their comments and suggestions, as evidenced by the Email from the Ministry of Education, Science and Sports containing Comments and Suggestions on the draft Action Plan (evidence 6).
- From 23 January 2023 until 16 June 2023, the Ministry of Agriculture, provided their comments and suggestions, as evidenced by the Email Exchange between the Ministry of Agriculture and the Ministry of Environment containing Comments and Suggestions on the draft Action Plan (evidence 7).
- On 25 January 2023, the Ministry of Transport and Communications provided their comments and suggestions, as evidenced by the Document containing the Ministry of Transport and Communication's Comments and Suggestions on the draft Action Plan (evidence 8).
- On 9 February 2023, the Ministry of Social Security and Labour provided their comments and suggestions, as evidenced by the Document containing the Ministry of Social Security and Labour's Comments and Suggestions on the draft Action Plan (evidence 9).
- On 18 October 2022, the Circular Economy Non-Governmental Organisation provided their comments and suggestions, as evidenced by the Letter from the Circular Economy Non-Governmental Organisation (evidence 10).
- On 19 October 2022, the Agriculture Cooperative Union provided their comments and suggestions, as evidenced by the Letter from the Agriculture Cooperative Union (evidence 11).

Furthermore, in line with the description of the measure, **the action plan shall focus on waste prevention, […]**

To implement the Action Plan, Annex 1 to the plan contains a list of measures (columns 1 and 2), their deadline for execution (columns 3 and 4) and responsible implementers (column 5) as well as the participating institutions (column 6).

To focus on waste prevention, in particular on food waste prevention, Annex 1 of the Action plan includes a measure to develop a food waste prevention policy on a collaborative platform, ensuring the sharing of good practices and research for the best food waste prevention solutions (measure 6.1.1). Additional measures include requiring large retail chains, catering establishments and food production companies to donate food in accordance with established foreign practices (measure

6.1.2.), and providing funding measures to reduce food waste generation in primary food production (measure 6.1.3.).

To reduce waste imports, Annex 1 of the Action plan includes a measure to “develop and approve criteria and control procedures for used Waste from Electrical and Electronics Equipment, furniture and textiles, and to strengthen controls for the entry into the internal market of safe, re-used products (not waste)” (measure 6.1.4.).

In addition, Annex 1 of the Action Plan includes measures to conduct a series of publicity campaigns to “encourage the choice of reusable products and the reuse of items” (measure 7.1.2.) and to reduce “food waste and food waste prevention and developing food consumption skills of the population” (measure 7.1.3.).

[the action plan shall focus on] recycling, [...]

To focus on recycling, Annex 1 of the Action Plan includes a measure to improve the availability of waste sorting tools and infrastructure, expand the infrastructure for the sorting collection of household textile waste, and expand the infrastructure for the sorting collection of household hazardous waste (measure 6.2.1.).

Annex 1 of the Action plan also includes measures to establish the principle of producer responsibility for furniture and textiles (measure 6.2.2.), and to revise the requirements of the legislation governing the implementation of the principle of liability for tyres, oils, accumulators, galvanic cells (batteries), fuel or oil filters for internal combustion engines, their parts and components, air filters for internal combustion engines, shock absorbers for motor vehicles, vehicles and waste electrical and electronic equipment (measure 6.2.3.). Annex 1 of the Action Plan includes a measure to apply the manufacturer's responsibility more broadly to construction, leisure and disposable hygiene products, and to submit proposals for amendments to legal acts (measure 6.2.4.).

Annex 1 of the Action Plan includes measures to finance the modernisation and development of waste processing and recycling infrastructure for textiles, furniture, plastics, combined packaging, biological, electrical and electronic equipment and other waste (measure 6.2.5.), as well as to produce high value-added raw materials (measure 6.2.6.).

In addition, Annex 1 of the Action Plan includes a measure to conduct a series of publicity campaigns to promote “the sorting of waste (especially food, textile, construction, furniture, packaging, tires, hazardous waste)” (measure 7.1.1.).

[the action plan shall focus on] product design and [..]

To focus on product design, Annex 1 of the Action Plan includes a measure to encourage circular economy solutions in industries, waste reduction technologies, as well as recyclable waste and/or secondary raw materials used in products (measure 2.2.1.).

Annex 1 of the Action Plan further includes measures to promote the transition of businesses towards a circular economy (measure 2.2.4.) and to develop a long-term agenda for the transition to circular construction (measure 3.1.1.).

In addition, Annex 1 of the Action Plan includes measures to develop a life cycle modelling system in the construction sector (measure 3.2.1.) and to prepare projects of special structures using the modelling methodology (measure 3.2.2.).

[the action plan shall focus on the] use of secondary raw materials, [...]

To focus on the use of secondary raw materials, Annex 1 of the Action Plan includes measures to develop a system of secondary raw materials for industries (measure 6.2.9.), to promote the replacement of primary raw materials in industries (measure 6.2.10.), to establish requirements for the use of secondary raw materials and alternative materials (measure 1.2.4.), as well as to promote the deployment and development of technologies that enable the use of more secondary raw materials (plastics, textiles, glass, tyres, wood, construction, biological and other waste) in production (measure 2.1.3.).

[the action plan shall focus on] digitalisation, [...]

To focus on digitalisation, Annex 1 of the Action Plan includes a measure to "promote the acquisition of digital-circular technologies and/or systems (e.g. digital-circular twins) that support the development of the circular economy" (measure 2.1.4.).

[the action plan shall focus on] the promotion of green innovation, as well as [...]

To focus on the promotion of green innovation, Annex 1 of the Action Plan includes measures "to promote the implementation of innovative environmentally friendly technologies, i.e. those that promote the production of sustainable products" (measure 2.2.2.), and to promote "the transition of businesses towards a circular economy" (measure 2.2.4.).

In addition, Annex 1 of the Action Plan includes measures to support businesses implementing the green transition and circular economy goals (measure 1.2.3.), to "implement training on the topic of circular economy included in general education and vocational training programmes" (measure 1.2.2.), as well as to "finance applied research and experimental development on the topic of the circular economy, providing for major investments in reuse, the replacement of fossil raw materials with bio-based and secondary raw materials, the production of durable products, the development of new curricula, and the change of consumer habits" (measure 1.2.1.)

[the action plan shall focus] on an improved legal framework and fiscal measures promoting long-term benefits instead of short-term solutions and results for a return of resources to circularity.

To focus on an improved legal framework promoting long term benefits instead of short-term solutions and results for a return of resources to circularity, Annex 1 of the Action Plan includes measures to prepare the requirements of legal acts or other measures, providing for the possibility to return or acquire unused material residues (building materials, furniture, textiles, etc.) at points of sale (measure 7.2.2) and to prepare amendments to the legislation by introducing a requirement for the reuse of reusable packaging (e.g. jars) (measure 7.2.4.).

Annex 1 of the Action Plan further includes measures to require large retail chains, catering establishments and food production companies to donate food in accordance with established foreign practices (measure 6.1.2.), and to revise the requirements of the legislation governing the implementation of the principle of liability for tyres, oils, accumulators, galvanic cells (batteries), fuel or oil filters for internal combustion engines, their parts and components, air filters for internal combustion engines, shock absorbers for motor vehicles, vehicles and waste electrical and electronic equipment (measure 6.2.3.).

In addition, Annex 1 of the Action Plan includes a measure to “update legal acts by establishing technical requirements for the renovation (modernization) of buildings, taking into account the use of standardized modular structures made of organic materials and other technological solutions” (measure 3.4.3.).

Moreover, to focus on fiscal measures promoting long term benefits instead of short-term solutions and results for a return of resources to circularity, Annex 1 of the Action Plan includes measures to create a “legal framework to provide financial incentives for the reimbursement of bicycle repair services” (measure 5.3.2.), and “to approve amendments to the legislation providing that residents who compost bio-waste generated in households would be given the opportunity to calculate a lower waste management fee” (measure 6.3.1.).

Furthermore, Annex 1 of the Action Plan includes measures to "finance the development of a small business providing second-hand goods trade and repair services” (measure 7.2.3.), as well as to “supplement the description of the procedure for the application of environmental protection criteria in the implementation of green procurement with circularity criteria and/or principles” (measure 1.3.1.), effectively providing fiscal stimulus to promote circularity.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 62 The State Digital Solutions Agency provides IT services to state institutions and bodies determined in the List of state institutions and bodies receiving centralised information technology services.

Related Measure: C3.C-1-1- C-1-1- Transformation of public information technology governance

Quantitative Indicator: Percentage

Baseline: 9

Target: 75

Time: Q1 2025

1. Context:

The aim of the reform is to consolidate state information resources so that the IT infrastructure, services and processes of state institutions and bodies are managed centrally. The reform entails investment towards: (i) Extension of the existing cloud infrastructure for information and communication technologies, (ii) Migration of outdated or non-security-compliant ICT infrastructure, as well as ICT infrastructure located in non-compliant data centres, by state institutions and bodies to a centrally managed hybrid cloud information and communication technology infrastructure, (iii) Integrated upgrade of hardware and software for local data transmission networks and introduction of a secure centralised management solution, and (iv) Integrated upgrade of outdated and non-security-compliant computer workstations' hardware and software and introduction of a secure centralised management solution.

Target 62 concerns the delivery of centralised IT information services to 75% of institutions and bodies determined in the List of state institutions and bodies receiving centralised information included within Resolution of the Government of the Republic of Lithuania on the Implementation of the Law on the Management of State Information Resources of the Republic of Lithuania, new version of the Resolution No. 907.

Target 62 is the first step of the implementation of the reform. It will be followed by target 63 related to 100% of the institutions benefitting from consolidated IT services. The reform has a final expected date for implementation of August 2026.

2. Evidence provided:

	Name of the evidence.	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	Resolution No. 907 of the Government of the Republic of Lithuania of 30 October 2024 on the management of State information resources of the Republic of Lithuania. Link to the publication the Register of Legal Acts: [TAR, 2024-10-31, Nr. 18906]()	Resolution No. 907 of the Government of the Republic of Lithuania of 30 October 2024 “On the management of State information resources of the Republic of Lithuania amends Resolution No. 349 of the Government of the Republic of Lithuania of 15 May 2024 "On the Implementation of the Republic of Lithuania Law

		on the Management of State Information Resources". The Resolution repeals Resolution No. 498. In line with national legislation, the implementing legislation for the amended Law on State's Information Resources Management, which came into force on 1 January 2024, is done in the form of a consolidated resolution: Resolution No. 907. (Annex I)
3	Order No. 4-241 of the Minister of Economy and Innovation of 20 April 2025 on the Approval of the Catalogue of Centrally Provided Information Technology Services (hereinafter referred to as the "Order No. 4-241"). Link to the publication the Register of Legal Acts: TAR, 2020-04-20, Nr. 8187	The Catalogue of Centrally Provided Information Technology Services provides the lists of IT services provided centrally by state IT service providers, including descriptions of the IT services and the minimum values of IT service parameters. (Annex II)
4	Order No. 4-960 of the Minister of Economy and Innovation of 30 October 2020 on the Approval of the Description of Standard Terms and Conditions for IT Service Provision Agreements (hereinafter referred to as the "Order No. 4-960"). Link to the publication the Register of Legal Acts: TAR, 2020-10-30, Nr. 22672	Description of Standard Terms and Conditions for IT Service Provision Agreements. (Annex III)
5	List of state institutions and bodies receiving centralised IT services (hereinafter referred to as the "the List").	The List includes the recipients of consolidated IT services, contract numbers, date of contracts, order dates and order numbers. (Annex IV)

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

The State Digital Solutions Agency provides IT services to state institutions and bodies determined in the List of state institutions and bodies receiving centralised information technology services.

On 30 October 2024, Resolution No. 907 of the Government of the Republic of Lithuania "On the management of State information resources of the Republic of Lithuania amending Resolution No. 349 of the Government of the Republic of Lithuania of 15 May 2024 "On the Implementation of the Republic of Lithuania Law on the Management of State Information Resources" (hereinafter "Resolution No. 907") entered into force (evidence 1).

Resolution No. 907 establishes the framework for the centralised provision of information technology (IT) services to state institutions and bodies. Resolution No. 907 designates the State Digital Solutions Agency as the primary IT service provider responsible for the centralised provision of IT services (Article 4.1), while also appointing other state institutions, such as the State Enterprise

Centre of Registers, State Data Agency, Department of Informatics and Communications under the Ministry of the Interior, as state IT service providers (Articles 4.2-4.6).

Furthermore, Resolution No. 907 approves the Description of the Procedure for the Provision of Centralised Information Technology Services, which outlines the procedure for the delivery of centralised IT services by state IT service providers. This procedure is to be followed by both the providers and the recipients of these services, whilst covering various aspects, including the types of centrally provided IT services, the management of the catalogue of centrally provided IT services and the requirements for the provision of information on IT services.

Resolution No. 907 also establishes the List of 290 state institutions and bodies that receive centralised IT services, which includes various ministries, government agencies, and other public institutions (Article 4.1 and subparagraphs 2.4 to 2.12 and 2.15). Additionally, it approves the list of state data centres, which are to be used to store and process state information resources.

Additionally, on 20 February 2025, the Catalogue of Centrally Provided Information Technology Services was approved by Order No. 4-241 of the Ministry of Economy and Innovation. The Catalogue of Centrally Provided Information Technology Services defines the lists of IT services provided centrally by state IT service providers, including descriptions of the IT services and the minimum values of IT service parameters (evidence 2).

75% of institutions determined in Resolution of the Government of the Republic of Lithuania No. 907 benefit from consolidated IT services.

The Description of Standard Conditions for Contracts concerning the provision of information technology services, approved by Order No. 4-960 of the Minister of Economy and Innovation of 30 October 2020, sets out the general terms and conditions of the contract for the provision of information technology services to institutions and bodies included in the list, the rights and obligations of the IT service providers as well as the recipients of the services and the data breach notifications.

Moreover, the description specifies that, once contracts are concluded, institutions may order IT services through the State Information Technology Service Management Information System (ITSM system). This system enables the ordering of services listed in the service catalogue approved by the Ministry of Economy and Innovation. However, Chapter 4 of the description states that, for the indicator to be considered achieved, at least one ongoing or completed IT service order must be provided.

As of 31 March 2025, the State Digital Solutions Agency provides consolidated IT services to 237 institutions, representing 86% of the institutions and bodies included in the List of state institutions and bodies receiving centralised information technology. Finally, the List (Annex IV) includes the institutions, dates, and numbers of service contracts, as well as the dates and numbers of IT service orders placed in the ITSM system.

Exception: Those state institutions and bodies included in the List of state institutions and bodies receiving centralised information technology services for which Resolution No. 907 establishes an exception may be excluded when calculating the aforementioned share.

The number of state institutions and bodies included in the List of State Institutions and bodies Receiving Centralised IT Services, as approved by Resolution No. 907 (Annex 1) is 290. However, the

List of state institutions and bodies receiving centralised information technology is subject to exceptions established by Resolution No. 907.

The exemptions set out in Article 4.1, sub-point 4.4 of Resolution No. 907, appliy only to public institutions or bodies included in the List under the authority of the Ministry of Interior (rows 233 and 249-262 of the List).

Therefore, since the aforementioned exception applies to only 15 institutions or bodies under the Ministry of Interior, the adjusted total number of institutions and bodies to be considered for centralised IT services is 275. This represents 100% of the eligible entities, excluding the exempted ones from the original total of 290.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 67 Entry into operation of data exchange tool

Related Measure: C3.C-1-2- C-1-2- Ensuring the effectiveness of data management and open data

Quantitative Indicator: Number

Baseline: 0

Target: 1

Time: Q1 2024

1. Context:

The aim of the reform is to ensure the effectiveness of data management and open data.

Target 67 concerns the entry into operation of a data exchange tool which complies with the appropriate accounting requirements and allows to send, receive and process electronic invoices.

Target 67 is the second step of the implementation of the reform, and it follows the completion of milestone 64. It will be followed by target 65 and target 66, related to the integration of information resources into the national data lake. The reform has a final expected date for implementation of 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactory fulfilled.
2	Report of on-the-spot check carried out by the competent authority.	The Central Project Management Agency signed the report on 18 January 2024 following an on-site inspection of 19 December 2023 and an assessment of the tool's functionalities. The on-the-spot checklist recorded several shortcomings in the tool's functionalities and discrepancies with the requirements for the tool's development.
3	Explanatory report confirming that the data exchange tool complies with the appropriate accounting requirements (hereinafter referred to as "Explanatory report").	The Explanatory report of 17 April 2024 confirming that the data exchange tool complies with the appropriate accounting requirements. The Explanatory report follows a number of exchanges and checks by the experts evaluating the tool's functionalities carried out in the period December 2023-April 2024. The Explanatory report confirms that any previously established discrepancies in the tool's functionalities have been corrected and remedied and the tool meets the requirements.

4	The Act of commissioning the tool signed by Contractor (hereinafter referred to as “Act of commissioning”).	The Act of commissioning was signed by the contractor (Unifiedpost UAB) on 5 June 2024, confirming that the implemented solution meets appropriate accounting requirements on electronic invoicing in public procurement and that the data exchange tool is published and entered into operation.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Entry into operation of a data exchange tool which complies with the appropriate accounting requirements.

After the completion of the project for the development of the data exchange tool “Euroconnector”, the competent national authority, the Central Project Management Agency (CMPA), carried out an on-the-spot check on 19 December 2023 and signed a report accepting the results on 18 January 2024, while noting certain deficiencies in the tool’s functionalities, as documented in the checklist from the on-the-spot check (evidence 2).

To ensure that the data exchange tool complies with the appropriate accounting requirements, experts from the Central Project Management Agency carried out an assessment of how the data exchange tool meets the requirements of Directive 2014/55/EU on electronic invoicing in public procurement, by further evaluating the tool’s functionalities between December 2023 and April 2024. Compliance with the appropriate accounting requirements, including the requirements listed below, was confirmed in the signed Explanatory report of 22 April 2024 (evidence 3):

- Compliant with Peppol Network (AS4 profile, Business Message Envelope (SBDH)).
- Sent and received electronic records meet Peppol BIS 3.0 Post-Award requirements.
- The developed information technology solution ensures Peppol Know Your Customer (KYC) requirements.
- Successful tests of the solution with three business management systems: a) ERP -Enterprise Resource Planning; b) e-Invoicing solutions using a PEPPOL-connected access point; and c) SMP/SML (Service Metadata Locator; Service Metadata Publisher).

The contractor signed the Act of commissioning on 5 June 2024, certifying that the data exchange tool, fully complying with all requirements, has been published and has entered into operation (evidence 4).

The creation of a data exchange tool shall allow to send, receive and process electronic invoices.

The data exchange tool allows users to send, receive and process electronic invoices on a large scale. The Commission services accessed the link provided by the authorities on 9 July 2025 to verify the purpose of the tool. The check was completed successfully, also confirming that Euroconnector has been made publicly available and is a data exchange tool that allows Lithuanian businesses to exchange e-invoices by automatically exporting them from the seller’s accounting system and importing them into the buyer’s systems without manual intervention. The process of processing e-invoices becomes simpler: the seller issues an invoice in the accounting system, which automatically sends the invoice to the buyer’s accountant via the Peppol network – the accountant will immediately see the received invoice with all data fields filled in in the accounting or invoice management system without any additional manual input.

The data exchange tool shall be published and be accessible free of charge.

As confirmed by the Explanatory report (evidence 2) and the Act of commissioning, signed by the contractor (evidence 4), the data exchange tool and its technical specifications have been published and is available to users.

The Commission services accessed the link provided by the authorities on 9 July 2025 to verify that Euroconnector is published and accessible free of charge. The check was completed successfully, also confirming that installation instructions are available and that they do not require programming knowledge or assistance from the manufacturer. This enables the intended users, such as suppliers of business management and accounting systems, to start using the application for invoice sending and receiving via the Peppol network.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 71 Entry into operation of solutions for digital public services to persons with disabilities

Related Measure: C3.C-1-3- C-1-3- Customer-oriented services

Quantitative Indicator: Number

Baseline: -

Target: 2

Time: Q1 2025

1. Context:

The objective of measure C.1.3 is the digitalisation of public and administrative services through full transformation of national and local government processes. This measure focuses on improving decision-making and enhancing the inclusiveness and accessibility of public services, particularly for persons with disabilities, while digitalising public administration, developing electronic services, and automating data exchanges to ensure equal access to information across Lithuania.

Target 71 concerns the entry into operation of solutions for digital public services to persons with disabilities, including an IT solution to enhance communication opportunities for deaf people and another IT solution to improve information access for blind people.

Target 71 is the fourth step of the implementation of reform C.1.3, following the completion of milestone 70, milestone 69 and milestone 68 and will be followed by target 72 on the satisfactory use of public services by persons with disabilities and target 73 on projects to digitise services and upgrade the level of maturity of the services provided. The reform has a final expected date for implementation on 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	EIM-71-2023-07-21 Technical specification of the procurement	Technical specification of the procurement “Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market” (Annex I).
3	EIM-71-2023-07-21 Qualification requirements	Qualification requirements for public procurement “Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market” (Annex II).
4	EIM-71-2023-08-24 The successful bid	The proposal submitted by the winning supplier “MB Internetiniai svetainių sprendimai” for the procurement “Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for

		blind persons for the Lithuanian market" (Annex III).
5	EIM-71-2023-09-27 Commission meeting minutes	Commission meeting minutes of public procurement "Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market" (Annex IV).
6	EIM-71-2023-09-28 Service contract. No. S-2023-70	Service contract "Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market" (MB "Internetiniai svetainių sprendimai") (Annex V).
7	EIM-71-2024-06-26 Certificate of completion of works. No. LS-911	Certificate of completion of works of the service contract "Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market" (Annex VI).
8	EIM-71-2023-08-01 Technical specification	Technical specification of the public procurement "Adaptation (or creation), implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex VII).
9	EIM-71-2023-08-01 Qualification requirements	Qualification requirements for public procurement "Adaptation (or creation), implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex VIII).
10	EIM-71-2023-08-25 The successful bid	The proposal submitted by the winning supplier "DeafCom CZ s.r.o." for the procurement "Adaptation (or creation), implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex IX).
11	EIM-71-2023-09-27 Commission meeting minutes	Commission meeting minutes of public procurement "Adaptation (or creation), implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex X).
12	EIM-71-2023-10-04 Service contract. S-2023-75	The service provision agreement of "Adaptation (or creation), implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex XI).
13	EIM-71-2024-12-31 Certificate of	Certificate of completion of works of the service contract "Adaptation (or creation),

	completion of works. No LS-1603	implementation and training of the target group to use an IT solution to ensure better communication opportunities for the deaf" (Annex XII).

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Entry into operation of two solutions for facilitating the access to digital public services by persons with disabilities: one IT solution to ensure better communication opportunities for the deaf, and another IT solution to ensure access to information for the blind. The services shall be provided by suppliers with appropriate qualifications by means of public procurement.

- Establishment or adaptation of an IT solution to ensure access to information and communication opportunities for blind people**:**

On 21 July 2023, the technical specification of the public tender No. 02-015-P-0001 (Annex I) for the establishment or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons for the Lithuanian market was published by the Department for the Affairs of Persons with Disabilities under the Ministry of Social Security and Labour. The document sets out the objective of the procurement and the general technical requirements for the provision of services. It specifies in Chapter 8 that the IT solution must meet the requirements of Directive (EU) 2016/2102 of the European Parliament and of the Council on the accessibility of the websites and mobile applications of public sector bodies and in Chapter 11.2 the necessary steps to develop an IT solution or adapt an existing one to the Lithuanian market.

Furthermore, the supplier's qualification requirements (Annex II) indicate that the supplier, either in the last three years (counting from the end of the proposal submission deadline) or since the date of the supplier's registration (if the supplier has been operating for less than three years), must have satisfactorily completed or is in the process of completing one or more contracts, during which at least one sound recording of a film of at least 60 minutes in duration has been produced.

On 24 August 2023, the supplier "MB Internertiniai svetainių sprendimai" submitted the winning tender proposal for the procurement of "Services for the development or adaptation of an IT solution to ensure access to information and communication opportunities for blind persons in the Lithuanian market" (Annex III). On 27 September, the Public Procurement Commission awarded the public tender project No. 02-015-P-0001 to the aforementioned supplier (Annex IV) and contract No. S-2023-70 was signed on 28 September 2023 (Annex V).

On 16 September 2024, the certificate of completion No. LS-911 for the development of an IT solution to ensure access to information and communication opportunities for blind persons was issued by the supplier "MB Internertiniai svetainių sprendimai" (Annex VI), certifying the finalisation of services for the development or adaptation of an IT solution for the Lithuanian market and its entry into operation.

The solution provides an audio display IT system for blind and visually impaired individuals, enabling access to visual content through synchronised audio descriptions. It includes a free mobile application compatible with Android and iOS platforms, available on application stores, ensuring accessibility via screen readers and compliance with WCAG 2.1 level AA. The solution includes translation into Lithuanian and user training to facilitate independent use.

- Development or creation of an IT solution to ensure access to information for deaf people**:**

On 1 August 2023, the technical specification of the public tender No. 02-015-P-0001 (Annex VII) concerning development or creation of an IT solution to improve communication opportunities for deaf people was published by the Department for the Affairs of Persons with Disabilities under the Ministry of Social Security and Labour. The document sets out the general information on the project, the general requirements for services and their management as well as the the implementation phases and the legal framework for the creation of IT systems. It specifies that the IT solution must comply with the Web Content Accessibility Guidelines (WCAG) 2.1, in line with the requirements of Directive (EU) 2016/2102 of the European Parliament and of the Council on the accessibility of the websites and mobile applications of public sector bodies and describes in detail the necessary steps to develop or adapt the IT solution for the Lithuanian market, including analysis, design, construction, testing, training, and deployment phases.

Furthermore, the supplier’s qualification requirements (Annex VIII) indicate that the supplier, either within the last three years (counting from the end of the proposal submission deadline) or since the date of the supplier's registration (if the supplier has been operating for less than three years), must have satisfactorily completed or is in the process of completing one or more contracts, during which at least one license and/or IT solution has been developed.

On 25 August 2023, the supplier “DcafCom CZ s.r.o.” submitted the winning tender proposal for the procurement of “Services for the development or adaptation of an IT solution to improve communication opportunities for deaf people, implementation and training of the target group” (Annex IX). On 4 October 2023, the Public Procurement Commission awarded the public tender project No. 02-015-P-0001 to the aforementioned supplier (Annex X), and contract No. S-2023-75 was signed on 4 October 2023 (Annex XI).

On 31 December 2024, the certificate of completion No. LS-1603 for the development or adaptation of an IT solution to improve communication opportunities for deaf people, implementation and training of the target group was issued by the supplier “DcafCom CZ s.r.o” (Annex XII), certifying the finalisation of services and its entry into operation.

The solution enhances communication for deaf individuals by enabling real-time interaction without a physical sign language interpreter, using mobile and tablet devices. It offers functionalities such as sign language interpretation, text-to-text services, and selection of preferred interpreters, supporting various communication scenarios. The implementation adheres to accessibility and security standards, involving modules for hearing-impaired users, authorised bodies, and translators. The solution is accessible to the public through an external portal, allowing authenticated users, including sign language interpreters, professional bodies and administrators, to use the IT solution.

The Commission services conducted an on-the-spot check on 10 July 2024 to verify the use of the applications on the public service portal of the Ministry of Labour. This check was completed successfully, confirming that the applications facilitate access to digital public services for people with disabilities.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 79 Entry into operation of digital learning facilities

Related Measure: C3.C-1-4- C-1-4.3- Production of digital education content and resources

Quantitative Indicator: Number

Baseline: 0

Target: 1704

Time: Q2 2024

1. Context:

The aim of the investment is to develop the technological solutions needed for digital teaching, study resources and IT infrastructure in educational institutions to enable personalised distance learning.

Target 79 concerns the entry into operation of digital learning facilities which include a digital resources platform, prototypes for remote/blended learning, equipment of classrooms and lecture halls with hybrid learning equipment and the digitalisation of courses.

Target 79 is the only target related to this investment.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactory fulfilled.
2	Certificate of acceptance of 10 October 2024 for the development of the digital learning platform (www.emokykla.lt).	The certificate of acceptance certifies that the digital learning platform has been developed by the contractor in accordance with the signed contract of 24 October 2023 and has been transferred to the National Education Agency.
3	Technical specifications for the development of the digital education platform.	The technical specifications set out the general and functional requirements for the development of the digital learning platform.
4	Protocol of approval of 23 May 2024 of three prototypes for remote/blended learning having been developed, tested and implemented (hereinafter referred to as “Protocol”).	The Protocol includes minutes of a meeting of the evaluation committee with the chair, secretary and two members present. The agenda of the meeting includes two points: (i) on the acceptance of the prototypes for distant and hybrid education and (ii) on the expert evaluation and approval of final report of the prototypes.

5	List of 1777 entries, including (i) university/school, identifier of lecture halls and classrooms equipped with hybrid learning equipment, type of equipment received and contract references and (ii) courses/modules/assignments, name of institution, name and reference of the digitalised course.	For the entries of the list subject to sampling (60 units), Lithuania provided evidence, for example: (i) contracts for the supply of equipment, and certificates of acceptance of the equipment and contracts for lending equipment to schools/universities or (ii) protocols for the validation of a digitalised course.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Entry into operation of digital learning facilities which include:

- **(i) a digital resources platform**

The digital learning platform (hereinafter referred to as "Platform") entered into operation, as evidenced by the certificate of acceptance of 10 October 2024, signed by the National Education Agency with reference to the signed contract of 24 October 2023 with the IT developer (evidence 2). The Commission services accessed the link provided by the authorities on 14 July 2025 to verify that the Platform is online. This check was completed successfully, confirming that the Platform is operational and provides digital resources to students and teachers. The different types of digital resources include a repository system with available material for creating and grading tests, interactive simulations (focused on topics such as chemistry, biology and physics), video lessons (e.g. AI and mathematics), educational games.

- **(ii) 3 prototypes for remote/blended learning have been developed, tested and implemented**

The Protocol of approval for the prototypes states that the final versions of three prototypes (for blended, hybrid and distance education) were tested by a team of testers, and the developer took the provided comments into account and corrected errors (evidence 4, point 1). According to the Protocol, the developer also submitted a final evaluation report of the three prototypes (evidence 4, point 2). On this basis, the three prototypes for remote or blended learning have been accepted and made available on the Platform.

The Commission services conducted an on-the-spot check on 14 July 2025 to verify that three prototypes for remote/blended learning were implemented. The check was completed successfully, confirming that the Platform provides courses labelled as blended, hybrid or distance learning, and thus that the prototypes are implemented and on the Platform.

- **(iii) lecture halls (200 units) and classrooms (557 units) have been equipped with hybrid learning equipment,**

- **(iv) digitalized study subjects/modules/assignments delivered in Lithuanian or English (1020 units).**

Lithuania provided a list of 1777 units (evidence 5), including (i) a list of lecture halls (200 units) and classrooms (557 units) outlining the equipment installed, the contract references for the purchase of the equipment, the name of schools/universities receiving the equipment, and the lecture halls or classrooms equipped, and (ii) a list of digitalised study subjects/modules/assignments delivered in Lithuanian or English (1020 units).

Following the selection of a random sample of 60 units, Lithuania submitted:

(i) for units related to hybrid equipment: evidence such as contracts for the purchase of the equipment, acceptance protocols for the equipment, and contracts for lending the equipment signed between the National Education Agency and the receiving school/university, indicating how many sets of equipment (with unique identifiers) were provided to a given school. In some instances, the contracts for the delivery and installation of hybrid equipment were signed directly between the receiving university and the provider of the equipment.

The certificates of acceptance of the equipment, along with the contracts for lending the equipment between the National Education Agency (as the buyer of the equipment) and individual universities and schools, confirmed that the lecture halls and classrooms were equipped with the respective hybrid learning equipment.

(ii) for units related to digitalised study subjects/modules/assignments: evidence such as protocols for the validation of digitalised study subjects/modules/assignments.

The evidence provided for the sample of 60 units confirmed that the requirements of the target have been met and that 777 classrooms and lecture halls (23 sample units) were equipped with hybrid learning equipment as confirmed by the certificates of acceptance of the equipment or the contracts for lending of the equipment between the National Education Agency and individual universities and schools, and that 37 digitalized study subjects/modules/assignments were delivered of which 23 in Lithuanian and 14 in English (37 sample units) as confirmed by the protocols for the validation of the study subjects/modules/assignments.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 81 Signature of contracts for financial incentives for business creation and digital innovation

Related Measure: C3.C-1-4- C-1-4- Prerequisites for innovative technological solutions in business and daily life

Quantitative Indicator: Number

Baseline: 0

Target: 194

Time: Q3 2024

1. Context:

The aim of the investment C.1.4. is to create the necessary conditions for science and business to foster the development and deployment of advanced AI tools for the Lithuanian language and ensure universal access to digital resources for further innovation in technology, services, and products based on cultural content.

Target 81 is part of sub-measure C.1.4.4, which aims to provide financial incentives for creating businesses and fostering digital innovation. It supports business service centres in deploying robotic process automation and AI solutions by covering costs related to consultancy, training, licenses, remuneration, and equipment. Additionally, it supports start-ups and spin-offs in developing AI, blockchain, and robotics products by financing early-stage product development, market analysis, technological concept creation, and achieving market readiness. Target 81 foresees the signature of contracts for financial incentives for i) business service centres to deploy robotics process automation and artificial intelligence solutions and for ii) start-ups and spin-offs to develop products and solutions for AI, blockchain technologies or robotics process automation.

Target 81 is the second and final target of the sub-measure, following the completion of milestone 80, related to the publication of a call for tender.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	Order of the Ministry of Economy and Innovation of 20 June 2023 No. IV-328 on the provisions of Order No. IV-877 of 15 July 2022 on the establishment programme of the operator of the 2022-2030 enlargement programme No. 05-001-01-05-05- 05 'Incentivising enterprises to digitalise' (hereinafter referred to as "Order No. IV-328 of 20 June 2023").	Order No. IV-328 20 June 2023 approving the financing terms for start-ups and spin-offs to develop AI, blockchain technologies, robotics automation products and solutions.

3	Call for tender of the Ministry of Economy and Innovation of 27 June 2023 No. 02-018-k on the description of the conditions for financing projects of activities “Financial incentives for start-ups and spin-offs to develop AI, blockchain technologies, robotics automation products and solutions”, approved by Order No. 4-328 of the Minister of Economy and Innovation of the Republic of Lithuania of 20 June 2023.	The call for tender was drawn up in accordance with the description of the conditions for financing projects under Measure No. 05-001-01-05-05 ‘Incentivising enterprises to digitalise’ (hereinafter referred to as “the Progress Facility”) of the activity ‘Financial incentives for start-ups and spin-offs to develop AI, blockchain technologies, robotics processes automation products and solutions’ (hereinafter referred to as “the Procedure”) approved by Order No. 4-328 of the Minister for the Economy and Innovation of the Republic of Lithuania of 20 June 2023.
4	Order of the Ministry of Economy and Innovation of 3 February 2023 No. IV-56 on the provisions of order No IV-877 of 15 July 2022 on the establishment programme of the operator of the 2022-2030 no 05-001-01-05-05-05 (hereinafter referred to as “Order No. IV-56”).	Order No. IV-56 approving the financing terms for business service centres to develop and deploy robotics process automation (RPA) and artificial intelligence (AI) solutions.
5	Order of the Ministry of Economy and Innovation of 9 May 2024 No. IV-256 on the provisions of order No. IV-877 of 15 July 2022 on the establishment programme of the operator of the 2022-2030 no 05-001-01-05-05-05 (hereinafter referred to as “Order No. IV-256”).	Order No. IV-256 approving the financing terms for business service centres to develop and deploy robotics process automation (RPA) and artificial intelligence (AI) solutions
6	Call for tender of the Ministry of Economy and Innovation of 15 February 2023 No. 02-07-k on the description of the conditions for financing projects of activities “Financial incentives for business service centres to develop and implement robotics process automation (RPA) and AI solutions”, approved by Order No. IV-56 of 3 February 2023 of the Minister of Economy and Innovation of the Republic of Lithuania.	The call for tender was drawn up in accordance with the description of the conditions for the financing of projects under Measure No 05-001-01-05-05 of the Lithuanian Ministry of the Economy and Innovation Programme for the Development of Economic Transformation and Competitiveness for 2022-2030 (hereinafter referred to as “the Progress Measure”) approved by Order No. IV-56 of the Minister for the Economy and Innovation of the Republic of Lithuania of 3 February 2023.
7	Call for tender of the Ministry of Economy and Innovation of 16 May 2024 No. 02-102-k on the description of the conditions for financing projects of activities “Financial incentives for business service centres to develop and implement robotics process automation (RPA) and AI solutions”, approved by Order No. IV-256 of 9 May 2024 of the Minister of Economy and Innovation of the Republic of Lithuania.	The call for tender was drawn up in accordance with the description of the conditions for the financing of projects under the Progress Measure approved by Order No. IV-256 of the Minister for the Economy and Innovation of the Republic of Lithuania of 9 May 2024.

8	List of contracts for financial incentives for business service centres and start-ups and spin-off.	The list contains a total of 189 contracts for financial incentives to develop and deploy robotics process automation (RPA) and AI solutions as well as blockchain technologies.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Signature of contracts for financial incentives for business creation and digital innovation:

1) 12 contracts for financial incentives for business service centres to deploy robotics process automation (RPA) and artificial intelligence solutions (AI).

On 9 May 2024, the financing terms of the contracts were approved by Orders No. IV-56 and No. IV-256 of the Ministry of Economy and Innovation of the Republic of Lithuania (evidence 4 and 5) and entered into force on 4 February 2023 and 10 May 2024 respectively, establishing the specific funding, eligibility and compliance requirements. Chapter 2.1. of the Orders No. IV-56 and No. IV-256 defines the scope and types of activities eligible for funding: (i) consultancy services related to the initial analysis of the project on the processes to be automated and the solutions enabling these processes; (ii) training costs related to the development of the automated Enterprise Service Architecture (ESA) and AI solutions; (iii) acquisition of licences, including robots and software licences, related to the project; (iv) remuneration for time spent on project activities; (v) equipment and rental costs related to the installation and operation of the automated solutions (e.g. server rental).

On 15 February 2023, the first call for tender No. 02-07-k on the description of the conditions for financing projects of activities "Financial incentives for business service centres to develop and implement robotics process automation (RPA) and AI solutions", was published by the Ministry of Economy and Innovation. This call was approved by Order No. IV-56 (evidence 6). However, only five projects were positively assessed, and hence only five contracts were signed.

Therefore, on 16 May 2024, a second call for tender No. 02-102-k on the description of the conditions for financing projects of activities "Financial incentives for business service centres to develop and implement robotics process automation (RPA) and AI solutions", was published by the Ministry of Economy and Innovation. This call was approved by Order No. IV-256 (evidence 7), resulting in seven additional contracts being signed with project promoters.

2) 182 contracts for financial incentives for start-ups and spin-offs to develop products and solutions for artificial intelligence, blockchain technologies or robotics process automation.

On 20 June 2023, the financing terms of the contracts were approved by Order No. IV-328 of the Ministry of Economy and Innovation of the Republic of Lithuania (evidence 3). Order No. IV-328 entered into force on 21 June 2023, establishing the specific funding, eligibility and compliance requirements as well as the scope and types of activities eligible for funding. Chapter 2.9 of Order No. IV-328 defines that the funding focuses on (i) the initial stage of maturity for products and services before raising investment capital, (ii) market needs analysis, (iii) development of a technological solution concept, (iv) creation of a minimum viable product, and (v) achieving product marketability.

On 27 June 2023, the call for tender No. 02-018-k on the description of the conditions for financing projects of activities “Financial incentives for start-ups and spin-offs to develop AI, blockchain technologies, robotics automation products and solutions”, was published by the Ministry of Economy and Innovation. This call was approved by Order No. 4-328, and 182 contracts with project promoters were signed.

The Council Implementing Decision required 194 contracts for financial incentives to develop and deploy robotics process automation (RPA) and AI solutions as well as blockchain technologies. Lithuania submitted a list of business service centres and start-ups and spin-offs that received financial incentives between December 2023 and February 2025 (evidence 8). The list contains a total of 189 contracts for financial incentives to develop and deploy the aforementioned activities. The reported number is lower than the total number of contracts signed because Lithuania excluded five contracts that are subject to on-going investigations conducted by the Financial Crime Investigation Service (FCIS) of Lithuania. While this constitutes a minimal numerical deviation of 2.6% from the total number of contracts required by the Council Implementing Decision (189 reported contracts instead of 194 required), the overall objective of this target is considered met notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

Following the selection of a random sample of 60 units, Lithuania submitted the list of 189 contracts with project promoters. The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met by reviewing the name of the project promoter, the areas of activities specified in the contracts, the date of signature and the unique contract reference number matching the information included in the list.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 102 Number of teachers who completed the course to improved digital competences

Related Measure: C4.D-1-1- D-1-1- Modern General Education – Background to Competitive Competences (sub-measure D.1.1.6)

Quantitative Indicator: Number

Baseline: 0

Target: 2200

Time: Q4 2024

1. Context:

The objective of the reform is to improve general education to reduce achievement gaps among pupils. The objective of the sub-measure is to foster the uptake of digitally driven educational innovations in schools and to strengthen the digital competences of teachers, including the creation of a platform to test innovation in educational institutions.

Target 102 concerns the completion of the course on IT competences and digitally driven educational innovation in schools by at least 2200 pedagogical staff (pre-primary, primary, lower and upper secondary schools).

Target 102 is the third step of the implementation of the reform, and it is accompanied by targets 103 and 104 in this payment request, related to increasing the number of educators with enhanced digital skills.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document.	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	List of participants who completed the course.	A list of 2470 teachers who completed a 40-hour training programme.
3	Call to participate in trainings of 14 October 2022.	The call by the National Education Agency inviting teachers in pre-primary, primary, lower and upper secondary schools to participate in trainings.
4	Training programme for pre-primary and primary teachers, level A1.	The training programme sets out the eligibility criteria, the objectives of the course and the envisaged course activities for level A1.
5	Training programme for pre-primary and primary teachers, level A2.	The training programme sets out the eligibility criteria, the objectives of the course and the envisaged course activities for level A2.
6	Training programme for pre-primary and primary teachers, level B1.	The training programme sets out the eligibility criteria, the objectives of the course and the envisaged course activities for level B1.
7	Training programme for pre-primary and primary teachers, level B2.	The training programme sets out the eligibility criteria, the objectives of the course and the envisaged course activities for level B2.

8	Training programme for secondary teachers, levels A1-C1.	The training programme sets out the eligibility criteria, the objectives of the course and the envisaged course activities for levels A1-C1.
9	Training certificates.	For a sample of 60 units, training certificates.
10	Agreement No. ŠMSM-V-004-0001 of 10 August 2022 of the project "Digital Education Transformation ("EDTech")".	The agreement signed between the Central Project Management Agency and the National Education Agency details the project's objectives, which include enhancing the efficiency of the education system and the quality of learning outcomes using educational technologies and innovations. It outlines specific activities such as the implementation of educational technology solutions and the training of teachers in digital competencies. The budget for the project is thoroughly described. Additionally, the document lists the partners involved in the initiative, which include various universities, colleges, and other educational institutions across Lithuania.
11	Ministerial Order No. V-689 of 3 May 2021 of the Minister of Education, Science and Sport of the Republic of Lithuania "Regarding the approval of the team of the project 'EDtech digital transformation of education'".	The document lists the team members and outlines their responsibilities.
12	Link to EDTech platform: https://edtech.nsa.smm.lt/	Commission services accessed the link and were able to check that the EDTech platform presents the project description, provides links to digital learning tools and includes call for schools to submit an application form to test EDTech solutions in their institutions.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

At least 2200 pedagogical staff (pre-primary, primary, lower and upper secondary schools) shall complete the course on IT competences and digitally-driven educational innovation in schools.

Lithuania submitted a list of 2470 participants who took part in the courses (evidence 2). Following the selection of a random sample of 60 units, Lithuania submitted certificates of completion which shows the completion of the course on IT competences and digitally-driven educational innovation in schools. Subsequent to the sampling exercise, Lithuania identified a clerical error and rectified it by deleting one name in the participants list resulting in 2469 participants. As this unit was not selected for the sample and constitutes less than 5% of the target value, this deletion has no impact on the satisfactory fulfilment of the target.

Evidence for each of the 60 sampled participants was reviewed by checking that the certificate number and the name and surname of the holder matched the list, that the certificate concerned IT and digitally-driven educational innovation in schools, and that the date of issuance was after 1

February 2020. The evidence provided for the sample of 60 units confirmed that the participants successfully completed a course in line with the provided training programmes.

The training consisted of two programmes targeting: (i) pre-primary and primary teachers at levels A1, A2, B1 and B2 and (ii) secondary school teachers at levels A1, A2, B1, B2 and C1 (evidence 3).

The courses offered within the programmes cover topics related to IT competences and digitally-driven educational innovation in schools (evidence 4-8).

According to the content of the programmes (evidence 4-8) each programme consists of six interconnected competency fields covering the key areas for modern digital educators: (i) Information and Data Literacy, (ii) Communication and Collaboration, (iii) Digital Content Creation, (iv) Safety, (v) Problem Solving, (vi) Digital Teaching and Learning. The total duration of each training programme is 40 academic hours.

According to the content of the programmes for pre-primary and primary teachers (evidence 4-7), the objectives are to:

- equip teachers with basic skills and knowledge in the use of digital technologies and familiarise them with digital tools and resources;
- enable teachers to work directly with digital technologies and integrate them into their school day-to-day activities;
- develop teachers' ability to search for information online, use search engines properly, filter results and assess the reliability of information;
- help teachers understand and develop digital ethics and security aspects;
- develop teachers' ability to communicate and cooperate safely and ethically in cyberspace;
- encourage teachers to use digital tools creatively to improve the quality of teaching and help students acquire digital competences.

According to the content of the programmes for secondary teachers (evidence 8), depending on the competency level, the training includes various activities under each of the six key areas for digital educators listed above. For example:

- browse, search and filter information;
- analyse, compare and evaluate sources of data, information and digital content;
- digital identity management;
- communication and collaboration using digital technologies;
- creation and editing of content in different formats through digital multimedia and technology, copyright and licences;
- protection of personal data and privacy, identify and manage risks to well-being linked to the use of digital technologies;
- innovative and creative use of digital resources in the education process and developing the digital competences of pupils.

In view of this, the objective of the courses is to help teachers develop digital competences and acquire skills to support the creative use of digital technologies in teaching thereby promoting digitally-driven educational innovation in schools.

The target aims to improve IT competences and promote digitally driven educational innovation among pedagogical staff. All training programmes required participants to be pre-primary, primary, or secondary school teachers, depending on the programme (evidence 4-8). The National Agency of

Education, in its call for applications to Lithuanian municipalities (evidence 3), specified that the trainings were dedicated to teachers and encouraged municipalities to promote teacher participation. The participant list submitted by Lithuania included each individual's assigned school level. Lithuania confirmed that supporting documentation was collected for all participants. This documentation includes the participant's full name, school of employment, proof of position, and confirmation of pedagogical role.

Furthermore, in line with the measure description, **an expert team and an umbrella EDtech project shall be set up to support the development of digital innovation in education and to create a platform to test innovation in educational institutions. The EDtech platform shall link start-ups and innovators to schools and their training needs and allow the testing of innovative solutions. [...]**

Agreement No. ŠMSM-V-004-0001 of 10 August 2022 for the project "Digital Education Transformation ("EDTech")" signed between the Central Project Management Agency and the National Education Agency, dated 10 August 2022 (evidence 10) confirms that the "Digital Transformation of Education" (EDTech) project was established as an umbrella initiative and aims to increase the efficiency of the educational system and the quality of learning outcomes through the application of educational technologies and innovations. This project was set up to facilitate the development and testing of innovative solutions within educational institutions, thereby promoting the use of digital content and technology in education.

Ministerial Order No. V-689, of the Minister of Education, Science and Sport of the Republic of Lithuania "Regarding the approval of the team of the project 'EDtech digital transformation of education', dated 3 May 2021 (evidence 11), established an expert group to manage the implementation of the project.

The EDTech platform has been established to connect start-ups and innovators with schools, aligning with their training needs and enabling the testing of these innovations (evidence 12, Section "About us"). Throughout the project, calls for EDTech start-ups, developers, innovative teachers, and training participants were announced and published on the EdTech platforms. The website also features the latest call for educational institutions to submit their applications for a free trial of solutions in educational institutions published on 31 July 2025 inviting schools to fill out an application form to test EdTech solutions in their institutions. In the application form schools can express their expectations and select solutions according to their specific needs (evidence 12).

Furthermore, in line with the measure description, **the digital competences at all levels of education, from pre-primary teachers to higher education teachers shall also be improved and the use of digital content and technological tools in the educational process to improve educational outcomes shall be promoted.**

As described above, the digital competences from pre-primary to secondary school teachers have been improved through the participation of 2469 teachers in training on IT competences and digitally-driven educational innovation in schools. The objectives of the courses confirm the promotion of the use of digital content and technological tools in the educational process to improve educational outcomes**.**

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Target: 103 Number of university or college staff who completed the course to improve the digital competences

Related Measure: C4.D-1-1- D-1-1- Modern General Education – Background to Competitive Competences

Quantitative Indicator: Number

Baseline: 0

Target: 800

Time: Q2 2024

1. Context:

The objective of the reform is to improve general education to reduce achievement gaps among pupils. The objective of the sub-measure is to foster the uptake of digitally driven educational innovations in schools and to strengthen the digital competences of teachers.

The target concerns the completion of the course on IT competences by at least 800 university or college staff.

Target 103 is the second step of the implementation of the reform, and it is accompanied by targets 102 and 104 in this payment request, related to increasing the number of educators with enhanced digital skills.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	List of participants	A list including all participants to the trainings, from which the sample was drawn.
3	Training programmes of 23 training providers	Most of training programmes include training content, duration, competences gained and target audience.
4	Training certificates	For a sample of 60 units, training certificates were provided, which include the title of trainings and the competences gained.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

At least 800 university or college staff shall have completed the course on IT competences.

The Lithuanian authorities have provided a list of 800 participants who took part in the courses (evidence 2). The list included each individual’s assigned higher education institution (HEI). The Lithuanian authorities have confirmed that, for each applicant to the training, a check had been performed to establish that the participant is HEI staff, by verifying the participant’s employment at the time of enrolment.

Following the selection of a random sample of 60 units, Lithuania submitted certificates of completion for IT courses as per the provided training programmes (evidence 4). The certificates in the sample included both the training titles and the competences acquired, confirming that the completed courses relate to IT competence. The evidence provided for a sample of 60 units confirmed that the requirement of the target has been met.

Evidence for each of the 60 sampled participants was reviewed by checking that the certificate number and the name and surname of the holder matched the list, that the certificate concerned IT competences, and that the date of issuance was after 1 February 2020.

Evidence 3 provides the programme for each training course provided. The titles of the training courses confirm that the courses are on IT competences. The titles include digital competency training for lecturers, digital competence development programme for lecturers, digital competency training for lecturers moodle.org, lecturer's digital competence (DigCompEdu) development programme, development of digital learning tools, creating elements for of gamified and interactive content in Moodle virtual learning environments, professional development programme for digital transformation competencies of higher education lecturers and digitally competent lecturer. The titles also confirm that the training is focused on lecturers, who by definition work in higher education institutions. In the Lithuanian language, the term "*dėstytojas"* which is used in the title of the programmes specifically refers to a teaching staff member in a higher education institution, which includes universities and colleges.

Furthermore, in line with the sub-measure description, **the digital competences at all levels of education, from pre-primary teachers to higher education teachers shall also be improved, and to promote the use of digital content and technological tools in the educational process to improve educational outcomes.**

As described above, the digital competences at the level of higher education have been improved through the participation of 800 higher education lecturers in the course to improve IT competences. Objectives of the courses confirm the promotion of the use use of digital content and technological tools in the educational process to improve educational outcomes.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 104 Number of pedagogical staff qualified as an IT teacher or acquired master degree of IT

Related Measure: C4.D-1-1- D-1-1- Modern General Education – Background to Competitive Competences

Quantitative Indicator: Number

Baseline: 0

Target: 500

Time: Q2 2024

1. Context:

The objective of the reform is to improve general education to reduce achievement gaps among pupils. The objective of the sub-measure is to foster the uptake of digitally driven educational innovations in schools and to strengthen the digital competences of teachers.

Target 104 concerns the acquisition of additional qualification as IT teachers for pedagogical staff or the acquisition of a master's degree in IT.

Target 104 is the first step of the implementation of the reform, and it is accompanied by targets 102 and 103 in this payment request, related to increasing the number of educators with enhanced digital skills.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document.	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	List of participants.	A list including all trained teachers from which the sample was drawn.
3	Certificates of completion of an IT teacher qualification programme or diploma of master's degree in IT.	For a sample of 60 units, certificates of completion of a teacher qualification programme or a diploma of master's degree on IT were provided.
4	Evidence of pedagogical qualification.	For the same sample of 60 units, evidence of the individual's pedagogical qualification was provided (for example a bachelor diploma in education).

5	Master's programmes in IT: 1. Master study program implemented by Kaunas University of Technology "Information Technologies of Distance Learning"; the program was established by Senate Decree No. 84 of 21 May 2003. 2. Master study program implemented by Vytautas Magnus University "Applied Informatics"; the program was established by Study Committee of the Faculty of Informatics, Meeting Protocol No. 01 of 3 May 2022. 3. Master study program implemented by Vilnius University Šiauliai Academy "Information Technology Management"; the program was established by Study Program Committee of Informatics Field, Meeting Protocol No. (2.1 E) 850000-KT-47 of 15 February 2022. IT teacher qualification programmes: 1. Pedagogical specialization module implemented by Vytautas Magnus University Education Academy "Information Technologies"; the module was established by the Council of the Education Academy, Decree No. ŠA-TA-N-12 of 12 April 2022, Vilnius. 2. Subject module implemented by Vilnius College "Informatics"; the module was established by the Dean of the Faculty of Pedagogy, Order No. PD V1-41 of 29 September 2022. 3. Subject module implemented by Vilnius University "Informatics Subject Module"; the module was established by the Council of the Faculty of Mathematics and Informatics, Decree No. (1.5 E) 110000-TPN-15 of 15 June 2022. 4. Subject module implemented by Vilnius University Šiauliai Academy "Information Technology Subject Module"; the module was established by the Study Program Committee of Informatics Sciences, Meeting Protocol No. (2.1 E) 850000-KT-15 of 14 January 2022. 5. Subject module implemented by Kaunas University of Technology "Informatics"; the module was established by the Study Program Committee of the Field of Software Systems (code PRS-KSPK). The subject module was established by Council of Faculty of Informatics, Meeting Protocol No. V10-TF-14-02 of 22 June 2022.	Study programmes for the three master's programmes in IT and the five IT teacher qualification programmes that participants completed under this measure.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

At least 500 pedagogical staff shall have acquired additional qualification as IT teacher or shall have acquired a master's degree of IT.

The teachers trained under this measure have acquired their qualifications through three master's degree programmes in IT conducted by Siauliai Academy of Vilnius University, Vytautas Magnus University, and Kaunas University of Technology and five IT teacher qualification programmes conducted by the same institutions along with Vilnius University and Vilnius College (evidence 5). The scope of these programmes varies: module-based studies cover 60 credits, while master's studies range from 90 to 120 credits. Each credit equates to 27 academic hours, ensuring comprehensive training for participants.

Lithuania has submitted a list of 514 trained teachers. The list includes 79 teachers who completed master's studies in IT and 435 teachers who finished study programmes for IT teacher qualifications. Additionally, the list specifies the serial number and issuance date of each master's diploma or qualification certificate, the course title, the full name of each trained teacher, and the serial number and field of their bachelor's diploma (evidence 2).

Following the selection of a random sample of 60 units, Lithuania submitted the required documentation, including certificates of completion for IT teacher qualification programmes or master's diplomas in IT (evidence 3), to confirm that participants acquired qualification as IT teacher or shall have acquired a master degree of IT. Additionally, Lithuania submitted documentation regarding participants' pedagogical qualifications (evidence 4) to substantiate that the training participants were indeed teachers. Such evidence includes bachelor's or master's diplomas in education, study certificates or diplomas awarding the professional qualification of teacher, as well as, where necessary, official documentation granting recognition of teaching qualifications in accordance with Order "Regarding the approval of the description of the requirements for teachers' qualifications" No. V-774 of 29 August 2014, issued by the Minister of Education, Science and Sport of the Republic of Lithuania. Where relevant, other evidence documents were provided (for example marriage certificates to match the surnames on the diplomas). The evidence provided for a sample of 60 units confirms that the requirements of the target have been met, thus exceeding the goal of the Target 104 by 14.

Evidence for each of the 60 sampled participants was reviewed, checking that the certificate or master's diploma number and the name and surname of the holder matched the list, that the certificate concerned an IT teacher qualification or a master's degree in IT, and that the date of issuance was after 1 February 2020, as well as whether the submitted general diplomas or other supporting documents were sufficient to prove pedagogical qualification.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 108 Entry into service of the one-stop-shop information system for lifelong learning

Related Measure: D.1.2. - Access to the development of competences and the recognition of qualifications for adults

Qualitative Indicator: Entry into service of a one-stop shop lifelong learning (LLL) information system operating on the 'Individual Learning Account' principle

Time: Q1 2023

1. Context:

The objective of the measure D 1.2 'Access to the development of competences and the recognition of qualifications for adults' is to establish a unified model for lifelong learning (LLL) governance, featuring a comprehensive IT system that consolidates quality-assured programmes and facilitates the development of high value-added competences.

Milestone 108 concerns the entry into service of the lifelong learning IT system.

Milestone 108 is the second milestone of the reform, and it follows the completion of milestone 107, related to the entry into force of the legislation on the establishment of the lifelong learning (LLL) model, including its governance, monitoring and funding elements as well as principles including those for identification of target groups of participants as well as principles of the LLL IT system based on the individual learning accounts. It will be followed by target 109, related to 21 600 people will have completed training within the LLL framework and priority given for low-skilled individuals.

The reform has a final expected date for implementation on 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Link to the LLL IT system: https://kursuok.lt/	Publicly available website of the LLL IT system.
3	Government Resolution No. 819 of 22 October 2023 "On the Approval of the List of Ministries and the Non-formal Adult Education and Continuing Learning Financing Measures Administered by Them to be Included in the System of Individual Learning Accounts, List of the Priority Areas of the Publicly Financed Programmes Provided in the System of Individual Learning Accounts, and the Approval of the Priority Groups of Individuals to be Participants of the System of Individual Learning Accounts", which entered into force on 28 October 2023. Link: https://e-	It designates priority groups and areas in the LLL framework and allocates resources to these areas to support the integration of high added value learning programmes.

	seimas.lrs.lt/portal/legalAct/lt/TAD/7cfd868674b011eeadbcc0bf53e6c339?positionInSearchResults=0&searchModelUUID=8a40002e-a0d5-4f51-8bf0-4fb74ac57845	
4	Ministerial Order No. V-1515 of 29 November 2023 “On the Approval of the Procedures for the Administration of the Individual Learning Accounts System and the Financing of Persons Seeking to Improve and/or Acquire Competences through the System as well as on the Approval of the Procedures for the Organisation of the Call for Tenders to Receive the Financing of the Participation in the Programmes of Non-formal Adult Education and Continuing Learning”, which entered into force on 30 November 2023. Link: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/35c620a08ef611eea791d94269904d9b?positionInSearchResults=0&searchModelUUID=b9a572a4-9d49-4cdb-9508-f610740af836	The legislation establishes the administration and management of the LLL IT system, the requirements for providers of non-formal adult education and continuing learning programmes, the rights and obligations of training providers, the selection and registration of learning programmes, the funding of learning programmes through the ILA credit, and the use of the funds and the reporting of payments.
5	Law No. XI-242 on Science and Studies Article 57 of the Republic of Lithuania of 30 April 2009 Link: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.343430/asr	Article 57 allows individuals to seek evaluation and recognition of competencies acquired through formal, non-formal, and self-directed learning at higher education institutions.
6	Ministerial order No. V-289 of 24 April 2017 of the Minister of Education, Science and Sport of the Republic of Lithuania “On the adoption of the general principles for the assessment and recognition of competences acquired through non-formal and informal learning related to higher education in higher education institutions”. Link: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/7f369150292911e79f4996496b137f39?positionInSearchResults=0&searchModelUUID=7a1e66d7-d1f3-4998-9aae-79188a2957ed	The general principles for evaluating and recognising competencies related to higher education, acquired through non-formal and self-directed learning, emphasise lifelong learning to enhance job market opportunities. Competencies gained through non-formal or self-directed learning are formally recognised and equated to parts of a formal education programme, with opportunities for appeal if recognition is disputed.
7	The handover acceptance act between the Association of Lithuanian Higher Education Institutions for General Admissions (LAMA BPO) and the European Social Fund Agency No. 2025-MVG-02 of 16 October 2025	A handover acceptance act for programming work related to the creation and implementation of an LLL IT system. It confirms that the programming work performed by the project partner, Lithuanian Higher

		Education Institutions for General Admissions (LAMA BPO), is in accordance with the technical specifications outlined for the system of individual learning accounts, including the integration of the Employment Service's information system.
8	Report of examples of Priority Areas of State-Funded Programs Provided in the Individual Learning Accounts System prepared by Ministry of Education, Science and Sport	A comprehensive list of example trainings for each priority group, as set out in Government Resolution No. 819 of 22 October 2023 (Evidence 3) and with direct links to the trainings in the LLL system.
9	Data transfer agreement between the Lithuanian National Education Agency and the Association of Lithuanian Higher Education Institutions for General Admissions No. DP-84 2024/06/28 of 28 June 2024	Appendix 4 of the agreement sets out the procedures for data exchange with the Register of Diplomas, Secondary Education Certificates and Qualification Certificates
10	Report on certificate issuance process prepared by Ministry of Education, Science and Sport	The report explains the process of certificate issuance within the system, including the interaction with Diplomas, Certificates, and Qualifications Register where certificates are stored. Also, report provides example of the certificate.
11	Order No. V-294 of 21 September 2022 of the Director of the Employment Service under the Ministry of Social Security and Labour of the Republic of Lithuania amending Order No. V-438 of 4 November 2020 "On the Approval of the List of Qualifications and Competences that Create High Added Value", which entered into force on 21 September 2022. Link: https://www.e-tar.lt/portal/lt/legalAct/988b72b0398611edbc04912defe897d1	This order approves the official list of qualifications and competences that create high added value, identifying the relevant professions and competences.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into service of the lifelong learning (LLL) IT system which shall be fully operational. The one-stop-shop lifelong learning system shall be fully operational by 31 March 2023.

The handover acceptance act of the LLL IT system signed by the Association of Lithuanian Higher Education Institutions for General Admissions (LAMA BPO) and the European Social Fund Agency on

16 October 2025 (evidence 7) and the website of the LLL IT system (https://kursuok.lt/), which the Commission services were able to access, show that the LLL IT system is fully operational.

The Council Implementing Decision required LLL IT system to be fully operational by 31 March 2023. LLL IT system became accessible to learning providers in late 2023 and opened to participants in January 2024. The recognition of competences/qualifications functionality became available to participants from January 2025. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the LLL IT system is fully operational at the time of the assessment

[...] and shall represent all learning offers related to the implementation of the LLL framework, including programmes with high added value. Furthermore, in line with the measure description, **[the LLL system shall] provide a clear communication tool on the measures proposed by the State to develop competences**

Government Resolution No. 819, dated 22 October 2023 (evidence 3), establishes priority areas for learning programmes consisting of all learning offers for the LLL framework, which the LLL IT system implements (evidence 8) by including the comprehensive list of these learning programmes, including those with high added value, as defined by Order No. V-294 of 21 September 2022 of the Director of the Employment Service (evidence 11). The Commission services accessed links (evidence 8) provided by the authorities on 30 October 2025 to verify if all learning offers related to the implementation of the LLL framework are represented. This check was completed successfully, confirming that all learning offers related to the implementation of the LLL framework are represented.

The LLL IT system allows eligible participants to access specific funding and programmes, helping to meet government educational goals. During an on-the-spot check of the LLL IT system that was conducted by the Commission services on 26 June 2025 it was observed that high added value learning programmes are listed in the Register of Non-Formal Education Programmes, and a filter in the LLL IT system helps users find these programmes (e.g. “3D design for manufacturing”, “Fundamentals of operating hybrid and electric vehicles”, “Production of plastic products by injection molding”).

Evidence 8 confirms that the provided examples demonstrate that the LLL IT system represents all learning offers indicated in each priority group, as set out in Government Resolution No. 819 of 22 October 2023 (evidence 3). For example, the priority area of strengthening mathematical competence and competences in science, technology and engineering includes training such as Basics of 2D and 3D Design in AutoCAD and NC Milling Machine (Machining Center) Operator–Programmer and the priority area of strengthening civic competence includes trainings such as prevention of violence, harassment and conflicts in the organisation, and civic education.

As a nation-wide publicly available platform, equipped with a filtering tool and implementing learning programmes related to the LLL framework defined by the Ministry of Education, Science and Sport of the Republic of Lithuania in Government Resolution No. 819, dated 22 October 2023 (evidence 3), the LLL IT system constitutes a clear communication tool on the measures proposed by the State to develop competences.

People meeting the priority criteria defined during the implementation phase of the scheme shall be able to receive a learning offer and register through the LLL IT system.
Government Resolution No. 819, dated 22 October 2023 (evidence 3), establishes specific priority criteria for Individual Learning Account (ILA) credits. The LLL IT system interfaces with the Electronic Government Gateway, Social Security Registry and Registry of Residents to check if an individual cumulatively meets priority criteria, as follows:

- Persons aged between 18 and 65 who are citizens of the Republic of Lithuania or foreigners holding a document granting or confirming the right of residence in the Republic of Lithuania.
- Persons who have acquired qualifications, higher education and higher education qualifications, and/or foreigners with documents certifying high professional qualifications.
- Employed persons who meet at least one of the criteria referred to in Article 3(1)(1) and (2) of the Law on Employment of the Republic of Lithuania, therefore a person who is employed or has a legal relationship equivalent to an employment relationship, is a self-employed person, or engages in unpaid employment activities.

Persons meeting priority criteria can access funding through the LLL IT system. When a person logs into the system through the Electronic Government Gateway, the system automatically checks the person's data in the public registers and determines whether the person meets the criteria (employment status, education). If there is missing data, the system asks to upload additional documents. If person meets the priority criteria, he/she becomes eligible for up to EUR 500 in funding through the LLL IT system (ILA basket).

On 26 June 2025, the Commission services conducted an on-the-spot check of the LLL IT system. The verification confirmed that individuals meeting the priority criteria are able to receive a learning offer and register through the LLL IT system.

The individual learning account approach encompasses both the IT service to access training, and the financing of adult learning. Furthermore, in line with the measure description, **[the LLL IT system] shall allow not only to find information on learning opportunities, but also to register directly in the programmes [...].** Furthermore, in line with the measure description, **[...] support/administration shall be based on the principle of "individual learning accounts", encompassing both the IT service to access training, and the financing of adult learning.** Lastly, in accordance with the qualitative indicator, **the one-stop shop lifelong learning (LLL) information system shall be operating on the 'Individual Learning Account' principle.**

Ministerial Order No V-151, dated 29 November 2023 (evidence 4), confirms that a participant meeting the priority criteria (age, employment, status, education) indicated in the Government Resolution No. 819, dated 22 October 2023 (evidence 3) is eligible for access to financial Individual Learning Account credits up to EUR 500 every five years. This funding mechanism supports adult learning, ensuring that individuals meeting priority criteria can develop or update their professional competencies. The funding process and the access to training services s is conducted through the LLL IT system as follows:

1. An individual logs in to the LLL IT system via the Electronic Government Gateway and access his/her individual learning account.

2. The system automatically checks the person’s data in the public registers and determines whether the person meets the criteria of the priority group (age, employment status, education).
3. If there is missing data, the system asks to upload additional documents.
4. If a person meets the criteria for the priority group, he/she will be eligible for funding (ILA basket) of up to EUR 500.
5. The person selects a learning programme from those listed in the LLL IT system and starts the direct registration process reserving the budget during registration.
6. The person electronically signs the learning agreement with the training provider directly in the LLL IT system.
7. The learning provider confirms the person’s participation in the training and starts the training.
8. Upon completion, providers mark the participant’s completion in the LLL IT system, assess the participant’s knowledge, and participants submit feedback. Subsequently, certificates can be generated and downloaded.
9. The learning programme provider submits an electronic invoice to the European Social Fund Agency (ESFA) via the LLL IT system.
10. Upon invoice receipt and data verification, ESFA transfers funds to the learning programme provider, ensuring payment is made solely for participants who have completed the training, and all mandatory LLL IT system steps (submission of participant evaluation and feedback).

Although direct funding of individuals through the LLL IT system is not foreseen, the ESFA operates a structured payment process through this system. Payments are only made for completed training, where suppliers submit an electronic invoice, which is verified and processed by the ESFA within the set timeframes (20 working days invoice submission, 5 working days payment processing, 60 days payment deadline).

On 26 June 2025, the Commission services conducted an on-the-spot-check of the LLL IT system. The verification confirmed that the individual learning account approach encompasses both the IT service to access training, and the financing of adult learning.

The system shall provide access to career guidance [...]

The LLL IT system’s website https://kursuok.lt provides access to career guidance services. The platform hosts extensive informational resources and allows users to obtain remote consultations with career specialists either by submitting a request through the integrated chat-bot or by calling the telephone number published on the site.

On 26 June 2025, the Commission services conducted an on-the-spot check of the LLL IT system. The verification confirmed that the system provides access to career guidance through the means described above.

[...] gather information on competences acquired during training, as well as access to processes for the recognition of competences/qualifications.

Upon completion of a learning programme, a certificate is issued through the LLL IT system, based on the Europass certificate model. This certificate enables training providers to specify both the level of the Lithuanian Qualifications Framework and the level of the European Qualifications Framework. Additionally, a certificate delineates the competencies developed through the learning programme (evidence 10). On 26 June 2025, the Commission services conducted an on-the-spot check of the LLL IT system. The verification confirmed that certificates are issued through the LLL IT system, based on the Europass certificate model and describe the competencies developed through the LLL IT system. The certificate can be accessed via the website of LLL IT system in the person's account and is stored in the National Register of Diplomas, Certificates and Qualifications in accordance with the Data Transfer Agreement (evidence 9). These interfaces facilitate that information on competences acquired during training is gathered and enable the recognition of acquired competences and qualifications in accordance with the procedures set out in Law No XI-242 on Science and Studies of the Republic of Lithuania, article 57 (evidence 5) and Order No V-289 of 24 April 2017 of the Minister of Education, Science and Sport of the Republic of Lithuania (evidence 6).

The Council Implementing Decision also required the LLL IT system to provide access to processes for the recognition of competences/qualifications. This functionality is not yet available on the platform. As each of the vocational and higher education institutions have their own competence recognition and assessment system Kursuok.lt website provides explanatory information to help users understand how these procedures work (evidence 1 and 2). Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, users have access to a process to recognise their competences outside of the platform and have explanatory information on how to do so available on the platform. Therefore, this minimal deviation does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Furthermore, in line with the measure description, **this one-stop-shop electronic system shall also be integrated with other electronic systems, such as the Employment Service platform.**

The handover acceptance act of the LLL IT system signed by the Association of Lithuanian Higher Education Institutions for General Admissions (LAMA BPO) and the European Social Fund Agency on 16 October 2025 (evidence 7) shows that the one-stop-shop electronic system is integrated to the Employment Service platform.

On 20 October 2025, the Commission services conducted an on-the-spot check of the LLL IT system. The verification confirmed that LLL IT system is integrated with Employment platform.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Target: 111 Number of career specialists providing services in schools

Related Measure: C4.D-1-3- D-1-3- Vocational guidance system to balance supply and demand on the labour market

Quantitative Indicator: Number

Baseline: 80

Target: 380

Time: Q4 2024

1. Context:

The objective of measure D.1.3. is to establish a career counselling and planning system to help students to identify areas of interest and decide on possible career paths at an early age.

Target 111 requires that at least 380 career specialists provide career guidance services in schools.

Target 111 is the second and last target of the reform, and it follows the completion of milestone 110, related to the entry into force of the legislation establishing a career development and career guidance system.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Ministerial Order No. V-1334 of 31 August 2022 of the Minister of Education, Science and Sport of the Republic of Lithuania "On the Approval of the Recommendations on the Functions of Career Specialists and the Provision of Career-Guidance Services in Educational Institutions", which entered into force on 1 September 2022. Link: https://www.e-tar.lt/portal/lt/legalAct/f3dfe340291d11edb4cae1b158f98ea5	The legislation establishes the functions of career specialists.
3	Ministerial Order No. V-617 of 25 April 2022 of the Minister for Education, Science and Sport of the Republic of Lithuania "On the Description of Educational Requirements and Professional Knowledge for Career Specialists", which entered into force on 26 April 2022 Link: https://www.e-tar.lt/portal/lt/legalAct/21926e50c45d11ec8d9390588bf2de65	The legislation establishes educational requirements for career specialists: it fixes the minimum university-level qualifications and credit points they must hold, gives current staff deadlines to reach these standards, lists the key knowledge areas (career-counselling theory, labour-market awareness, ethics, programme design), requires ongoing professional development, and lays down how training courses must be organised so specialists can gain or update these skills.

4	List of career guidance specialists	List of career guidance specialists including their school of employment and whether they completed a professional development programme.
5	For a sample of 60 units: (i) the employment contracts signed between the schools and career specialists, (ii) the corresponding timesheets showing the hours worked, (iii) proof of higher education qualification, (iv) proof of qualification as a teacher or of completion of the pedagogy and psychology course required by Ministerial Order No. V-617 of 25 April 2022, (v) certificate confirming that the mandatory professional development programme was completed within one year of their appointment.	Employment contracts confirm career specialists' formal engagement with schools, while corresponding timesheets demonstrate the active provision of career guidance services by documenting hours worked. Remaining proofs confirm that career services were provided by career specialist as their mandatory education is described in the Ministerial Order No. V-617 of 25 April 2022.
6	Government Resolution No. 847 of 24 August 2022 "Professional orientation provision procedure", which entered into force on 25 August 2022. Link: https://www.e-tar.lt/portal/lt/legalAct/25f4c2c023af11edb4cae1b158f98ea5	The legislation establishes the procedure of allocation of career specialists in educational institutions.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Career guidance services shall be provided in schools by at least 380 career specialists. Furthermore, in line with the measure description, **career guidance services in schools shall be provided by career professionals.**

Lithuania submitted a list of 433 career specialists providing career guidance in schools (evidence 4). The list specifies the name and surname of career specialists, educational institution of employment and a confirmation that career specialists completed a mandatory career development programme.

During the assessment, seven duplicate persons were found in the provided list. As a result, seven units (units No 144, 255, 272, 274, 368, 397, 409) have been removed from the list, resulting in a total of 426 (unique) career specialists, exceeding the goal of Target 111. A random sample of 60 units was drawn from the revised list of 426 career specialists.

Following the selection of the random sample of 60 units, Lithuania submitted, for each person in the sample, the signed contract of employment between the career specialist and the educational institution, a timesheet a diploma of a higher-education qualification, proof of qualification as a teacher or proof of completion of a pedagogy and psychology course and a certificate confirming that the mandatory professional development programme was completed within one year from the career specialist' appointment. The evidence provided for a sample of 58 units confirmed that the requirements of the target have been met. The signed employment contracts for each of the 60 sampled career specialists were reviewed and clearly indicate that the career specialist shall deliver functions to an educational institution for all units. The functions of a career specialists – organising and coordinating career guidance services, providing career counselling and information services, and preparing and executing an annual professional orientation services plan – are set out in Ministerial Order No. V-1334 of 31 August 2022 (evidence 2) approved by the Ministry of Education, Science and Sport of the Republic of Lithuania. To substantiate that career services were provided, it was verified that the timesheet provided for each career specialist was consistent with their employment contract.

In order to verify whether the services were provided in schools, the evidence for each of the 60 sampled career specialists was reviewed, confirming that the name and surname of the career specialist, along with the employing institution, in the employment contract matched the provided list. In addition, the timesheets substantiate that the employment contract was implemented. Not all career specialists included in the sample were employed by schools. Pursuant to sections 19-21 of the professional orientation provision procedure (evidence 6), where services are centralised for smaller schools, career specialists may be employed by educational support services/centres. Accordingly, several career specialists in the sample were employed by these services/centres rather than by the schools themselves. Nonetheless, they delivered career guidance services in schools.

In order to verify whether the services were provided by career specialists or professionals, the evidence for each of the 60 sampled career specialists was reviewed in line with the appropriate qualification within the Lithuanian Qualifications Framework.

Ministerial Order No. V-617 dated 25 April 2022 (evidence 3), established the requirements regarding the educational background and professional knowledge for career specialists. A person may work as a career specialist if they fulfill all of the following requirements:

- Hold a higher education qualification at least at Level VI of the Lithuanian Qualifications Framework (or an equivalent degree);
- Have acquired a teacher's qualification or have completed a course in pedagogical and psychological knowledge in accordance with the procedure established by the Minister of Education, Science and Sport, if working in general education schools, vocational training institutions, or educational support institutions.
- Have completed an approved professional-development course within one year of first taking up the post, unless they already have (i) at least three years' previous career-guidance experience or (ii) at least 15 ECTS credits in career management or counselling from their university studies.

More specifically, the verification of higher education qualification was completed through the submitted bachelor's degree or equivalent diplomas. Additionally, proof of qualification as a teacher or proof of completion of the required pedagogy and psychology course was also confirmed for 58 units in the sample. Lastly, it was verified that the mandatory professional development programme was completed within one year of their appointment.

A statistical analysis was carried out taking into account the overachievement of the target of 424 career specialists providing career guidance in schools for a required 380 career specialists providing career guidance in schools. Based on this, there is statistical assurance that the target has been met, and all its constitutive elements have been satisfactorily fulfilled.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Milestone: 121 Entry into force of the legal acts setting up a system of contracts with higher education institutions

Related Measure: C5.E-1-1- E-1-1- Quality higher education and strong higher education institutions

Qualitative Indicator: Entry into force of the legal acts

Time: Q1 2023

1. Context:

The objective of the reform is to increase the quality, efficiency and the international competitiveness of the Lithuanian higher education and science system. The measure consists of four sub-measures: improving higher education funding and student admission systems (sub-measure E.1.1.1); improving the efficiency of the higher education network by refining the missions of universities and colleges (sub-measure E.1.1.2); strengthening the international competitiveness of higher education institutions (sub-measure E.1.1.3); systematic R&D promotion in higher education institutions and research analysis (sub-measure E.1.1.4).

Milestone 121 is part of sub-measure E.1.1.1, which concerns the revision of the student admission system to ensure that all students meet equally high criteria, and the improvement of the higher education funding system to align it with the strategic goals of the country. To this end, the milestone concerns the entry into force of the Law on Research and Studies to establish a contract-based funding model for higher education institutions, which enables additional public investment to support institutional mergers and other strategic objectives such as expansion, quality improvement, and infrastructure development, in line with a plan prepared by independent experts.

Milestone 121 is the first step of the implementation of sub-measure E.1.1.1 and it is accompanied by milestone 122 in this payment request, related to the entry into force of the amended Law on Research and Studies.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XIV-654 on Research and Studies of 18 November 2021 amending Articles 46, 59, 74, 75, 75-1, 75-2, 75-3, 76, 77, 82 and 83 of Law No. XI-242, repealing Article 9 of the Law and supplementing the Law with Articles 76-1, 76-2 and 83-1 (hereinafter referred to as "Law No. XIV-654"). Link to the publication in the Register of Legal Acts: TAR, 2/12/ 2021, Nr. 25020 Entry into force: 1 January 2022.	Lithuanian Government Law. The Law establishes a model for the conclusion of contracts with higher education institutions, which provides for additional funding for merging higher education institutions, as well as for other strategic objectives (expansion of institutions, improvement of the quality of studies, investment in infrastructure and other operational changes requiring public investment).

3	Resolution No. 1299 of the Government of the Republic of Lithuania amending Resolution No. 149 and the Law of the Republic of Lithuania on Higher Education and Research (hereinafter referred to as "Resolution No. 1299"). Link to the publication in the Register of Legal Acts: TAR 23/12/2022, Nr. 26610. Entry into force: 1 January 2023.	The Resolution establishes the procedures for the submission, preparation, examination and decision-making of documents for the reorganisation of higher education institutions.
4	Resolution No. 410 of the Government of the Republic of Lithuania (hereinafter referred to as "Resolution No. 410"). Link to the publication in the Register of Legal Acts: TAR 30/05/2024, Nr. 9757. Entry into force: 31 May 2024.	The Resolution establishes the requirement that potential mergers of higher education institutions must conform to the plan drawn up by independent experts and provides for the possibility of allocating funds under special contracts for mergers of higher education institutions.
5	Ministerial Order No. V-1152 of the Minister of Education, Science and Sport (hereinafter referred to as "Ministerial Order No. V-1152"). Link to the publication in the Register of Legal Acts: TAR, 14/07/2022, Nr. 15423 Entry into force: 15 July 2022.	The Ministerial Order ensures efficient management of the system of higher education and research.
6	Ministerial Order No. V-1719 of the Minister of Education, Science and Sport (hereinafter referred to as "Ministerial Order No. V-1719"). Link to the publication in the Register of Legal Acts: TAR, 27/10/2022, Nr. 21810 Entry into force: 27 October 2022.	This Ministerial Order establishes the procedures for the selection, conclusion and monitoring of special contracts with higher education institutions.
7	Plan: "Efficiency Analysis of the Network of Higher Education Institutions", carried out by independent experts from the Centre for Quality Assessment in Higher Education. Links: • Analysis of the Performance of State Colleges, 2022 • Annex. Summary of Indicators of State Colleges, 2022 • Analysis of the Performance of State Colleges, part 2: recommendations for the optimisation of the network Published: November 2022.	The plan provides recommendations on the possible optimisation of the network of state colleges.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the Law on higher education establishing a model for the conclusion of contracts with higher education institutions, which provides for additional funding for merging higher education institutions, as well as for other strategic objectives (expansion of institutions, improvement of the quality of studies, investment in infrastructure and other operational changes requiring public investment).

Furthermore, in line with the description of the measure, **a model for contracts shall be created for the implementation of strategic progress measures: for the development of institutions, for the merger of institutions, for the improvement of the quality of activities, for investments in infrastructure and for implementation of other defined goals.**

Law No. XIV-654 (evidence 2) which amends Articles 46, 59, 74, 75, 75-1, 75-2, 75-3, 76, 77, 82, and 83 and repeals Article 9 of Law No. XI-242, and supplements Law No. XIV-654 with new Articles 76-1, 76-2, 83-1 entered into force on 1 January 2022, 1 January 2023, and 1 January 2024 as stipulated in Article 16. Law No. XIV-654 establishes a model for the conclusion of contracts with higher education institutions: the Government or its authorised institutions may conclude special contracts with higher education and research institutions for the allocation of state budget appropriations (Article 83-1.1). The special contracts model (Article 83-1.2.1 to Article 83-1.2.5) provides for the possibility of allocating additional funding for merging higher education institutions and for other strategic objectives related to the development of these institutions (e.g. expansion of institutions), as well as improvement of the quality of studies, investment in infrastructure and other operational changes requiring public investment.

Potential mergers shall be in line with the plan prepared by an independent body or experts.

Chapter IV of Resolution No. 1299 (evidence 4) sets out the procedures for the submission, preparation and examination of proposals for the reorganisation of a higher education institution. One of the requirements (Article 1.7.2 of Resolution No. 410, evidence 5) for the reorganisation of higher education institutions is to align with a plan prepared by an independent body of experts. The requirement is fulfilled through the Efficiency Analysis of the Network of Higher Education Institutions, a plan conducted by independent experts (evidence 8). The analysis and recommendations contained in this plan must be considered when assessing proposals for the reorganisation by higher education institutions. To maintain the relevance and accuracy of the plan, it is stipulated (Article 1.7.2 of Resolution No. 410) that the Efficiency Analysis of the Network of Higher Education Institutions must be conducted at least once every seven years at the initiative of the Minister of Education, Science and Sport, thereby ensuring that potential mergers remain aligned with the most current expert assessments and recommendations.

The award of contracts [for mergers] shall be formalised in the Law on Science and Studies,

The award of contracts for higher education institution mergers is established in Law No. XIV-654 (evidence 2). Articles 83-1.1 and Article 83-1.4 provide that the Ministry of Education, Science and Sport, after assessing the conclusion containing recommendations from the Research Council of Lithuania and obtaining Government authorisation, may enter into a special contract with the rector of a university or the director of a college or research institute, as applicable. The rector or director must first obtain the approval of the institution’s council (or scientific council). Each contract must specify the performance period, the allocated funding, the monitoring mechanism, and the liability of the parties in the event of non-performance or failure to achieve the agreed indicators. Accordingly, the award and governance of such contracts are formalised in the Law on Science and Studies (also referred to as the Law on Research and Studies).

which shall be followed by the preparation of by-law contracts for the conclusion of contracts with the higher education institutions.

The following by-law contracts have been prepared for the conclusion of contracts with higher education institutions: Order No. V-1719 (evidence 7), which approves the Description of the Procedure for the Conclusion and Implementation of Special Contracts, and Resolutions 1299 and 410 (evidence 4 and 5), which approve the Description of the Procedure for the Reorganisation of State Higher Education Institutions.

Chapters 2, 3 and 4 of Order No. V-1719 provide guidelines on the selection, conclusion and monitoring phases of special contracts with higher education institutions. Article 6 specifies the activities eligible for funding under the reorganisation projects and allows for funding up to 100% of the total eligible project costs.

Chapters 1 and 2 of Resolution 1299 and provision 1.7 of Resolution 410 sets out the procedures for reorganisation, including potential funding, ensuring that the contracts with higher education institutions align with the reorganisation's objectives and generate the envisioned savings. Provision 1.7.6 of Resolution 410 stipulates that, as part of the contracts, the optimisation of activities of the higher education institutions should be in line with Article 83 of the Law on Research and Studies (see above), and that funds of the State budget allocated for the contracts may not be less than the amount of funds saved during the optimisation of the activities.

Therefore, the formalisation of the award of contracts in the Law on Research and Studies is followed by the preparation of by-law contracts that allow the State to conclude contracts with higher education institutions.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Milestone: 122 Entry into force of amended Law on Research and Studies, changing the system for funding and enrolment in higher education

Related Measure: C5.E-1-1 Quality higher education and strong higher education institutions

Qualitative Indicator: Entry into force of legislation

Time: Q1 2023

1. Context:

The objective of the reform is to increase the quality, efficiency and the international competitiveness of the Lithuanian higher education and science system. The measure consists of four sub-measures: improving higher education funding and student admission systems (sub-measure E.1.1.1); improving the efficiency of the higher education network by refining the missions of universities and colleges (sub-measure E.1.1.2); strengthening the international competitiveness of higher education institutions (sub-measure E.1.1.3); systematic R&D promotion in higher education institutions and research analysis (sub-measure E.1.1.4).

Milestone 122 is part of sub-measure E.1.1.1, which concerns the revision of the student admission system to ensure that all students meet equally high criteria, and the improvement of the higher education funding system to align it with the strategic goals of the country. The milestone is also part of E.1.1.2 which aims to define the missions of universities and colleges by setting qualitative requirements for each type of institution. To this end, the milestone requires the entry into force of amendments to the Law on Research and Studies to harmonise minimum requirements for access to study places, introduce a new funding structure for higher education activities, define the missions of universities and colleges, incentivise cooperation among higher education institutions and increase funding for higher education R&D activities.

Milestone 122 is the second step of the implementation of sub-measure E.1.1.1, and it is accompanied by milestone 121 in this payment request, related to the entry into force of legislation for contracts with higher education institutions. It is also the first step of implementation of E.1.1.2, followed by target 123, related to the merger of colleges.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XIV-654 of the Republic of Lithuania amending Articles 46, 59, 74, 75, 75-1, 75-2, 75-3, 76, 77, 82, 83 of Law No. XI-242, repealing Article 9 of the Law and supplementing the Law with Articles 76-1, 76-2, 83-1 (hereinafter referred to as "Law No. XIV-654"). Link to the publication in the Register of Legal Acts: TAR 02/12/2021, Nr. 25020. Entry into force (staggered): 1 January 2022, 1 January 2023, and 1 January 2024.	Lithuanian Government Law. The Law unifies the minimum requirements for admission to publicly funded and unfunded study places, establishes funding for the implementation of strategic objectives in the funding structure of higher education institutions and establishes additional funding for achieving qualitative indicators.

3	Law No. XIV-1257 of the Republic of Lithuania amending Articles 4, 10, 11, 15, 27, 28, 35, 38, 39, 48, 52, 53, 56, 58, 60, 65, 66, 67, 69, 71, 72, 72-1, 73, 75-3, 77, 85 of Law No. XI-242, and supplementing the Law with Article 64-1 (hereinafter referred to as "Law No. XIV-1257"). Link to the publication in the Register of Legal Acts: TAR 14/07/2022, Nr. 15485. Entry into force (staggered): 1 September 2022, 1 January 2023.	Lithuanian Government Law. The Law defines the missions of universities and colleges, increases the R&D activity funding component in the funding structure of higher education institutions, and promotes cooperation between higher education institutions.
4	Resolution No. 1299 of the Government of the Republic of Lithuania amending Resolution No. 149 and the Law of the Republic of Lithuania on Higher Education and Research (hereinafter referred to as "Resolution No. 1299"). Link to the publication in the Register of Legal Acts: TAR 23/12/2022, Nr. 26610. Entry into force: 1 January 2023	The Resolution approves the Description of the Procedure for the Reorganisation of State-owned Higher Education Institutions, which instructs the Minister of Education, Science and Sport to approve the description of the procedure regarding the assessment of achievements of higher education and research institutions in study activities, and the allocation of funds of state budget incentive funding for achievements in study activities to higher education and research institutions.
5	Ministerial Order No. V-2009 of the Minister of Education, Science and Sport, secondary legal act related to the funding of higher education institutions for achievement in study activities (hereinafter referred to as "Order No. V-2009"). Link to the publication in the Register of Legal Acts: TAR 29/12/2022, Nr 27220. Entry into force: 1 January 2023	Ministerial Order. The Order relates to the allocation of funds and incentives and establishes the criteria for assessment of achievements.
6	Law No. 448 of the Republic of Lithuania amending Articles 75 and 84 of the Law on Science and Studies No. XI-242 and the Supplement of the Law with Articles 75-1, 75-2, 75-3 (hereinafter referred to as "Law No. XIV-448"). Link to the publication in the Register of Legal Acts: TAR 30/06/2021, Nr. 14797. Entry into force: 1 July 2021.	Government Law. The Law increases the role of external evaluation and sets a minimum percentage of the total budget for higher education institutions to be allocated to R&D.
7	Ministerial Order No. V-867 of the Ministry of Education, Science and Sport of the Republic of Lithuania. This Order is not published in the Register of Legal Acts.	The Order establishes the allocation of the State budget to promote the participation of higher education institutions in research, development and art activities for the year 2020.
8	Ministerial Order No. V-1152 of the Ministry of Education, Science and Sport of the Republic of Lithuania. This Order is not published in the Register of Legal Acts.	The Order establishes the allocation of the State budget to promote the participation of higher education institutions in research, development and art activities for the year 2021.

9	Ministerial Order No. V-1037 of the Ministry of Education, Science and Sport of the Republic of Lithuania. This Order is not published in the Register of Legal Acts.	The Order establishes the allocation of the State budget to promote the participation of higher education institutions in research, development and art activities for the year 2022.
10	Ministerial Order No. V-1394 of the Ministry of Education, Science and Sport of the Republic of Lithuania. This Order is not published in the Register of Legal Acts.	The Order establishes the allocation of the State budget to promote the participation of higher education institutions in research, development and art activities for the year 2023.
11	Action Plan of the Ministry of Education, Science and Sport of Lithuania for 2024. Link to the publication.	The Action Plan includes the budget allocated to higher education institutions.
12	Letters from the Ministry of Education, Science and Sport of Lithuania to higher education institutions.	According to Law No. XIV-2309, from 2023 the allocation of funds for R&D is not published through a Ministerial Order. Instead, state colleges receive a letter with the budget allocated to them for R&D purposes.
13	Ministerial Order No. V-450 of the Ministry of Education, Science and Sport of Lithuania. This Order is not published in the Register of Legal Acts.	The Order informs of the allocation of funds to non-state colleges for 2024.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the amended Law on Research and Studies, which shall

The Republic of Lithuania has amended Law on Research and Studies No. XI-242 through the adoption of two legislative acts. Law No. XIV-654 (evidence 2), amends Articles 46, 59, 74, 75, 75-1, 75-2, 75-3, 76, 77, 82 and 83, and repeals Article 9 of Law No. XI-242, and supplements the Law with new Articles 76-1, 76-2, 83-1 entering into force on 1 January 2022, 1 January 2023, and 1 January 2024, as stipulated in Article 16. Law No. XIV-1257 (evidence 3) amends Articles 4, 10, 11, 15, 27, 28, 35, 38, 39, 48, 52, 53, 56, 58, 60, 65, 66, 67, 69, 71, 72, 72-1, 73, 75-3, 77 and 85 of Law No. XI-242 and supplements the Law with new Article 64-1. These amendments entered into force on 1 January 2022 and 1 January 2023 as stipulated in Article 29. These legislative amendments are complemented by the adoption of Ministerial Order No. V-2009 (evidence 5); and Resolution No. 1299 (evidence 4) .

- lay down upward harmonisation of minimum requirements for access to publicly funded and unfunded study places; [...] The minimum student admission requirements shall be harmonized upwards and shall not weaken as a result of the amendment [...],

Article 59 of Law No. XIV-654 on Research and Studies (evidence 2) harmonises the minimum requirements for students seeking admission to state-funded and non-state-funded study places without lowering the standards. While under previous legal framework students could access non-state-funded places by passing only one state examination, they now need to pass three examinations for admission to both types of study places, thereby aligning the entry criteria and ensuring equal academic thresholds. The requirements also include an arithmetic average of scores, which must be equivalent to the basic (when seeking admission to a university) or satisfactory (when seeking admission to a college) level of academic performance and is calculated in accordance with the procedure established by the Ministry of Education and Science. As a result, the minimum admission has been harmonised upwards for both funded and unfunded study places, without weakening the requirements.

- introduces a new funding structure for higher education activities (basic funding, funding for strategic objectives, additional funding for qualitative indicators),

Furthermore, in line with the description of the measure, **the law shall also be amended to introduce a new higher education funding system which shall be based on qualitative indicators and agreements between with higher education institutions and the state.**

The amendment of Article 76 of Law No. XIV-654 on Research and Studies (evidence 2) along with the supplementation of Law No. XIV-654 with Articles 76-1, 76-2, and 83, establishes a new funding structure for higher education institutions, based on qualitative indicators and contractual agreements between the state and higher education institutions. In addition to the basic funding of higher education institutions, funding for the achievement of strategic objectives has been introduced, using special agreements with higher education and research institutions, and funding for the achievement of qualitative indicators, using incentive funding for achievements in study activities. The assessment of achievements in study activities must be performed by the Centre for Quality Assessment in Higher Education. As a result, the new funding structure for higher education activities, including basic funding, funding for strategic objectives and additional funding for qualitative indicators has been introduced.

- define the missions of universities and colleges (which qualitative requirements must be met by both types of institution, what distinguishes colleges from universities) […] New criteria for colleges and universities shall be set objectively, independently and adequately high.

Furthermore, in line with the description of the measure, **the Law on Science and Studies and other legal acts shall be amended to set new criteria for colleges and universities.**

The amendments to Articles 10 and 11 of Law No. XIV-1257 on Research and Studies (evidence 3) establish that colleges must carry out applied research, while universities must carry out international-level fundamental and applied research, thereby distinguishing colleges from universities.

Article 76-1 of Law No. XIV-654 (evidence 2) establishes the qualitative criteria which must be met by both types of higher education institutions. These include:

1) study performance;
2) internationalisation of studies;
3) student involvement in scientific, artistic, and study-related activities;
4) graduates' career success;
5) accessibility of studies;
6) funds received from economic entities, non-governmental organizations, and individuals for study-related orders and under support agreements for study activities.

According to Article 76-2 of the same law, higher education institutions are incentivised to achieve these criteria through the allocation of additional funds. Article 76-1 of Law No. XIV-654 on Research and Studies (evidence 2) and Chapter II of Ministerial Order No. V-2009 (evidence 5) specify the data used to measure these criteria, the procedure for data submission, the weighting coefficients applied to each criterion and the procedure for distributing state budget incentives for study performance achievements. The data underpinning the criteria is provided by higher education institutions, the assessment of the criteria is carried out by an independent body (the Centre for Quality Assessment of Studies), and the weight coefficients of the criteria are approved by the Government after assessing the proposals of the Scientific Council of Lithuania and the Centre for Quality Assessment of Studies, to ensure that the criteria have been set objectively and independently. The higher education institutions must not only ensure high quality of studies but also demonstrate strong results in the areas of internationalisation, graduate employability and the ability to attract funding. The assessment encompasses both academic achievements and practical outcomes, including graduates' success in the labour market and financial sustainability.

The mission of universities and colleges is thereby defined, and the new criteria have been set objectively and independently and are adequately high.

- incentivize cooperation of higher education institutions; […] The legal changes shall promote cooperation and consolidation of resources in the higher education sector.

Articles 59, 76-1, 83 of Law No. XIV-654 (evidence 2), Article 38 of Law No. XIV-1257 (evidence 3) and Resolution No. 1299 (evidence 4) introduce provisions that promote cooperation and pooling of resources in the higher education sector. These provisions encourage the optimisation of the higher education network, primarily through institutional mergers and the pooling of human and infrastructure resources.

Article 38(2) of Law XIV-1257 on Research and Studies (evidence 3) allows state higher education institutions to initiate reorganisation independently.

The legal provisions thereby promote cooperation and consolidation of resources between higher education institutions.

- increase the funding component of R&D activities in the higher education funding structure.

The entry into force of Law No. XIV-448 (evidence 6) establishes that a minimum of 10% of the total funding for higher education institutions must be allocated to R&D (Article 75-3(4)). Prior legislation did not specify a minimum percentage of the budget to be allocated to R&D. This percentage represents an increase in the allocation of funds for R&D as the allocation for R&D was EUR 1 515 200 in 2020 or 3.37% of the total budget (evidence 7), EUR 1 813 000 in 2021 or 3.86% (evidence 8), and EUR 2 200 000 or 4.08% in 2022 (evidence 9), and EUR 6 800 000 or 9.95% in 2023 (evidence 10). Following the entry into force of the law, the minimum allocation requirement resulted in a further increase as the R&D share in 2024 was EUR 12 710 000 or 14.78% (evidence 11, 12 and 13). Therefore, Law No. XIV-2309 increased the funding component of R&D activities in the higher education funding structure.

The role of external evaluations shall be increased.

Article 75-2 of Law No. XIV-654 (evidence 2) establishes that as of 2022 the formal evaluation of R&D and artistic activities are performed only by external experts who meet the standardised criteria of the Research Council of Lithuania, thus replacing the previous mixed evaluation method (by the Research Council of Lithuania and by the Commission for the Evaluation of R&D and Artistic Activities of Colleges, established by the Minister of Education, Science, and Sports). Unified evaluation standards for all higher education institutions entered into force in 2024 pursuant to Article 75-2 of Law No. XIV-654 (evidence 2). The role of external evaluation has therefore increased.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Target: 124 Number of internationalisation projects completed by higher education institutions

Related Measure: C5.E-1-1- E-1-1- Quality higher education and strong higher education institutions

Quantitative Indicator: Number

Baseline: 0

Target: 5

Time: Q1 2024

1. Context:

The objective of the reform is to increase the quality, efficiency and the international competitiveness of the Lithuanian higher education and science system. The measure consists of four sub-measures: improving higher education funding and student admission systems (sub-measure E.1.1.1); improving the efficiency of the higher education network by refining the missions of universities and colleges (sub-measure E.1.1.2); strengthening the international competitiveness of higher education institutions (sub-measure E.1.1.3); systematic R&D promotion in higher education institutions and research analysis (sub-measure E.1.1.4).

Target 124 is part of sub-measure E.1.1.3, which aims to strengthen the international competitiveness of the higher education institutions by undertaking university internationalisation projects and granting scholarships to study in Lithuania to foreign students. To this end, the target concerns the completion of five higher education institution projects designed to provide students with more international activities, attract more students, attract foreign students and lecturers/scientists, implement joint and double degree programmes, develop virtual services, improve the quality of studies and broaden the offer.

Target 124 is the first step of the implementation of sub-measure E.1.1.3, and it is accompanied by target 125 in this payment request, related to the granting of scholarships to foreign students for their integration.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfaotorily fulfilled.

2	Description of the terms and conditions for the financing of projects under the activity "Strengthening the International Competitiveness of Higher Education Institutions (Support for the Integration of Higher Education Institutions into European University Networks)", approved by Order No. V-1108 of the Minister of Education, Science and Sport of the Republic of Lithuania. Link to the publication in the Register of Legal Acts: TAR 30/06/2022, No. 14265. Entry into force: 1 July 2022.	Document describing the terms and conditions for the financing of projects including requirements for projects, applicants and partners.
3	Call for proposals for the implementation of the measure "Strengthening the International Competitiveness of Higher Education Institutions (Support for the Integration of Higher Education Institutions into European University Networks)", published on 18 July 2022. Link: Strengthening the international competitiveness of higher education institutions (support for the integration of higher education institutions in European university networks) |2021-2027 EU investment website	Call for proposals published on the website of ES Investicijos.
4	Order No. V-1924 of 6 December 2022 on allocation of funding approved by of the Minister of Education, Science and Sport of the Republic of Lithuania (hereinafter referred to as Order No. V-1924).	Order of the Minister of Education, Science and Sport allocating support for the projects.

5	Reports describing the results of the projects provided by each beneficiary for: • Vytautas Magnus University project "Strengthening the International Competitiveness of VMU in the Transform4Europe Alliance of European Universities" • Kaunas University of Technology project "Implementation of the Joint European University Activities to Enhance the Quality, Transnationality and Accessibility of Studies at Kaunas University of Technology" • Vilnius Gediminas Technical University project "Establishment of the Integrated Sustainability Technologies Laboratory at VILNIUS TECH" • Klaipėda University project "Strengthening the international competitiveness of Klaipėda University in the European University Network EU-CONEXUS" • Vilnius University project "Strengthening the quality and international competitiveness of Vilnius University study services"	Reports detailing the results of each project requested by Central Project Management Agency (hereinafter referred to as "CPMA"). The reports cover each of the goals/activities listed in the target description for each of the five universities.
6	CPMA Activity Report Checklist, "VEIKLOS ATASKAITOS PATIKROS LAPAS"	Checklist of activities outlining the steps that CPMA takes to verify completion of RRF projects.
7	Amendment to Order No. 1K-237 of the Minister of Finance approving the implementation of the 2021–2027 EU Funds Investment Programme and the Recovery and Resilience Plan "Next Generation Lithuania" (hereinafter referred to as Amendment to Order No. 1K-237). Link to the publication in the Register of Legal Acts: TAR 22/06/2022, Nr. 13361. Entry into force: 11 August 2022.	Amendment to Ministerial Order. The amendments concern the restructuring of the form of the description of the project financing terms and conditions for the period 2021-2027. This includes establishing a working group which approves the CPMA Activity Report Checklist.
8	On site verification reports filled in and signed by CPMA	Reports from CPMA's on-site verification for each of the five university projects.
9	Project Implementation Plans	Each Higher Education Institution submitted a Project Implementation Plan with the activities and goals they intended to achieve.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Five projects shall be completed by higher education institutions designed to provide students with more international activities, attracting more students, attracting foreign students and lecturers/scientists; developing the design and implementation of joint and double degree programmes; developing the provision of virtual services; improving the quality of studies and broadening the offer.

The call for proposals for the implementation of the measure ”Strengthening the International Competitiveness of Higher Education Institutions (Support for the Integration of Higher Education Institutions into European University Networks)”, published on 18 July 2022 (evidence 3) indicates that applicants must be Higher Education Institutions (Chapter II, Article 5.3), and that the projects must be designed to:

- Provide students with more international activities, attracting more students, attracting foreign students and lecturers/scientists (Chapter II, Article 5.5.2).
- Develop the design and implementation of joint and double degree programs (Chapter II, Article 5.5.5).
- Develop the provision of virtual services (Chapter II, Article 5.5.2).
- Improve the quality of studies (Chapter II, Article 5.10).
- Broaden the offer (Chapter II, Article 5.5.2 and Article 5.5.5).

In line with the requirements from the call, the five projects selected provided project implementation plans (annex 8) which describe how each activity is covered by the project. Therefore, the five projects are carried out by higher education institutions and are designed to include the activities and goals defined in the target description.

The completion of the projects is evidenced by the reports detailing the results of each project (evidence 5), the CPMA Activity Report Checklist (evidence 6), and the CPMA on-site verification reports (evidence 8):

- The reports (evidence 5) detail the results of each project, covering each of the goals and activities listed in the target description, as well as evidence that the grant was used accordingly. Pursuant to the Rules of Projects Administration and Financing (evidence 7), CPMA can ask any information from beneficiaries to verify that projects were implemented in compliance with the applicable requirements. In accordance with this mandate, CPMA requested and received the relevant reports.
- The CPMA Activity Report Checklist (evidence 6) is a document outlining the steps CPMA takes to verify the completion of RRF projects, including on-site verifications. The format of this checklist is approved by the working group established by the Rules of Projects Administration and Financing (evidence 7) and published on the website esinvesticijos.lt. These checklists cover the entirety of each project and therefore all associated activities.
- The completed checklists or reports (evidence 8) from the on-site verifications carried out for the five projects under the target by CPMA. Relevant questions are in Section 2 (Whether the project activities are carried out in accordance with the project contract?) or Section 4.1 (Do the goods actually purchased, the services provided, the products developed and the work carried out correspond to the information contained in the supporting documents submitted with the activity statements to the administering authority?). CPMA, a public body with an independent

board (three out of five board members are fully independent), has confirmed that these checklists are part of a broader audit and control system in place and correspond to completion checks.

The evidence above demonstrates that the five projects were completed.

Furthermore, in line with the description of the measure, **five** […] **projects promoting integration of Lithuanian universities in the European networks of universities shall be implemented by higher education institutions.**

The call for proposals (evidence 3) requires higher education institutions to promote integration of Lithuanian universities in the European networks of universities (Chapter II, Article 5.5).

The beneficiaries shall be chosen by call for proposals procedure.

The call for proposals (evidence 3) was published on 18 July 2022. The eligibility and selection criteria for applicants were set out in the Description of the terms and conditions for the financing of projects under the activity “Strengthening the International Competitiveness of Higher Education Institutions (Support for the Integration of Higher Education Institutions into European University Networks)” (evidence 2). Following the publication of the call for proposals, five project applications were submitted and evaluated according to the criteria set out in the project funding conditions (evidence 2). The allocation of funding for the five projects was formalised by Order V-1924 (evidence 4). Therefore, the beneficiaries were selected through a call for proposals procedure.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Target: 125 Number of people who have benefited from support for the integration of foreign students

Related Measure: C5.E-1-1- E-1-1- Quality higher education and strong higher education institutions

Quantitative Indicator: Number

Baseline: 0

Target: 250

Time: Q4 2024

1. Context:

The objective of the reform is to increase the quality, efficiency and the international competitiveness of the Lithuanian higher education and science system. This reform consists of 4 sub-measures: (1) Improving higher education funding and student admission systems (sub-measure 1); (2) Improving the efficiency of the higher education network by refining the missions of universities and colleges (sub-measure 2); (3) Strengthening the international competitiveness of higher education institutions (sub-measure 3); (4) Systematic R&D promotion in higher education institutions and research analysis (sub-measure 4).

Target 125 is part of sub-measure E.1.1.3 and consists in 250 foreign students receiving scholarships for their integration, with scholarships being offered for first, second cycle and integrated students coming to study in Lithuania.

Target 125 is the second and last step in the implementation of sub-measure E.1.1.3, and it is accompanied by target 124 in this payment request, related to internationalisation projects in higher education institutions.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	List of students	Anonymised list of the foreign students that have received a scholarship, including length of internship, reference numbers of decisions granting the scholarships, and reference numbers for all payments made to students.

3	Description of Project Funding Conditions approved by Order No. V-1108 of the Minister of Education, Science and Sport of the Republic of Lithuania on 30 June 2022 “On the approval of the Description of the Progress Measure No. 12-003-03-04-01, Creating conditions for high-quality, international and accessible studies”. Link to the publication in the Register of Legal Acts: TAR 30/06/2023, Nr. 14265 Entry into force: 1 July 2022.	The document includes the specific requirements and conditions for funding.
4	For a sample of 60 units, higher education institution agreement with the student on the awarding of scholarships.	The agreements award the scholarships to the students.
5	For a sample of 60 units, copies of proof of bank transfers for the scholarship, made between February 2024 and June 2025.	Bank transfers from the higher education institution to the student (the first and last instalments of the scholarship).

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

250 foreign students received scholarships […]

Point 5.2 and 5.7 of the Description of Project Funding Conditions approved by Order No. V-1108 of the Minister of Education, Science and Sport of the Republic of Lithuania on 30 June 2022 “On the approval of the Description of the Progress Measure No. 12-003-03-04-01, Creating conditions for high-quality, international and accessible studies” (hereinafter referred to as “Description of Project Funding Conditions”) (evidence 3) stipulates that only foreign students are eligible to receive scholarships.

Lithuania submitted a list of 275 foreign students that received a scholarship (evidence 2) for their integration between February 2024 and June 2025. Following the selection of a random sample of 60 units, Lithuania submitted agreements between the higher education institution and each student granting the scholarship (evidence 4), as well as proof of bank transfers for the first and last instalments of the scholarships for each of the students (evidence 5) which show that the students received the full scholarships. The evidence provided for a sample of 60 units confirmed that the requirement of the target has been met, thus exceeding the goal of Target 125 by 25. Evidence for each of the 60 sampled students was checked by reviewing the decisions granting the scholarship and the transfers of the first and last instalments of the scholarships and checking that the reference number and the name and surname of the student matched the list, which confirmed that the students received their scholarships.

[...] for their integration. Scholarships shall be offered for first, second cycle and integrated students, coming to study in Lithuania.

Point 5.2 of the Description of Project Funding Conditions (evidence 3) stipulates that the scholarships are intended to support the integration of foreign students. Point 5.7 of the Description of Project Funding Conditions (evidence 3) stipulates that scholarships are offered and awarded to non-Lithuanian nationals who come to study in Lithuania and are enrolled in Lithuanian higher education institutions as first cycle (bachelor's), second cycle (master's) or integrated (combined bachelor's and master's) students.

Furthermore, in line with the description of the measure, **250 foreign students coming to study in Lithuania shall receive scholarships for their integration in Lithuania by 31 December 2024**.

The Council Implementing Decision required that 250 foreign students coming to study in Lithuania shall receive the scholarships for their integration in Lithuania by 31 December 2024. By this date, support had been provided to 210 students. To ensure the implementation of the target and enable achievement of the planned result, the project implementation deadline was extended to 30 June 2025. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the submitted agreements (evidence 4) and proof of bank transfers (evidence 5) demonstrate that at least 250 foreign students coming to study in Lithuanian received scholarships for their integration at the time of the assessment, as shown above.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 135 Projects and advisory services for potential applicants of Horizon Europe programme from higher education institutions and SMEs funded

Related Measure: C5.E-1-3- E-1-3- Joint missions for science and innovation in smart specialisation

Quantitative Indicator: Number

Baseline: 0

Target: 200

Time: Q1 2025

1. Context:

The objective of the reform is to concentrate science and business cooperation in the revised smart specialisation areas, supporting the implementation of joint science and innovation missions. This reform consists of 3 sub-measures: (1) Defining smart specialisation priorities (E.1.3.1); (2) Supporting the implementation of mission-based science and innovation programmes in smart specialisation (E.1.3.2); (3) Encouraging science and business to participate in the EU research and innovation programme Horizon Europe and other international funding programmes (E.1.3.3).

Target 135 is part of sub-measure E.1.3.3 and concerns the award of financial support to 150 feasibility study projects, 10 advisory/expert services and 40 memberships in international networks, aiming to support potential applicants of the Horizon Europe programme (higher education institutions and SMEs).

Target 135 is the first target of the implementation of sub-measure E.1.3.3. It will be followed by target 136 related to further support to projects and advisory services for potential Horizon Europe applicants and target 137 related to the creation of positions for Scientific Officers and National Contact Points.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target was satisfactorily fulfilled.
2	Copy of list of projects	List of the projects that have been awarded financial support.
3	Call for proposals (memberships in international networks), launched on 1 October 2023 by the Research Council of Lithuania. Link to the call for proposals.	Call for proposals for membership in international networks.
4	The description of the conditions for financing projects (memberships in the international networks), by the Ministry of Science, Education and Sport. Link to the document.	The document, which is included as an annex to the call for proposals, outlines the conditions for financing projects under the membership in international networks category.

5	Call for proposals (feasibility studies and advisory/expert services) launched on 28 August 2023 by the Central Project Management Agency. Link to the call for proposals.	Call for proposals for feasibility studies and advisory/expert services for successful participation in the calls for proposals of the European Union's Horizon Europe research and innovation programme.
6	The description of the Measure for the Progress of the Science Development Programme (hereinafter referred to as description of the conditions for financing projects (feasibility studies and advisory/expert services)) by the Ministry of Science, Education and Sport. Link to the document.	The document, which is included as an annex to the call for proposals, outlines the conditions for financing projects under the feasibility studies and advisory/expert services category.
7	Declarations of SME status for companies receiving advisory/expert services, dated October 2023 to May 2024.	In these documents, companies declare their status as a SMEs, for projects under advisory/expert services category. Companies are required to submit these declarations under the conditions for project financing.
8	Orders allocating funding for memberships in international networks, feasibility studies and advisory expert services from the Ministry of Science, Education and Sport, dated September 2023 to September 2025.	Ministerial Orders awarding funding to the different projects.
9	Order No. V-41 allocating funding for memberships in international networks from the Lithuanian Science Council, dated 2 February 2024.	Order from the President of the Lithuanian Science Council awarding funding for projects concerning participation in international networks.
10	Ministerial Order No. V-719 "On the approval of the list of projects allocated funding under the Recovery and Resilience Plan "New Generation Lithuania", allocating funding for projects classified under sub-indicators of T135: a) feasibility studies, and b) advisory/expert services, approved on 7 July 2025.	Ministerial Order specifying which project belongs to each category (feasibility studies or advisory/expert services) and the funds allocated to each project.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

At least 200 projects or advisory services for higher education institutions and SMEs shall be awarded financial support:

a) 150 projects to support preparation of feasibility studies for potential beneficiaries to participate in the Horizon Europe actions,

b) 10 advisory/expert services to support competences to participate in international R&D&I programmes,

c) 40 memberships in international networks.

On 1 October 2022, the Research Council of Lithuania launched a call for proposals for “Memberships of scientific structures in international networks” (evidence 3). The call specifies that higher education institutions and associated business structures (associations, including cluster coordinators) are eligible for financial support, which is repeated in provisions 2.1 and 2.4 of the description of the conditions for financing projects (evidence 4).

On 28 August 2023, the Ministry of Education, Science and Sports of the Republic of Lithuania launched a call for proposals for “Feasibility studies and advisory/expert services” (evidence 5), which specifies that the call pertains to support for identified start-up R&D projects and feasibility studies, with institutional guidance for successful participation in the European Union’s Horizon Europe research and innovation programme. The call also describes that advisory/expert services to support competences to participate in international R&D&I programmes can receive support. The call for proposals for “Feasibility studies and advisory/expert services” (evidence 5) and provisions 2.1 and 2.6 of the description of the conditions for financing projects (feasibility studies and advisory/expert services) (evidence 6) indicate that for feasibility studies higher education institutions and SMEs could apply for financial support, while for advisory/expert services higher education institutions, SMEs and large enterprises could apply for financial support. The businesses awarded financial support in the form of advisory/expert services were all SMEs, as confirmed by the SME declarations submitted under the call and the funding allocation orders (evidence 7 and 8).

Lithuania submitted a list (evidence 2) of 304 projects that have been awarded financial support between September 2023 and September 2025. The list indicates 231 projects pertaining to category a), 22 advisory services pertaining to category b) and 51 projects pertaining to category c). Following the selection of a random sample of 60 units, Lithuania submitted the financial support award decision for each unit, signed by the Ministry of Science, Education and Sport (evidence 8). This award decision included the unique identifier (project number) and mentions the call to which the decision refers. In the case of projects pertaining to category c) (‘memberships in international networks’), the financial support was awarded to the Lithuanian Science Council, which in turn awarded the financial support to the specific projects via Order No. V-41 (evidence 9). Furthermore, as projects pertaining to category a) (‘projects to support preparation of feasibility studies for potential beneficiaries to participate in the Horizon Europe actions’) and advisory services pertaining to category b) (‘advisory/expert services to support competences to participate in international R&D&I programmes’) were awarded under the same call (evidence 5), Lithuania provided Order No. V-719 “On the approval of the list of projects allocated funding under the Recovery and Resilience Plan "New Generation Lithuania" (evidence 10) indicating which project belongs to which of the two categories. The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met, thus exceeding the goal of Target 135 by 104 in total, specifically projects pertaining to category a) by 81, advisory services pertaining to category b) by 12 and projects pertaining to category c) by 11. Evidence for each of the 60 sampled projects was checked by reviewing the decisions awarding the funding and checking that the unique project number, the order number and type of support matched the list, which confirmed that the projects or advisory services were awarded financial support. The Commission services conducted further checks and excluded 6 projects not included in the sample and linked to one enterprise from the list due to eligibility concerns. As these projects were not selected for the sample and constitute less than 5%

of the target value, this precautionary exclusion has no impact on the satisfactory fulfilment of the target.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 139 Strategic guidelines and training modules

Related Measure: C6.F-1-1- F-1-1- An Efficient Public Sector

Qualitative Indicator: Guidelines adopted and training modules developed

Time: Q3 2024

1. Context:

The aim of reform F.1.1. is to improve administrative processes, human resources management and strengthen customer-orientation in the public sector. The implementation of this reform requires the adoption of the relevant legislation, including amendments to the Law on the Civil Service. This reform consists of two sub-measures: modernization of the human resources management system in the public sector (sub-measure 1); establishment of a centralised training system for developing competences in the public sector (sub-measure 2).

Milestone 139 relates to measure F.1.1.2 (sub-measure 2), the objective of which is the creation of training modules focused on digital, financial-analytical and leadership skills within a centralised training system for developing competences of public sector employees.

Milestone is the first step of the implementation of the sub-measure 2 and will be followed by target 141 concerning the completion of at least 16,000 trainings on digital, financial-analytical or leadership skills. The sub-measure has a final expected date for implementation on 31 July 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Resolution of 20 December 2023 No. 1000 of the Government of the Republic of Lithuania, "On the Approval of Strategic Guidelines for Long-term Training and Competence Development of Public Sector Employees", and link to the publication in the Register of Legal Acts (TAR, 2023-12-22, No. 25079).	The resolution sets forth the strategic guidelines for the long-term training and competence development of public sector employees up to 2030, along with their implementation plan (Chapter III of the Guidelines). The resolution came into force on 1 January 2024.
3	Transfer-Acceptance Act No. F11-55 of 18 June 2024	Transfer-Acceptance Act signed on 18 June 2024, by the contractor (UAB Ekonominės konsultacijos ir tyrimai) and the contracting authority (Public Governance Agency), confirming that nine training modules on leadership competencies and financial-analytical competencies, for senior managers have been prepared, are operational and in line with the requirements of the milestone.

4	Transfer-Acceptance Act No. F11-97 of 29 August 2024	Transfer-Acceptance Act signed on 29 August 2024 by the contractor (UAB Ekonominės konsultacijos ir tyrimai) and the contracting authority (Public Governance Agency) confirming that nine training modules on digital competencies, financial-analytical competencies and leadership competencies, for senior managers, have been prepared, are operational and in line with the requirements of the milestone.
5	Transfer-Acceptance Act No. F11-96 of 29 August 2024	Transfer-Acceptance Act signed on 29 August 2024 by the contractor (UAB ISM University of Management and Economics) and the contracting authority (Public Governance Agency) confirming that 52 training modules on digital competencies, financial-analytical competencies and leadership competencies, designed for middle managers and specialists, have been prepared, are operational and in line with the requirements of the milestone.
6	Zip file containing 18 files.	Training modules for senior management on digital competencies, financial-analytical competencies and leadership competencies.
7	Zip file containing 17 files.	Training modules for middle managers and specialists on digital competencies, financial-analytical competencies and leadership competencies.
8	Resolution No. 693 of August 30, 2023 "On the Change of the Organizational Form of the Public Management Agency and the Approval of the Statutes of the Public Governance Agency". (TAR, 2023-08-31, Nr. 17214)	The resolution reorganises the Public Governance Management Agency into a new legal-organisational form and simultaneously adopts updated statutes that set out its mandate, governance structure and operating rules.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Strategic guidelines for the long-term training and competence development of public sector employees and implementation plan of the strategic guidelines shall be adopted by the Government of Lithuania.

On 20 December 2023, the strategic guidelines for the long-term training and competence development of public sector employees (hereafter referred to as "the Guidelines") were adopted by Government Resolution No. 1000 (evidence 2). The implementation plan is set out in Chapter 3 of the Guidelines, indicating that, by 2030, 15 000 public sector employees must complete leadership skills development programmes, 8 000 employees must complete financial-analytical skills development programmes, and 8 000 employees must complete digital skills development programmes. As stipulated in Article 5 of the Guidelines, the newly established Public Management Agency is responsible for the implementation of both the Guidelines and the implementation of the plan.

Training modules for strengthening the competencies of public sector employees shall be developed by the Public Management Agency. The following training modules shall be developed: 1) digital competencies; 2) financial-analytical competencies; 3) leadership competencies.

Following the approval of the Guidelines by the Government, training modules were commissioned by the Public Management Agency for i) senior managers and ii) for middle managers and specialists. The modules contained description of educational activities, competencies to be developed, teaching methods and approaches, recommended training duration and knowledge assessment methods.

For the senior managers, training modules were provided by the service provider *UAB Ekonominės konsultacijos ir tyrimai* and delivered to the Public Management Agency in two batches: on 18 June 2024 (evidence 3) and on 29 August 2024 (Acceptance and Transfer Act No. F11-97). A total of 18 training modules were prepared for senior managers (evidence 6), including:

- Three modules on digital competencies training modules (Principles of Cybersecurity; Digital Transformation and IT Governance Principles).
- Two modules on financial-analytical competencies (Strategic State Planning and Budgeting; Public Procurement).
- 13 modules on leadership competencies (New Leader – Challenges and Strategies; Principles of Public Governance and Advanced Governance; Principles of Civil Service Operation; Lobbying; Conflict of Interest Management in Civil Service; Principles of Labor Law and Organizational Management; Partnership Building and Institutional Representation; Individual Relations with Employees (Emotional Intelligence); Conflict Management; Feedback; Delegation and Responsibility; Development, Coaching and Support; Negotiation and Argumentation; Most important challenges facing managers today and the most relevant management trends).

For the middle managers and specialists, training modules were developed by the service provider *UAB ISM University of Management and Economics* and delivered to the Public Management Agency on 29 August 2024 (evidence 4). A total of 16 training programmes containing 52 training modules were prepared for middle managers and specialists (evidence 7), including:

- Four training programmes containing 12 modules on digital competencies (first programme: Basics of Digital Skills and Digitization, composed of three modules; second programme: Implementation and Effectiveness of Digital Strategies, composed of three modules; third programme: Application of Digital Tools in Operational Processes, composed of three modules; fourth programme: The Impact of Disruptive Technologies on the EU Economy, composed of three modules).
- Four training programmes containing eight modules on analytical competencies (first programme: Principles of Data Analytics, composed of two modules; second programme: Data Analytics and Visualization, composed of two modules; third programme: Principles and Applications of Data Science, composed of two modules; fourth programme: Data Analytics: Theory and Applications, composed of two modules).
- Four training programmes containing 15 modules on financial competencies (first programme: Basics of Public Finance, composed of three modules; second programme: Key Models and

Methods of Public Finance Management, composed of five modules; third programme: Public Sector Finance Management Models and Methods for Advanced Learners, composed of five modules; fourth programme: European Union Public Finance, composed of two modules).

- Four training programmes containing 17 modules on leadership competencies (first programme: Leadership in Project Teams, composed of four modules; second programme: Leadership: How to Balance All Interests, composed of four modules; third programme: Initiating and Managing Change in an Intercultural Context, composed of five modules; fourth programme: Leadership in an Intercultural Environment, composed of four modules).

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Milestone: 143 Entry into force of amendments to tax legislation abolishing or reducing tax exemptions and special tax regimes

Related Measure: C6.F-1-2- F-1-2- A fairer and more growth-friendly tax system

Qualitative Indicator: Provisions indicating entry into force of amendments to tax legislation

Time: Q1 2023

1. Context:

The objective of measure F.1.2 is to create the conditions for rebalancing the tax system by ensuring a socially fairer, growth-friendly tax structure, encouraging consumers to change behaviour through taxation to adapt to the changing needs of society. This reform consists of three sub-measures: (1) the abolition of tax exemptions and special tax regimes that are inefficient, no longer reflect state priorities or do not comply with the Green Deal (sub-measure 1); (2) further broadening of the tax base to sources that do not hamper economic growth (sub-measure 2); and (3) an assessment of the effectiveness of the tax and social insurance contributions in preventing poverty and reducing income inequality (sub-measure 3). The objective of sub-measure 1 is to identify, then to abolish or reduce, tax exemptions and special tax regimes which are inefficient, no longer reflect state priorities or do not comply with the Green Deal and amend the respective tax laws.

Milestone 143 of sub-measure 1 requires entry into force of amendments to laws abolishing or reducing tax exemptions and special tax regimes, including reducing the differences in personal income tax rates that apply to different sources of income.

Milestone 143 is the second and final step of the implementation of the reform and follows milestone 142, which required the publication of the cost-benefit analysis of existing tax exemptions and special tax regimes that are not effective and (or) no longer reflect state priorities, and draft amendments to the relevant tax laws that shall be submitted to the parliament.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XV-287 of 17 June 2025, amending Article 19 of the Law No. IX-751 'Law on Value Added Tax' (hereafter referred to as "Law No. IX-287 of 17 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-06-20, No. 2025-11283.	Amendments to the law on value-added tax (VAT), including abolishment of exemptions for heating, hot water and firewood and reduction of the VAT exemption for certain accommodation, transport and cultural services.

3	Law No. XIV-1933 of 9 May 2023, amending articles 1, 2, 3, 27, 35, 36, 37, 38, 39, 41, 43, 53, 58-1 and 59 of the Law No. IX-569 'Law on Excise Duty' (hereafter referred to as "Law No. XIVP-1185 of 9 May 2023"). Link to the publication in the Register of Legal Acts: TAR, 2023-05-19, No. 2023-09520.	Amendments to the law on excise duties including reduction of exemptions for gas oils for heating purposes for households and reduction of exemptions for natural gas usage.
4	Law No. XIV-2774 of 20 June 2024, amending articles 5, 12, 17, 30, 33, 34, 35, 38-2, 41 and 43 and adding Article 30-2 of the Law No. IX-675 'Law on Corporate Income Tax' (hereafter referred to as "Law No. XIV-2774 of 20 June 2024"). Link to the publication in the Register of Legal Acts: TAR, 2024-06-28, No. 2024-12078.	Amendments to the law on corporate income tax, including withdrawal of the sectoral tax reliefs for life insurance and healthcare companies, introducing restrictions on the deductibility of the acquisition price and rental costs of passenger cars based on their CO2 emission ranges, and an increase of the preferential corporate income tax rate from 5% to 6%.
5	Law No. XV-285 of 17 June 2025, amending articles 5, 17, 18, 30, 33, 34, 35, 38-2, 41, 43 and 56-1 and adding Article 30-3 of the Law No. IX-675 'Law on Corporate Income Tax' (hereafter referred to as "Law No. XV-285 of 17 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-06-20, No. 2025-11281.	Amendments to the law on corporate income tax, including limitation of the transferability of losses between group companies to 70% of the taxable income of the receiving company, and an increase of the preferential corporate income tax rate from 6% to 7%.
6	Law No. XIV-2803 of 25 June 2024, amending articles 2, 8, 16, 17, 21 and 37 and adding Article 12-1 of the Law No. IX-1007 'Law on Personal Income Tax' (hereafter referred to as "Law No. XIV-2803 of 25 June 2024"). Link to the publication in the Register of Legal Acts: TAR, 2024-07-05, No. 2024-12619.	Amendments to the law on personal income tax (PIT), including abolishment of exemptions for long-term savings products by withdrawing tax deductibility for contributions to investment life insurance and third-pillar pension.
7	Law No. XV-343 of 26 June 2025, amending articles 6, 13-1, 16, 17, 18, 18-2, 19, 20, 21, 23, 27, 29, 34 and 35 of the Law No. IX-1007 'Law on Personal Income Tax' (hereafter referred to as "Law No. XV-343 of 26 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-07-03, No. 2025-11757.	Amendments to the law on personal income tax (PIT), including application of unified PIT rates to income from different sources, and reduction of tax exemptions by introducing a ceiling for health insurance contribution exemptions.
8	Fiscal Impact Calculation Prepared by the Ministry of Finance.	Fiscal impact estimates for all the laws presented in the cover note for years 2022 to 2028.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of amendments to laws abolishing or reducing tax exemptions and special tax regimes. This shall include reducing the differences in personal income tax rates that apply to different sources of income.

- *Entry into force of amendments to value-added taxes*

Law No. IX-287 of 17 June 2025 includes amendments to value-added tax (VAT) abolishing tax exemptions for heating, hot water and firewood and reducing the VAT exemption for certain accommodation, transport and cultural services. Law No. IX-287 of 17 June 2025 enters into force on 1 January 2026 (Article 2, Paragraph 1).

- The reduced VAT rate of 9% on heating and hot water supplied by district heating companies to households, as well as on sales of firewood, is abolished, thus increasing VAT on these products to the standard rate of 21% (Article 1, Paragraph 1).
- The reduced value added tax rate of 9% is increased to 12% for accommodation services, passenger transport services, admission to all types of art and cultural institutions as well as to art and cultural events (Article 1, Paragraph 1).

Entry into force of amendments to excise duties and environmental taxes

Law No. XIVP-1185 of 9 May 2023 includes amendments of excise duties reducing tax exemptions for fossil fuels. Law No. XIVP-1185 of 9 May 2023 entered into force on 1 January 2024 for gas oils while the provisions for natural gas enter into force on 1 January 2026 (Article 19, Paragraphs 1, 2 and 3).

- Reduction of exemptions for gas oils for heating purposes for households (Article 7, Paragraph 1): the excise duty exemption on these gas oils is reduced, resulting in excise duties increasing from EUR 21.14 per 1 000 litres to EUR 60 per 1 000 litres.
- Reduction of excise duty exemptions for natural gas usage: the excise duty tax exemption is reduced, resulting in excise duties increasing i) from zero to EUR 0.50 per MWh for households, ii) from EUR 0.54 per MWh to EUR 1 per MWh for businesses, and iii) from EUR 1.08 per MWh to EUR 1.50 per MWh for users other than households or businesses (Articles 15 and 16).

- *Entry into force of amendments to corporate income taxes*

Law No. XIV-2774 of 20 June 2024 includes amendments to corporate income tax (CIT), abolishing and reducing several tax exemptions. Law No. XIV-2774 of 20 June 2024 entered into force on 1 January 2025 (Article 12, Paragraph 1).

- Withdrawal of the sectoral tax reliefs for life insurance and healthcare companies, by including their income into the general CIT regime (Article 2, Paragraphs 1 and 2).
- Restrictions on the deductibility of the acquisition price and rental costs of passenger cars based on their CO_2 emission ranges (Article 3).
- Increase from 5% to 6% (i.e. a 20% increase) of the preferential CIT rate applicable to small companies, cooperative societies and the commercialisation of inventions generated in R&D activities (“patent box” regime) (Article 1, Paragraphs 2, 3 and 4). While the standard CIT rate is

increased from 15% to 16% (a 6.7% increase), the relative increase of the preferential rate is higher.

Law No. XIV-285 of 17 June 2025 includes amendments to CIT reducing several tax exemptions. The Law enters into force on 1 January 2026 (Article 13, Paragraph 1).

- Limitation of the transferability of losses between group companies to 70% of the taxable income of the receiving company, thereby unifying the limitations on the deductible amount of losses between a company's own losses and losses transferred from another company in the group (Article 12, Paragraph 2).
- Further increase, from 6% to 7% (i.e. a 17% increase), of the preferential CIT rate applicable to small companies, cooperative societies and the commercialisation of inventions generated in R&D activities ("patent box" regime). (Article 1, Paragraphs 2, 4 and 5). While the standard CIT rate is increased from 16% to 17% (a 6.3% increase), the relative increase of the preferential rate is higher.

- *Entry into force of amendments to personal income taxes, including amendments reducing the differences in personal income tax rates that apply to different sources of income*

Law No. XIV-2803 of 25 June 2024 includes amendments to personal income tax (PIT), abolishing exemptions for long-term savings products by abolishing tax deductibility of contributions to investment life insurance and third-pillar pension (Article 6). The Law entered into force on 1 January 2025 (Article 8, Paragraph 1). Contributions paid according to investment life insurance or third-pillar pension accumulation contracts concluded until 31 December 2024 remain deductible for up to ten years.

Law No. XV-343 of 26 June 2025 includes further amendments to PIT, notably applying unified PIT rates to income from different sources, thereby reducing special tax regimes. In addition, the amendments reduce tax exemptions by introducing a ceiling for health insurance contribution exemptions. The Law enters into force on 1 January 2026 (Article 15, Paragraph 1).

- Income from different sources is summed up, and unified PIT rates (which are also made more progressive – as covered in the preliminary assessment of Milestone 147) apply to the combined income (Article 6, Paragraph 1). The summing-up of income from different sources effectively cover income from labour, self-employment income using individual activity certificate, income from service contracts, capital gains of short held property sale and interest income, as summing is subject to exceptions (Article 6, Paragraphs 6 and 9):
    - Income from dividends, certain long-held share sales, investment-account gains, life-insurance and pension pay-outs, and sickness and parental benefits are taxed at a flat 15% rate; while income using Business Certificates is subject to lump-sum taxes set by the municipality, translating to very low effective tax rates.
    - Income of farmers is also exempted, taxed at a rate of 15% up to 60 average monthly wages per year (five average wages per month), and 20% above that (Article 6, Paragraph 1(8)).
- Notwithstanding these exemptions, the summing-up of income from different sources for the purpose of PIT constitutes a step in reducing the differences in the taxation of different sources of income, thus reducing the scope of special tax regimes and creating the conditions for rebalancing the tax system, as per the measure description.

- The non-taxable amount of the additional health insurance contribution paid by the employer for the benefit of the employee is limited to EUR 350 per year, whereas it was previously unlimited (Article 1(14)).

Taken together, these reductions and abolitions of tax exemptions and special tax regimes are estimated by the Ministry of Finance (evidence 8) to yield additional tax revenue of EUR 181 million in 2026, or 0.22% of GDP, with the largest contributions coming from changes to VAT exemptions (EUR 65 million) and CIT exemptions (EUR 58 million). The application of unified PIT rates to income from different sources is also expected to yield revenue of EUR 22 million.

The Council Implementing Decision required entry into force of the amendments to laws abolishing or reducing tax exemptions and special tax regimes. Lithuania has adopted amendments in both categories, with the latest amendments adopted and published in the Register of Legal Acts in June 2025. For some of these changes, the entry into force of the amendments is set on 1 January 2026, as specified in the sections above. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay between the adoption of this law and the actual application of the provisions is considered both limited and proportional, notably because according to Article 20(3) of the Law on the Legislative Framework, tax laws must enter into force no earlier than six months after official publication, generally on 1 January for accounting purposes. Moreover, the amendments are formally adopted and published, and enter into force on 1 January 2026, ensuring certainty of application and the beginning of the legal effects of the provisions. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 145 Entry into force of amendments to the legislation on excise duties, environmental taxes and property taxes

Related Measure: C6.F-1-2- F-1-2- A fairer and more growth-friendly tax system

Qualitative Indicator: Provisions in the amending laws indicating the entry into force of changes

Time: Q1 2023

1. Context:

The objective of measure F.1.2 is to create the conditions for rebalancing the tax system by ensuring a socially fairer, growth-friendly tax structure, encouraging consumers to change behaviour through taxation to adapt to the changing needs of society. This reform consists of three sub-measures: (1) the abolition of tax exemptions and special tax regimes that are inefficient, no longer reflect state priorities or do not comply with the Green Deal (sub-measure 1); (2) further broadening of the tax base to sources that do not hamper economic growth (sub-measure 2); and (3) an assessment of the effectiveness of the tax and social insurance contributions in preventing poverty and reducing income inequality (sub-measure 3). The objective of sub-measure 2 is to broaden the tax base and to increase the role of taxes that do not hamper the economic growth, including excise duties, environmental taxes and property tax, in the overall tax structure.

Milestone 145 of sub-measure 2 requires entry into force of amendments to laws on excise duties, environmental taxes and property taxes to increase the role of taxes that do not hamper economic growth in the tax structure.

Milestone 145 is the second and final step of the implementation of the sub-measure and follows milestone 144, which required submitting to the parliament the draft amendments to tax legislation based on a study analysing options to broaden the tax base.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XIV-1933 of 9 May 2023, amending Articles 1, 2, 3, 27, 35, 36, 37, 38, 39, 41, 43, 53, 58[1] and 59 and Chapter II, Section Five of the Law No. IX-569 'Law on Excise Duties', adding a new Annex 3 and repealing Article 40 (hereafter referred to as "Law No. XIV-1933 of 9 May 2023"). Link to the publication in the Register of Legal Acts: TAR, 2023-05-19, No. 09520.	Increasing excise duties for energy products and introducing CO_2 component to excise duties with staged increases from 2025 through 2030.

3	Law No. XIV-2770 of 20 June 2024, amending Articles 7, 9, 12, 17 and 19 of the Law No. XIV-1933 'On amending Articles 1, 2, 3, 27, 35, 36, 37, 38, 39, 41, 43, 53, 58[1] and 59 of the Law on Excise Duties No. IX-569, Chapter II, Section Five, adding a new Annex 3 and repealing Article 40' (hereafter referred to as "Law No. XIV-2770 of 20 June 2024"). Link to the publication in the Register of Legal Acts: TAR, 2024-06-28, No. 12069.	Further increasing excise duty rates for CO_2 component in energy products and extends the scope of increases to agricultural gas oils.
4	Law No. XIV-2769 of 20 June 2024, amending Articles 23, 24, 25, 26, 30, 31, 65 and 74 of the Law No. IX-569 'Law on Excise Duties' (hereafter referred to as "Law No. XIV-2769 of 20 June 2024"). Link to the publication in the Register of Legal Acts: TAR, 2024-06-28, No. 12068.	Increasing excise duty rates for alcohol and tobacco.
5	Law No. XV-286 of 17 June 2025, amending Article 2 and section Nine of the Law No. IX-569 'Law on Excise Duties' (hereafter referred to as "Law No. XV-286 of 17 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-06-20, No. 11282.	Introducing excise duties on sweetened beverages based on sugar content.
6	Law No. XIV-876 of 23 December 2021, amending Articles 2, 4, 5, 6, 7, 9 and Annexes 1, 2 and 8 of the Law No. VIII-1183 'Law on Pollution Tax' (hereafter referred to as "Law No. XIV-876 of 23 December 2021"). Link to the publication in the Register of Legal Acts: TAR, 2022-01-06, No. 168.	Increasing landfill tax rate and broadening the payer base to incentivise recycling.
7	Law No. XV-344 of 26 June 2025, amending the Law in its entirety (new version) of the Law No. X-233 'Law on Immovable Property Tax' (hereafter referred to as "Law No. XV-344 of 26 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-06-27, No. 11758.	Reforming non-commercial property taxation by introducing distinct rate systems for primary residences and other non-commercial property units, also raising commercial property tax rates.

8	Law No. XIV-799 of 21 December 2021, amending Articles 4, 5, 6 and the heading of Section Three of the Law No. IX-326 'Law on Lotteries and Gambling Tax' (hereafter referred to as "Law No. XIV-799 of 21 December 2021"). Link to the publication in the Register of Legal Acts: TAR, 2021-12-28, No. 27377.	Replacing fixed fees with a 20% tax on gross gaming revenue and raising the lottery tax rate to 18%.
9	Law No. XIV-2804 of 25 June 2024, amending Article 5 of the Law No. IX-326 'Law on Lotteries and Gambling Tax' (hereafter referred to as "Law No. XIV-2804 of 25 June 2024"). Link to the publication in the Register of Legal Acts: TAR, 2024-07-05, No. 12620.	Further increasing gross gaming revenue rate to 22%.
10	Law No. XV-283 of 17 June 2025 'Security Contribution Law' (hereafter referred to as "Law No. XV-283 of 17 June 2025"). Link to the publication in the Register of Legal Acts: TAR, 2025-06-20, No. 11279.	Introducing a new 10% tax on non-life insurance premiums (excluding life and mandatory motor third-party liability).
11	Fiscal Impact Calculation Prepared by the Ministry of Finance.	Fiscal impact estimates for all the laws presented in the cover note for years 2022 to 2028.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of amendments to laws on excise duties, environmental taxes and property tax to increase the role of taxes that do not hamper economic growth in the tax structure.

- *Entry into force of amendments to excise duties and environmental taxes*

Lithuania has adopted several amendments to the Law on Excise Duties, increasing excise duties and environmental taxes, including fossil fuel taxes and the introduction of a CO_2 tax component in excise duties:

- Law No. XIVP-1185 of 9 May 2023 amending the Law on Excise Duties (evidence 2). The Law No. XIVP-1185 of 9 May 2023 entered into force on 1 January 2024, while some elements enter into force on 1 January 2025 and 1 January 2026, and the CO2 tax component in the excise duties gradually increases from 2025 to 2030. (Article 19).
    - The standard excise rate on gas oils increases in three steps from 372 per 1000 litres in 2023 (baseline rate) to 410 per 1 000 litres in 2024, to 466 per 1000 litres in 2025, and to 500 per 1000 litres in 2026 (Article 7).

- Excise duty on peat for heating increases in two steps from EUR 0 EUR in 2023 (baseline rate) to EUR 10 per tonne in 2024, and to 20 EUR per tonne in 2025 (Articles 13 and 14).
- Excise duty on coal, coke and lignite increases in two steps from EUR 7.53 per tonne for coal, and EUR 8.98 per tonne for coke and lignite in 2024 (baseline rate) to EUR 15 per tonne for all in 2025, and to EUR 30 per tonne in 2026 (Article 14).
- Starting from 2025, a CO_2 tax component is included in the excise rates for energy products and gradually increases for the period 2025-2030 (Article 17, Annex). The CO_2 component excludes natural gas, electricity, gas oils used in agriculture, aquaculture and commercial fishing activities in inland waters, as well as oil gas and gaseous hydrocarbons for household purposes (Articles 2, 3, 5, 6, 9, 10, 11, 14, 18 and 20).

- Law No. XIV-2770 of 20 June 2024 amending the Law on Excise Duties (evidence 3) further increases the CO_2 tax component (Article 4) and expands the scope of the CO_2 component to agricultural gas oils (Article 1). Law No. XIV-2770 of 20 June 2024 entered into force on 29 June 2024, in line with the national legal framework, absent a specific clause, acts take effect the day after their official publication in the Register of Legal Acts.
- Law No. XIV-2769 of 20 June 2024 amending the Law on Excise Duties (evidence 4) increases taxation of alcohol and tobacco (Articles 23, 24, 25, 26, 30, 31, 65 and 74). Law No. XIV-2769 of 20 June 2024 enters into force on 1 January 2026 (Article 19, Paragraphs 1, 2 and 3).
- Law No. XV-286 of 17 June 2025 amending the Law on Excise Duties, introduces excise duties on sweetened drinks (evidence 5): non-alcoholic sweetened beverages containing sugar or sweeteners and concentrates used for beverage preparation are taxed at EUR 7.40 per hl for beverages that contain less than 8 g of added sugars per 100 ml, EUR 21 per hl for beverages that contain 8 g or more of added sugar per 100 ml, and EUR 105 per hl for concentrates (Article 2 and Section 9). Law No. XV-286 of 17 June 2025 enters into force on 1 January 2026 (Article 4).
- Law No. XIV-876 of 23 December 2021 amending the Law on Pollution Tax (evidence 6), increases the landfill tax rate from EUR 10 per tonne to EUR 50 per tonne, and expands the scope of payers, thereby increasing incentives for recycling (Article 5). Law No. XIV-876 of 23 December 2021 entered into force on 1 January 2023 (Article 10).

- *Entry into force of amendments to property tax*

Lithuania adopted Law No. XV-344 on 26 June 2025 amending the Law on Immovable Property Tax which reforms property taxation (evidence 7). The amendments increase the tax rate for commercial properties and reform the tax rate system for non-commercial properties by separating primary residences from other non-commercial properties and setting different tax thresholds and rate systems for the two categories. Law No. XV-344 on 26 June 2025 enters into force on 1 January 2026 (Article 1, Paragraph 2).

- For commercial properties, an additional immovable property tax surcharge of 0.2% applies to commercial immovable property owned by legal entities and individuals, with the proceeds allocated to the State Defence Fund (Article 6, Paragraph 5). In addition, municipal councils may set higher tax rates, ranging from 1% to 5%, for abandoned or neglected commercial immovable property (Article 6, Paragraph 4).

- For non-commercial properties, other than primary residences (constituting around 20% of all non-commercial properties) the minimum property value threshold for property taxation is set at EUR 50 000. For primary residences (property of residential or other non-commercial purpose where the owner has officially declared his/her place of residence) the minimum threshold for property taxation is set at EUR 450 000 (constituting around 80% of all non-commercial properties) (Article 2, Paragraph 2). Specifically:
    - Under the current non-commercial property taxation model[2], the combined value of property is taxed at a rate of 0.5% for values between EUR 150 000 and EUR 300 000, at a rate of 1% for values between EUR 300 000 and EUR 500 000, and at a rate of 2% for values above EUR 500 000 (the value threshold can be higher for vulnerable social groups).
    - Under the new non-commercial property taxation model, the primary residence will be taxed if its value exceeds EUR 450 000, which can be further increased by the municipality councils may further increase. Above this threshold a tax rate is applied to the property value ranging from 0.1% to 1% (Article 6, Paragraphs 4 and 5).
    - The total value of non-commercial property other than the primary residence is subject to progressive taxation at a rate of 0.2% for values between EUR 50 000 and EUR 200 000; at a rate of 0.4% for values between EUR 200 000 and EUR 400 000; at a rate of 0.6% for values between EUR 400 000 and EUR 600 000; at a rate of 0.8% for values between EUR 600 000 and EUR 1 000 000; and at a rate of 1% for values exceeding EUR 1 000 000 (Article 6, Paragraph 6).
- Other notable changes to both commercial and non-commercial property taxation include an increase in the frequency of mass property valuations, based on which the tax is calculated: properties are re-evaluated every 3 years, instead of every 5 years under the current system, to align the mass valuation values of the properties closer to market values and to prevent irregular but large mass-value hikes (Article 8, Paragraph 1). Tax declarations for individuals are prefilled by the tax administrator (Article 12, Paragraph 4), and cases where properties under construction are subject to immovable property tax are broadened (Article 4, Paragraph 2).

– *Entry into force of other amendments to increase the role of taxes that do not hamper economic growth in the tax structure*

In addition to the amendments to laws on excise duties, environmental taxes and property tax, Lithuania has introduced additional amendments that contribute to increase the role of taxes that do not hamper economic growth in the tax structure:

- Law No. XIV-799 of 21 December 2021, amending the Law on Lotteries and Gambling increases tax rates for gambling and lotteries (evidence 8). The fixed monthly fees for each gambling device were abolished and replaced by a 20% tax on the gross gaming revenue generated by the devices, ensuring that the tax burden moves in line with turnover (Article 4). Tax rates on gross gaming revenue were increased to 20% for all gambling products, including slot machines, table games, bingo, totalizer, betting and remote gambling, representing an increase from 18% for bingo, totalizer and betting, and increase from 13% for remote gambling. The lottery tax rate

[2] As provided in the Law No. X-233 'Law on Immovable Property Tax' of 18 June 2005, Article 6 (TAR, 2005-06-18, No. 76-2741).

was increased from 13% to 18% (Article 5). Law No. XIV-799 of 21 December 2021 entered into force on 1 July 2022 for gambling activities and on 1 January 2023 for lotteries (Articles 4 and 5).

- Law No. XIV-2804 of 25 June 2024, amending the Law on Lotteries and Gambling (evidence 9), further increased tax rates for gambling from 20% to 22% of gross gaming revenue. Law No. XIV-2804 of 25 June 2024 entered into force on 1 January 2025 (Articles 4 and 5).
- Law No. XV-283 of 17 June 2025 introduced a tax on non-life insurance premiums, expanding the tax base by including previously untaxed services (evidence 10). A new 10% tax applies to insurance premiums where the risk is situated in Lithuania and for all insurers operating in Lithuania, except for life insurance and mandatory car insurance policies (Articles 7 and 8). Law No. XV-283 of 17 June 2025 enters into force on 1 January 2026 (Article 11).

Taxes on insurance premiums are comparable to VAT (from which insurance services are exempt in the EU), while taxes on gambling and lotteries are similar in nature to excise duties. Both VAT and excise duties are levied on transactions rather than directly on income or profits and are generally seen as less detrimental to growth.

The Council Implementing Decision required entry into force of the amendments to laws on excise duties, environmental taxes and property tax to increase the role of taxes that do not hamper economic growth in the tax structure. Lithuania has adopted amendments to all of the above categories, with the latest amendments adopted and published in the Register of Legal Acts in June 2025. For some of these changes the entry into force of the amendments is set on 1 January 2026, as specified in the sections above. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay between the adoption of this law and the actual application of the provisions is considered both limited and proportional, notably because according to Article 20(3) of the Law on the Legislative Framework, tax laws must enter into force no earlier than six months after official publication, generally on 1 January for accounting purposes. Moreover, the amendments are formally adopted and published, and enter into force on 1 January 2026, ensuring certainty of application and the beginning of the legal effects of the provisions. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

- *Fiscal impact of the increase of the role of taxes that do not hamper economic growth in the tax structure*

Taking into consideration the aim of the legislative changes, as per the milestone description, to "*increase the role of taxes that do not hamper economic growth in the tax structure*", the fiscal impact of the taxes that do not hamper economic growth has been evaluated.

Considering all of the above legislative changes, the proposed changes are estimated to have a fiscal impact of around EUR 678 million in 2026 (0.82% of GDP). The largest contributors to this increase are: existing excise duties and environmental taxes, followed by introduction of new taxes on insurance contracts, sugary beverages and the tax surcharge on commercial property. According to fiscal yield estimates provided by the Ministry of Finance (evidence 11):

- Adopted legislative changes relating to excise duties and environmental taxes have an estimated fiscal impact of around EUR 558 million in 2026 (0.67% of GDP), with additional increases for alcohol and tobacco excise duties scheduled for 2027 and gradual increases in the CO_2 tax component set to continue annually until 2030.

- Adopted legislative changes introducing a tax on non-life insurance premiums, gambling and lottery taxes have an estimated fiscal impact of around EUR 145 million in 2026 (0.18% of GDP).
- Adopted legislative changes to property taxation have a negligible fiscal impact, as the increases to commercial property taxation broadly counterbalance the lower tax revenue expected from non-commercial property taxation. The latter can largely be attributed to the separation of tax rates for primary residences and other non-commercial property, with a generous floor set for primary residences, which constitute the majority of non-commercial properties in Lithuania.

Overall, the estimates for fiscal revenues of the legislative amendments demonstrate that, taken together, the changes increase the role of taxes that do not hamper economic growth in the tax structure.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 148 Entry into force of the medium-term budgeting methodology, basic costs calculation methodology and amendments to the Law on Budget Structure related to the revision of the state budget

Related Measure: C6.F-1-3- F-1-3- Long-term sustainability and transparency of the national budget

Qualitative Indicator: Provisions indicating entry into force of two methodologies and the Law on the Budget structure

Time: Q2 2024

1. Context:

The aim of the reform is to increase the long-term sustainability of the state and municipal budgets, transparency of medium-term budgeting and funding of state services. It also focuses on spending reviews and ways to increase financial independence of municipalities.

Milestone 148 concerns the clarification of rules on the revision of annual budgets, procedures for medium-term budgeting, and procedures for baseline expenditure calculations. This requires the entry into force of amendments to the Law on the Budget Structure, a methodology which shall set the procedures of medium-term budgeting, and a methodology for baseline expenditure calculations approved by the order of the Minister of Finance.

Milestone 148 is the first step of the implementation of sub-measure 1 under this reform and it is accompanied by milestone 149 in this payment request, related to entry in force of the government resolution endorsing the first detailed medium-term budget project, and milestone 148a related to entry into operation of the Strategic Management Information System's tool automating medium-term budgeting and milestone.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document justifying how the milestone was satisfactorily fulfilled.
2	Amendment to Law No. I-430 on the structure of the budget (14 December 2023, No. XIV-2325)	The amended version of the Law on the Budget Structure sets the legal basis for the medium-term budgeting framework as well as the rules of revision of approved medium-term budgets.
3	Government Decision (No. 672 of 14 August 2024) on the amendment of Resolution No. 543 of the Government of the Republic of Lithuania of 14 May 2001 on the approval of the rules for the establishment and implementation of the State budget and municipal budgets of the Republic of Lithuania	The amended Resolution establishes the rules and methodology for preparing medium-term budgets, outlines the procedures for preparing three-year budget estimates, and establishes the application of the Resolution to the preparation and execution of the 2025-2027 budget and subsequent budgets.
4	Order No. 1K-369 (of 20 November 2024)	Provides guidance to all spending units on

	of the Minister of Finance amending Order No. 1K-265 of 8 August 2011, on the application of the rules for the formation and implementation of the state budget and municipal budgets of the Republic of Lithuania	medium-term budgeting principles, planning methods, and procedures.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the medium-term budgeting methodology, basic costs calculation methodology and amendments to the Law on Budget Structure related to the revision of the state budget.

Entry into force of:

the amendments to the Law on the Budget Structure which shall clarify the rules of revision of annual budgets;

The amendments entered into force on 1 March 2024 as established by Law No. XIV-2325 of 14 December 2023 on the Amendment of the Republic of Lithuania Law No. I-430 on the Structure of the Budget (hereinafter referred to as ”the Law on the Budget Structure”) (Annex I, Annex Article 2.1). The amendments clarify the cases in which annual and the subsequent budgets for the one or two following years may be revised. The amendments concern revisions of aggregate allocations, revisions of the allocation shares of aggregate appropriations, or the revisions of appropriation managers’ ceilings (Annex I, Articles 18.5, 18.6 and 18.7).

the methodology which shall set the procedures of medium-term budgeting, the main principles of which are set in the Law on the Budget Structure, and approved by a Government resolution;

Government Decision No. 672 of 14 August 2024 amending Resolution No. 543 of 14 May 2001 on the approval of the rules for the establishment and implementation of the State budget and municipal budgets of the Republic of Lithuania (hereinafter referred to as “the Resolution”) entered into force on 20 August 2024, following its adoption by the Government and publication in the Register of Legal Acts.

The main principles of medium-term budgeting are laid down in the Law on the Budget Structure, namely the three-year duration, the scope (state, municipal, state social funds, and the Compulsory Health Insurance Fund budgets), and possible adjustments to allocation shares (Annex I, Annex Article 18).

Furthermore, the Resolution introduces the medium-term budgetary framework in budget procedures, by setting out the planning process for three budgetary years and setting the first medium-term budget as the basis for subsequent medium-term budgets (Annex II, Article 5, on page 2). The Resolution also establishes the three-year timeline for the planning of subsidies to municipalities and for the preparation of programme estimates (Annex II, Articles 6.2 and 11 of the Regulation), and establishes that spending contracts may be concluded for a period of up to three years (Annex II, Article 35 of the Resolution). The Resolution also allows the carry-over of a portion of unused appropriations from the previous year to the current budgetary year (Annex II, Article 40).

The Law on Budget Structure and the Resolution jointly establish a methodology for medium-term budgeting.

the methodology which shall set the procedures for baseline expenditure calculations approved by the order of the Minister of Finance.

Order No. 1K-369 of 20 November 2024 of the Minister of Finance amending Order No. 1K-265 of 8 August 2011, on the application of the rules for the formation and implementation of the state budget and municipal budgets of the Republic of Lithuania (hereinafter referred to as "the Order") entered into force on 22 November 2024, defines procedures to calculate baseline expenditure for three years ahead. This constitutes the methodology referred to in the Annex to the Council Implementing Decision. The Order covers the approach to calculating baseline expenditure (Annex III, Sections 1 and 2), as defined in the milestone description, and also outlines broader budgeting methodologies and procedures. Section 1 defines principles for planning appropriations. Section 2 (Paragraphs 6 to 15) establishes processes/methods to plan appropriations over three years. For instance, the Order states that the process should start by taking the aggregate appropriations limit from previous years and review it, taking into account changes in measures, or the completion or new implementation of measures, adjust the need for appropriations in light of planned changes in measures, assess the resources needed to implement measures and achieve monitoring indicator targets, and identify the relevant quantities and prices using reliable data sources.

The Council Implementing Decision required, in line with the qualitative indicator for the milestone, provisions indicating entry into force of two methodologies and the Law on the Budget structure.

The Law on Budget Structure, the Resolution and the Order, which set out the methodologies, each contain provisions indicating their respective entry into force. For the Law on Budget Structure, the entry into force provision is set out in Annex Article 2.1 of the Law on the Amendment of the Republic of Lithuania Law No. I-430 on the Structure of the Budget. For the Resolution the provision is contained in Article 2.4 of the amending act, Government Decision No. 672 of 14 August 2024 on the amendment of Resolution No. 543 of the Government of the Republic of Lithuania of 14 May 2001 on the approval of the rules for the establishment and implementation of the State budget and municipal budgets of the Republic of Lithuania. For the Order, it was published in the Registry of Legal Acts on 21 November 2024 and entered into force one day after its publication, on 22 November 2024.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 149 Entry in force of the government resolution endorsing the first detailed medium-term budget project for the period between 1 January 2025 and 31 December 2027

Related Measure: C6.F-1-3- F-1-3- Long-term sustainability and transparency of the national budget

Qualitative Indicator: Government resolution endorsing the first detailed medium-term budget project for the period between 1 January 2025 and 31 December 2027

Time: Q3 2024

1. Context:

The aim of the reform is to increase the long-term sustainability of the state and municipal budgets, transparency of medium-term budgeting and funding of state services. It also focuses on spending reviews and ways to increase financial independence of municipalities.

Milestone 149 concerns the preparation and endorsement by the Government of a medium-term budget for the period between 1 January 2025 and 31 December 2027.

Milestone 149 is the second step of the implementation of sub-measure 1 under this reform and is accompanied by milestone 148 in this payment request, related to medium-term budgeting, including amendments to the Law on Budget Structure. It will be followed by milestone 148a related to entry into operation of the Strategic Management Information System's tool automating medium-term budgeting.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document justifying how the milestone was satisfactorily fulfilled.
2.1	Government Resolution No. 1090 on the 2025–2027 Draft Budget Law. The Resolution was approved and entered into force on 13 December 2024. 1090 Dėl patobulinto Lietuvos Respublikos 2025–2027 metų biudžeto patvirtinimo įstatymo projekto patei	The Government Resolution approving the draft law to be discussed in Parliament.
2.2	2025–2027 Budget Law No. XV-89. Adopted by the Parliament on 19 December 2024. Entered into force on 24 December 2024. XV-89 Lietuvos Respublikos 2025–2027 metų biudžeto patvirtinimo įstatymas	The Budget Law for 2025-2027 as adopted by Parliament.

3.1	Law No. XIV-2325 on the amendment of Law No. I-430 on the Structure of the Budget. Adopted on 14 December 2023. Entered into force 1 March 2024 (Article 2.1, p. 26). XIV-2325 Lietuvos Respublikos biudžeto sandaros įstatymo Nr. I-430 pakeitimo įstatymas.	Sets the main legal principles for the medium-term budgeting framework.
3.2	Government Decision No. 672 of 14 August 2024 on the amendment of Resolution No. 543 of 14 May 2001 on the approval of the rules for the establishment and implementation of the State budget and municipal budgets of the Republic of Lithuania. Approved by the Government on 14 August 2024. Entered into force on 20 August 2024. 672 Dėl Lietuvos Respublikos Vyriausybės 2001 m. gegužės 14 d. nutarimo Nr. 543 „Dėl Lietuvos Respubl... (e-tar.lt).	Establishes the rules and methodology for preparing medium-term budgets, outlining the procedures for preparing three-year budget estimates.
4	Report issued by the Ministry of Finance on 27 January 2025. Published on the website of the Ministry of Finance on 28 January 2025: Sisteminės viešųjų išlaidų peržiūros rekomendacijų įgyvendinimo ataskaita (2025.01.27) - Lietuvos Respublikos finansų ministerija.	Outlines how the results of the comprehensive spending review were taken into account in the preparation of the first medium-term budget. It includes recommendations for each ministry, along with information on their implementation.
5	Order of the Minister of Finance No. 1K-383 of 28 November 2024 amending order 1K-265 1K-383 Dėl finansų ministro 2011 m. rugpjūčio 8 d. įsakymo Nr. 1K-265 „Dėl Lietuvos Respublikos valstybė...	Amends the order that establishes program estimate form (B-1 form), to apply to three budgetary years (previously, program estimates were prepared and approved for a single budget year) and is applied when submitting information on the 2025 budget and subsequent years (Article 3.1).

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry in force of the government resolution endorsing the first detailed medium-term budget project for the period between 1 January 2025 and 31 December 2027

The government shall endorse the first detailed three-year budget project for the period between 1 January 2025 and 31 December 2027.

Furthermore, in line with the description of the measure, **a medium-term budget for the period between 1 January 2025 and 31 December 2027 shall be prepared and endorsed by the Government.**

Government Resolution No. 1090 on the 2025–2027 Draft Budget Law was approved and entered into force on 13 December 2024. This resolution endorses the first detailed medium-term budget project for the period between 1 January 2025 and 31 December 2027, in line with the requirement (Annex 2.1).

The 2025–2027 Budget Law No. XV-89 was adopted by the Parliament on 19 December 2024 and entered into force on 24 December 2024 (hereinafter referred to as “the Budget Law”) (Annex 2.2). The Budget Law specifies spending limits for each of the three years, categorized by budget year, state performance areas, and appropriation managers, and sets performance indicators to be achieved over three budgetary years (Annexes 1, 3, and 10 of Annex 2.2).

The medium-term budget shall be in accordance with the approved medium-term budgeting methodology.

Law No. XIV-2325 of 14 December 2023 on the Amendment of the Republic of Lithuania Law No. I-430 on the Structure of the Budget (hereinafter referred to as “the Law on Budget Structure”) (Annex 3.1) and Government Decision No. 672 of 14 August 2024 on the Amendment of Resolution No. 543 of 14 May 2001 on the Approval of the Rules for the Establishment and Implementation of the State Budget and Municipal Budgets of the Republic of Lithuania (hereinafter referred to as “the Resolution on Budget Preparation and Execution”), (Annex 3.2) together establish the medium-term budgeting methodology.. Both the Law on Budget Structure and the Resolution on Budget Preparation and Execution contain provisions confirming that they apply to the preparation (Annex 3.1 and 3.2), implementation, evaluation, and control of the execution (Annex 3.2) of the Budget Law for 2025-2027.

The Budget Law 2025-2027 outlines aggregate revenue and appropriations limits for 2025, 2026 and 2027 (Annex 2 of Annex 2.2) and provides detailed budgets for each year, indicating performance areas and appropriation managers (Annex 3 of Annex 2.2). It establishes performance indicators to be achieved over the three budgetary years (Annex 10 of Annex 2.2).

Specifically, article 2.14 of the Law on Budget Structure requires the Budget Law to apply for each year in the 2025–2027 period. Article 10 of the Law on Budget Structure requires inclusion of key performance indicators from the 2021–2030 National Progress Plan, reflected in Annex 10 of the Budget Law. Article 19 of the Law on Budget Structure requires the definition of medium-term budget indicators, included in Annexes 1 and 3 of the Budget Law.

Concerning the Resolution on Budget Preparation and Execution, Article 11 requires each appropriation manager to prepare programme estimates. This is supported by Order No. 1K-383 of 28 November 2024 of the Minister of Finance, which amends Order No. 1K-265 on the Programme Estimate Form (Annex 4). This amended Order reportedly used in the preparation of the 2025-2027 draft medium-term Budget Law, introduces changes enabling programme estimates to cover all three budgetary years.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 150 Completion of the comprehensive budget expenditure review

Related Measure: C6.F-1-3- F-1-3- Long-term sustainability and transparency of the national budget

Qualitative Indicator: Delivery of the comprehensive spending review results

Time: Q1 2024

1. Context:

The aim of the reform is to increase the long-term sustainability of the state and municipal budgets, transparency of medium-term budgeting and funding of state services. It also focuses on spending reviews and ways to increase financial independence of municipalities.

Milestone 150 concerns the approval of a concept for a comprehensive spending review by the government and implementation in the actual comprehensive review including the review of 2023 budget execution data. The results of the comprehensive spending review shall be made public and shall feed into the preparation of the first medium-term budgets for the period from 1 January 2025 to 31 December 2027**.**

Milestone 150 is the only milestone under sub-measure 2 of this reform.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document justifying how the milestone was satisfactorily fulfilled.
2	Protocol No. 43 of the meeting of the Government of Lithuania, 30 November 2022	The Protocol reports on the agreement by the Government to task the Ministry of Finance to carry out a systematic review of public expenditure.
3	Order No. 1K-292 (19 August 2022) amending Order 1k-227 of the Minister of Finance on methodological guidance for the review of public expenditure	The Order lays down details on the organisation of the review, methodological approaches and data collection arrangements.
4.1	Final report of the spending review	Review of long-term assets (horizontal); (all reports under Annex 4 have been published here: Sisteminė viešųjų išlaidų peržiūra (2023–2024 m.) - Lietuvos Respublikos finansų ministerija).
4.1.1		Review of long-term assets (specific cases).
4.2		Review of budget measures implemented by selected projects.
4.3		Spending review of goods and services.
4.4		Review of subsidies to municipalities.
4.5		Review of the Ministry of Social Security and Labour.

4.6		Review of the Ministry of Agriculture.
4.7		Review of Ministry of Environment.
5	Resolution No. 1006 of the Government of Lithuania (20 December 2023)– amending Resolution No. 155 of the Government of the Republic of Lithuania of 10 March 2021 on the Approval of the Plan for the Implementation of the Regulations of the Programme of the Government of the Republic of Lithuania	Government Programme Implementation Action Plan, which includes the drafting of a budget for 2025-2027, in accordance with medium-term budgetary rules and the use of the results of the spending review.
6	Protocol No. LV-196 of the meeting of the Government of Lithuania, 25 June 2024	The Protocol shows the decision of the Government to task Ministries with assessing the recommendations of the spending review in the context of preparing the medium-term budget for 2025-2027.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities covers all constitutive elements of the milestone.

- **A concept for a comprehensive spending review shall be approved by the government**

Protocol No. 43 of the Government meeting of 30 November 2022 (Annex 2) indicates that the concept for a comprehensive spending review was approved by the Government. Protocol No. 43, signed by the Prime Minister, records the participants, issues discussed, and decisions made during the meeting of the Government. It demonstrates that the Government tasked the Ministry of Finance with conducting a systematic review of public expenditure. This includes an inventory and review of the legislation underpinning continuous operating funds by the ministries and their subordinate bodies, and the planning methods, practices and other tools used to plan funds not established in the relevant legislation (point 2.1.1.1). Protocol No. 43 also tasks the Ministry of Finance to identify inefficient State budget allocations and/or other funds allocated to other entities within the ministries and/or ministerial governance bodies (point 2.1.1.2). Additionally, it tasks ministries to participate in the review (point 2.1.2). Finally, the government agreed to the deadlines of 30 September 2023 and 30 September 2024 for the review of the legislation and the review of expenditure, respectively.

- **and implemented in the actual comprehensive review**

The Ministry of Finance followed up with Order No. 1K-292 (19 August 2022) amending Order 1k-227 of the Minister of Finance on methodological guidance for the review of public expenditure (Annex 3), which defines the organisation of the spending review including its regularity, relevance, collaboration with the Central Project Management Agency, analytical methods, data collection, and form of the spending review report (Annex 3), following the concept for a spending review.

Annex 3 and its subparts contain the report of the spending review, prepared by external experts and the Central Project Management Agency. The report provides an explanation of the data used and methodological approaches, an analysis of the relevant legislation, results of the review and recommendations. The review focuses on operational expenditure, including expenditure for tangible and intangible long-term assets, project-type expenditure, expenditure on goods and services, subsidies to municipalities, social spending, and environmental and agricultural spending by the relevant Ministries, based on the share of operational expenditure, recommendations by the National Audit Office and assumptions by the Ministry of Finance on which budget funds may be planned or used inefficiently. Therefore, while the spending review focuses on some types of expenditure, a rationale was provided for the choices made, aiming to cover all ministries and the types of expenditure that represent a substantial portion of operational expenditure. It is therefore considered comprehensive.

Key recommendations include:

- apply additional forecasting methods and other assessment tools to predict the likely evolution of the recipients of funds (e.g. social benefits);
- apply unified suggested budgeting principles for similar types of expenditure;
- restructure specific budget measures in order to strengthen the link between activities and performance.

- **including the review of 2023 budget execution data.**

The spending review is based on planned and actual data for 2021-2023 (see section 5 of Annex 4.1, section 1.2.1 of Annex 4.1.1, Section 1.2.2 of Annex 4.2, Section 5.2 of Annex 4.3, Section 3.1 of Annex 4.4, Section 4 of Annex 4.5, Section 2.3 of Annex 4.6 and Sections 1, 2, 3, 4, 5, 6 and 7 of Annex 4.7).

- **The results of the comprehensive spending review shall be made public**

The results of the spending review were published on 29 August 2024 on the website of the Ministry of Finance. The Commission services accessed the link provided by the authorities on 27 August 2025 to verify the publication of the results of the spending review. This check was completed successfully, confirming that the results of the comprehensive spending review have been made public.

- **and shall feed into the preparation of the first medium-term budgets for the period from 1 January 2025 to 31 December 2027.**

Resolution No. 1006 of the Government of Lithuania (20 December 2023)– amending Resolution No. 155 of the Government of the Republic of Lithuania of 10 March 2021 on the Approval of the Plan for the Implementation of the Regulations of the Programme of the Government of the Republic of Lithuania (Annex 5) includes under Mission X, Order No. 10.5 (see Resolution No. 1006), the establishment of “the draft State budget for the years 2025-2027 in accordance with the medium-term budgetary rules and the use of the results of the systematic review of public expenditure”. Furthermore, the Protocol No. LV-196 of the meeting of 25 June 2024 on the implementation of the recommendations of the systematic review of expenditure (Annex 6) states that the Government has tasked all ministries (except the Ministry of Defence) to assess the recommendations of the spending review in the context of the budget for 2025-2027. Therefore, the spending review feeds into the preparation of the first medium-term budgets for 2025-2027.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 153 Entry into force of the legislative package establishing an enhanced framework for the use of strategic and long-term public-private partnerships

Related Measure: C6.F-1-3- F-1-3- Long-term sustainability and transparency of the national budget

Qualitative Indicator: Provisions indicating the entry into force of amendments to: 1) the Law on Investment, 2) the Law on Concessions, 3) the Law on State and Municipal Assets and Their Management, 4) the Rules on the Preparation and Implementation of Public-Private Partnerships

Time: Q4 2023

1. Context:

The aim of reform F.1.3 is to increase the long-term sustainability of the state and municipal budgets, transparency of medium-term budgeting and funding of state services. It encompasses five sub-measures: improvements to the budgetary framework (sub-measure F.1.3.1); spending reviews (sub-measure F.1.3.2); enhancing the structure of municipal revenues (sub-measure F.1.3.3); Promoting public-private partnerships (sub-measure F.1.3.4); and consolidation of the national promotional institutions (sub-measure F.1.3.5).

Milestone 153 is part of sub-measure F.1.3.4 which aims to enable the implementation of public-private partnerships in the strategically most important areas, such as energy efficiency, renewable energy sources, sustainable transport, and areas with the greatest investment needs, such as justice and public order and public safety; help to attract private investors to public projects by providing the long term sustainable investment plans and developing balanced mutually beneficial risk allocation mechanisms; allow grouping of municipal investment projects, which would make them more attractive to investors; enable municipalities to participate in public-private partnership programmes organised by the state, which is expected to reduce administrative costs.

Milestone 153 requires adoption of the legislative package consisting of amendments to the Law on Investment, Law on Concessions, Law on State and Municipal Assets and Their Management, and the Rules on the Preparation and Implementation of Public-Private Partnerships, which shall be based on the results of a feasibility study regarding possibilities to implement public-private partnerships in the public domain and taking into account fiscal limitations.

Milestone 153 is the second and final step of the implementation of sub-measure F.1.3.4. and it follows the completion of milestone 152, related to the entry into force of amendments to the rules on the preparation and implementation of public-private partnerships.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	The feasibility study approved in January 2023 by the Central Project Management Agency (hereinafter referred to as – CPMA)	The feasibility study evaluates the state's strategic goals, the required funding for them, the available state funding for their implementation, and the

	A link to the publication of feasibility study.	possibilities to cover the identified funding gap through the application of PPP.
3	Law No. XIV-3041 of 17 October 2024, amending articles 2, 4, 13, 156, 158 and section four of the Law on Investments No VIII-1312. A link to the publication in the Register of Legal Acts (TAR, 2024-10-24, No. 18465)	Amendments to the legal framework for public and private investments, by including the public-private partnerships (PPP) chapter in the law (Chapter VIII), which defines PPP and their application methods, and makes public-finance controls mandatory for every PPP. Entry into force on 1 December 2024.
4	Resolution No. 673 of 14 August 2024, amending the Government Resolution No. 292 'On the Approval of the Strategic Management Methodology'. A link to the publication in the Register of Legal Acts (TAR, 2024-08-19, No. 14588)	Implements provisions of the Strategic Management Law by detailing the investment planning and implementing processes. Entry into force on 20 August 2024.
5	Order No. 2024/8-532 of 2 December 2024 'On the approval of methodological recommendations for the preparation of progress measures'. A link to the Methodological recommendations for the preparation of progress measures on the Central Project Management Agency website: https://cpva.lt/wp-content/uploads/2024/04/d1_priemones-rengimo-rekomendacijos-patvirtintos.pdf	Recommendations prepared for implementing the methodological support functions assigned to the CPMA under paragraph 8 of the SMM, which are intended to detail and explain the requirements applicable to the preparation of 'progress measures' (i.e. the Government-approved 4–10-year documents that translate each development programme into concrete activities, budgets and funding sources). Entry into force on 3 December 2024.
6	Law No. XIV-3042 of 17 October 2024, amending articles 5, 14, 16, 26, 31, 60, 65, 66 and Annex 5 of the Law on Concessions No. I-1510. A link to the publication in the Register of Legal Acts (TAR, 2024-10-24, No. 18466)	**The update aligns the concession model with the updated PPP framework as established by the amendments to the Law on Investments and provides detailed rules for structuring eligible projects as concessions.** Entry into force on 1 December 2024.
7	Law No. XIV-3044 of 17 October 2024, amending articles 2, 14, 20 and 22 of the Law on State and Municipal Assets and Their Management No. VIII-729. A link to the publication in the Register of Legal Acts (TAR, 2024-10-24, No. 18469)	*The revision stipulates how public authorities may own, lease, or dispose of State-owned property including PPP.* Entry into force on 1 December 2024.
8	Resolution No. 1035 of 4 December 2024, amending the Government Resolution No. 1480 'On the Preparation and Implementation of Public-Private Partnerships'. A link to the	The amended rules aligning procedural detail of preparation and implementation of PPP projects with the amended legal framework. Entry into force

	publication in the Register of Legal Acts (TAR, 2024-12-04, No. 21475)	on 5 December 2024.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the legislative package establishing an enhanced framework for the use of strategic and long-term public-private partnerships. The legislative package consisting of amendments to the Law on Investment, Law on Concessions, Law on State and Municipal Assets and Their Management, and the Rules on the Preparation and Implementation of Public-Private Partnerships.

- Law No. XIV-3041 of 17 October 2024, amending articles 2, 4, 13, 156, 158 and section four of Law on Investments No VIII-1312 (hereinafter referred to as "the Law on Investments") were adopted on 17 October 2024 and entered into force on 1 December 2024 (Article 8, evidence 3). They amend the legal framework for public and private investments, by including the public-private partnership (hereinafter referred to as "PPP") chapter in the law (Chapter VIII), which defines PPP and their application methods, and makes public-finance controls mandatory for every PPP. Every PPP is now treated like public expenditure, where its future payments have to fit within the ministry's medium-term budget ceilings and be recorded in the state's cash-flow forecasts. In practice, Article 15 of the amended Law on Investments provides a framework to the central government for determining whether a given project can be financed as a PPP and what budget tests it must pass.
- Law No. XIV-3042 of 17 October 2024, amending articles 5, 14, 16, 26, 31, 60, 65, 66 and Annex 5 of the Law on Concessions No. I-1510 '' (hereinafter referred to as "the Law on Concessions") were adopted on 17 October 2024 and entered into force on 1 December 2024 (Article 10, evidence 6). The update aligns the concession model with the updated PPP framework as established by the Amendments to the Law on Investments and provides detailed rules for structuring a project as a concession once it has passed the necessary tests and has been declared eligible for PPP in accordance with the Law on Investments. The key changes include simplifying the approval process, by reducing the number of steps for approving a concession PPP project, including removing the requirement for Seimas approval for concessions exceeding EUR 58 million and allowing several concessions to be bundled into one tender.
- Law No. XIV-3044 of 17 October 2024, amending articles 2, 14, 20 and 22 of the Law on State and Municipal Assets and Their Management No. VIII-729 (hereinafter referred to as "the Law on State and Municipal Assets and Their Management" were adopted on 17 October 2024 and entered into force on 1 December 2024 (Article 5, evidence 7). The revision stipulates how public authorities may own, lease or dispose of State-owned property including PPP and eliminates the notion of an "institutional PPP" (a joint-venture vehicle between the State and a private firm that had never been implemented and for which no procedural guidance existed) and aligns the asset-management rules with the streamlined PPP framework created by the updated Law on Investments and Law on Concessions.
- Amendments to the Rules on the Preparation and Implementation of Public-Private Partnerships, adopted by Government Resolution No. 1480/2009 on 4 December 2024, entered

into force on 5 December 2024[3] (evidence 8). The amended rules align procedural detail of preparation and implementation of PPP projects with the three laws above. The updated rules stipulate that a PPP may proceed only if it is recorded in the relevant sectoral "progress measure" (the Government-approved four- to ten-year plan that specifies activities, budgets and funding sources), thereby embedding each project in an already validated programme and medium-term fiscal envelope.

[This] legislative package […] shall be based on the results of a feasibility study regarding possibilities to implement public-private partnerships in the public domain and taking into account fiscal limitations.

- The commissioning of the feasibility study was approved on 10 January 2023 by the Central Project Management Agency (hereinafter referred to as "CPMA") and delivered on 30 January 2024 (evidence 2). The feasibility study evaluated the state's strategic goals, the required funding for them, the available state funding for their implementation, and the possibilities to cover the identified funding gap through the application of PPP. The results of the feasibility study showed that the potential for applying the PPP method to finance public investments is high, in particular in areas of energy efficiency, renewable energy sources, and sustainable transport. Namely, the key findings of the study presented in the conclusions of the study (pages 173-192) were as follows:
  - the financing required to achieve the strategic goals set by the state by 2030 is EUR 62.1 billion, while the state's financial capabilities amount to EUR 18.1 billion;
  - about 66% of the planned investment activities (in terms of the amount of financing) could be implemented through an alternative method of financing public investments – by applying PPP (attracting private funds for initial investments by offering the private investors a stake in the expected long-term revenue streams resulting from the investment);
  - 94 sustainable activities projects are planned in total, with an investment requirement of EUR 20.2 billion, with 90 projects in the energy, transport and environmental protection sectors;
  - 15 out of 32 sustainable investment projects planned in the energy sector, 24 out of 27 projects planned in the transport sector, and 11 out of 31 projects planned in the environmental protection sector could be financed using the PPP method.
- To address the study's key finding that roughly two-thirds of planned investment could tap private capital yet lacked a systematic screening mechanism, the legislative package now obliges ministries to run a standard PPP affordability test and record any resulting long-term payments in their budget plans, guaranteeing systematic and fiscally sound PPP screening, in addition, transparency and predictability for private investors.

The entry into force of the legislative package shall:

- enable the implementation of public-private partnerships in the strategically most important areas, such as energy efficiency, renewable energy sources, sustainable transport, and areas with the greatest investment needs, such as justice and public order and public safety;

[3] Government resolution enters into force on the day after it is officially published in the Register of Legal Acts (e-TAR), if the resolution itself does not set another date.

By requiring every four-to-ten-year sector plan to examine the public-private partnership option, recording any resulting payments within the approved State budget, and giving ministries a standard value-for-money toolkit, the aforementioned amendments create the legal, financial and procedural conditions needed to enable the implementation of PPPs in all these areas, including energy efficiency, renewable energy, sustainable transport, justice, public order and public safety.

- Article 15 of the amended Law on Investments states that a public-private partnership can enter the formal preparation phase only after the project has been written into the sector's four to ten-year progress-measure plan. As listing the project in that plan is now an explicit legal requirement, this ensures that it is aligned with the overall strategic priorities.
- Paragraph 86 of Resolution No. 673 of 14 August 2024, amending Government Resolution No. 292 'On the Approval of the Strategic Management Methodology' (hereinafter referred to as "Strategic-Management Methodology") obliges each ministry to test whether the PPP model is the most efficient financing option for every activity listed in its progress measure.
- Paragraph 86 of the Strategic-Management Methodology further stipulates that, where a progress measure proposes a PPP, its financing table must expressly include (a) the expected volume of private capital and (b) the corresponding annual availability-payment obligations to be assumed by the State for the full contract term, thereby making the project's long-term fiscal impact transparent before any subsequent preparation or procurement takes place.
    - Chapter 5 of the "Methodological recommendations for the preparation of progress measures on the Central Project Management Agency" (hereinafter referred to as the "Methodological recommendations) approved by Order No. 2021/8-156 of 9 June 2021 provides a PPP checklist. Annex 5 of the Methodological recommendations provides an affordability calculator giving every ministry the same straightforward tool for testing whether a proposed partnership is affordable and offers value for money. This standard approach ensures consistent, evidence-based decisions across all sectors.

- help to attract private investors to public projects by i) providing the long-term sustainable investment plans and ii) developing balanced mutually beneficial risk allocation mechanisms.

The legislative and methodological amendments strengthen the investment climate for public-private partnerships by addressing the two core concerns of private investors: long-term project visibility and a predictable, balanced allocation of risks:

- Paragraph 86 of the Strategic-Management Methodology requires each four- to ten-year progress-measure plan to list planned PPP projects, their estimated costs and envisaged funding sources, therefore providing long-term sustainable investment plans and giving investors a transparent, long-term view of forthcoming tenders and cash flows.
- Deletion of former Article 152(8) in the Law on Investments removes the additional Seimas approval previously required for State PPP liabilities above EUR 58 million, eliminating a timing and political risk that had discouraged bidders.
- Paragraph 8 of the Strategic-Management Methodology designates CPMA as the mandatory cost-benefit adviser and empowers ministries to oblige an implementing body to use PPP—or contribute additional own funds—when that choice delivers the most balanced sharing of risks between the State and the private partner.

4. Commission Preliminary Assessment: Satisfactorily fulfilled

Number and name of the Milestone: 154 Entry into force of the government resolution eliminating the status of national development institution for three institutions and leaving it for one institution

Related Measure: C6.F-1-3- F-1-3- Long-term sustainability and transparency of the national budget

Qualitative Indicator: Government resolution eliminating the status of national development institutions for three institutions and leaving it for one institution

Time: Q4 2023

1. Context:

The aim of Reform F.1.3. is to increase the long-term sustainability of the state and municipal budgets, transparency of medium-term budgeting and funding of state services. It also focuses on spending reviews and ways to increase financial independence of municipalities. This reform consists of five sub-measures: (1) improvements to the budgetary framework; (2) spending reviews; (3) enhancing the structure of municipal revenues; (4) Promoting public-private partnerships; (5) consolidation of the national promotional institutions.

Milestone 154 relates to sub-measure F.1.3.5. (sub-measure 5), which involves the entry into force of the government resolution eliminating the status of national development institutions for three institutions (State Investment Management Agency, Public Investment Development Agency and Agricultural Credit Guarantee Fund) and leaving it for one institution.

Milestone 154 is the only milestone of the sub-measure.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Government Resolution No. 90 of 15 February 2023, amending Government Resolution No. 1046 of 17 October 2018 ‘On the Assignment to Carry Out National Development Institution Activities’. The amendment entered into force on 16 February 2023 (Government resolutions enter into force on the day after they are officially published in the Register of Legal Acts (e-TAR), if the resolution itself does not specify a date.). Link to the Register of Legal Documents: https://www.e-tar.lt/portal/lt/legalAct/0de98380ad3611ed8df094f359a60216	Resolution eliminating the status of national development institutions for the State Investment Management Agency, the Public Investment Development Agency, and the Agricultural Credit Guarantee Fund; and transferring their competences to INVEGA.

3	Organisational management structure of INVEGA approved by decision of the Management Board (protocol No. 044) on 9 October 2023, effective from 15 December 2023. Available in the Strategic Activity Plan of INVEGA (page 64) from the ILTE website: https://ilte.lt/doclib/mj8khwe9x34ubu2p828bwfcpryvp9jc4	Organigramme of INVEGA after the consolidation with other national development institutions.
4	2024 Strategic Activity Plan of INVEGA. Available from the ILTE website: https://ilte.lt/doclib/mj8khwe9x34ubu2p828bwfcpryvp9jc4	The document outlines INVEGA's 2024 strategic activity plan and consolidation progress and sets the institution's annual goals, budget allocations, key performance indicators and priority programmes.
5	Letter of Expectations for INVEGA by its sole shareholder, the Ministry of Finance, approved by Order of Minister of Finance No. 1K-260 of 30 July 2024 "On the State's objectives for the private limited company 'Investicijų ir Verslo Garantijos' and its group of companies, and the expectations set for them". Available from the ILTE website: https://ilte.lt/doclib/yvfdt6vgjzpwz415ak9zq8grq2gp3hyu	The document is the Lithuanian Government's formal letter of objectives that sets out the strategic priorities, financial targets, governance expectations and impact indicators that INVEGA and its group are required to achieve over the next planning period.
6	Order of Minister of Finance No 1K-238 of 12 July 2024 amending Order No 1K-248 of 2 July 2022 on the change of title of the limited liability company "investment and business guarantee".	Order evidencing that INVEGA have formally changed its title/name to ILTE.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the government resolution eliminating the status of national development institutions for three institutions (State Investment Management Agency, Public Investment Development Agency and Agricultural Credit Guarantee Fund) and leaving it for one institution (INVEGA).

It should be noted that the closed joint-stock company INVEGA was officially renamed ILTE in 2024; as evidenced in Point 1 of Order of Minister of Finance No. 1K-248 of 12 July 2024 amending Order No 1K-248 of 2 July 2022 on the change of title of the limited liability company “investment and business guarantee” (evidence 6). For the purposes of this assessment, ILTE and INVEGA should be read as interchangeable.

On 15 February 2023, the Government of the Republic of Lithuania adopted Resolution No. 90, amending Government Resolution No. 1046 of 17 October 2018 ‘On the Assignment to Carry Out National Development Institution Activities’ (hereinafter referred to as “Resolution No. 90”), which entered into force on 16 February 2023. (evidence?) As provided in points 2.1 and 2.2 of Resolution No. 90, the status of national development institutions (hereinafter referred to as “NDIs”) is eliminated for the State Investment Management Agency, the Public Investment Development Agency, and the Agricultural Credit Guarantee Fund and their competences are transferred to ILTE. The NDI status is retained exclusively for ILTE, which is responsible to act as a standalone NDI in the areas of business, innovation, urban development, public infrastructure, agriculture and aquaculture in Lithuania.

The objective of the only remaining institution with status of national development institution shall be to concentrate knowledge and competencies in one strong national promotion institution, […]

Prior to the consolidation, the four separate NDIs operated independently, with fragmented strategies, each within its own area of specialisation. INVEGA’s activities were mainly focused on financing SMEs, and it lacked the competencies and experience required for financing in other sectors, such as the public sector, multi-apartment building modernisation projects or agricultural projects. Moreover, large corporate clients were not part of INVEGA’s portfolio. Following the consolidation, ILTE has integrated knowledge and competencies within one institution from other NDIs, in the following areas:

- From the State Investment Management Agency, ILTE has integrated competencies in investment evaluation, risk management and managing debt and investment portfolios to support large and medium-sized enterprises (evidence 4, pages 11-12).
- From the Public Investment Development Agency, ILTE has integrated competencies in urban and infrastructure development, energy efficiency and creating investment platforms (evidence 4, page 12).
- From the Agricultural Credit Guarantee Fund, ILTE has integrated agricultural financing competencies, with a focus on guarantees to support agricultural operators (evidence 4, page 12).

[...] to unify and optimise national promotion institution operational practices and fund management, [...]

The unification and optimisation of operational and fund management practices within the national promotion institution have been achieved through the integration of departments from the former NDIs into ILTE’s organisational structure, the harmonisation of operational practices and the delivery of services under the one-stop-shop principle.

- As provided in the Strategic Activity Plan of 2024 (evidence 4, page 5), over the course of 2023, a dedicated Integration Project Team managed the legal integration of the three former NDIs into ILTE and facilitated this transition by aligning internal processes and procedures, including the formation of a Supervisory Board, completed in April 2023, and the formation of the Executive Management Board, completed in September 2023.

- ILTE's new organisational structure (evidence 3) was adopted on 9 October 2023 and entered into force on 15 December 2023. The updated structure includes four departments (Financial Administration, Risk Management and Compliance, Customer and Financing Decisions and Business Development). These are managed by the Executive Management Board and overseen by the Supervisory Board. In addition, a new Operations Oversight Unit was created within the Risk Management and Compliance department to conduct systematic checks of fund management within ILTE to ensure its continued optimisation processes.

[…] creating preconditions to attract institutional investors, strengthen public-private partnership, and sustainably increase the supply of financial instruments to finance financially viable projects.

In the Letter of Expectations issued by the sole shareholder of ILTE, the Ministry of Finance, and approved by Order of Minister of Finance No. 1K-260 of 30 July 2024 "On the State's objectives for the private limited company 'Investicijų ir Verslo Garantijos' and its group of companies, and the expectations set for them". (hereafter referred to as "Letter of Expectations") (evidence 5), the pre-conditions are established to attract institutional investors, strengthen public-private partnership, and sustainably increase the supply of financial instruments by setting goals and expectations for ILTE.

- In point 6 of Section III, ILTE is tasked with attracting institutional investors, namely, to 'employ diversified funding sources and develop the capacity to attract resources from private and institutional investors so as to meet financing needs in areas where market funding is insufficient and/or sub-optimal'.
- In point 22 of Section IV, the expectation is provided for ILTE to strengthen public-private partnerships. Specifically, in point 22.1, the expectation is provided for ILTE to 'collaborate closely—rather than compete—with existing financial- and capital-market participants, thereby improving Lithuanian businesses' access to funding and fostering more favourable conditions for the growth of Lithuania's financial and capital markets'.
- Further, in point 22 of Section IV, the expectation is provided for ILTE to increase the supply of financial instruments. Specifically, in point 22.2, the expectation is provided for ILTE to 'improve the investment environment and increase the leverage generated by financial instruments'. It is further specified that ILTE is expected to 'prioritise capital-market instruments and innovative financial tools that open up new opportunities for beneficiaries, objectively assess ways of mobilising private funds (including tapping global financial markets), and, on that basis, decide on the most efficient and appropriate methods and sources for attracting private capital'.
- In addition, in point 7 of Section III, the sustainable increase in the supply of financial instruments is emphasised, indicating that ILTE is tasked with seeking 'opportunities to attract additional financing without affecting the national debt'.

In the Strategic Activity Plan of 2024, ILTE operationalises the mandate provided in the Letter of Expectations by placing '*Increasing accessibility of finance*' at the top of its four strategic directions (evidence 3, pages 3-4).

- Under the strategic direction to increase accessibility of finance, three goals are listed to specify how this could be achieved (evidence 3, pages 3-4): ‘1.1 Expansion of financial instruments’ – create or upgrade loan, guarantee, equity and green finance schemes that fill gaps the market does not cover; ‘1.2 Fundraising’ – secure fresh money for those schemes from the state budget, EU sources and, increasingly, private and institutional investors; and ‘1.3 Deployment of raised funds’ – channel the money quickly and efficiently (through banks, fund managers or direct financing) so that it reaches viable projects and businesses, with clear rules on monitoring and impact measurement.
- Annex 1 of the Strategic Activity Plan of 2024 (evidence 3, pages 55-60) lists more than forty active or pipeline schemes, such as the EUR 50 million Debt Funds facility for SME working capital loans, a EUR 572 million Renewable Energy Facility, and a national Renovation Fund for energy-efficient housing upgrades, and multiple guarantee lines totalling over EUR 160 million for small businesses.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 157 The State Tax Inspectorate receives detailed data on transactions executed on online platforms

Related Measure: C6.F-1-4- F-1-4- Improving tax compliance

Qualitative Indicator: State Tax Inspectorate receives detailed data on transactions executed on online platforms

Time: Q1 2024

1. Context:

The aim of Reform F.1.4 is to improve tax compliance in high-risk sectors and to increase the transparency of transactions. This reform consists of five sub-measures: more transparency in the trade in used vehicles (sub-measure 1); fair taxation of online economic activities (sub-measure 2); limiting the use of cash (sub-measure 3); financially literate future taxpayers (sub-measure 4); more transparency in the construction sector (sub-measure 5).

Milestone 157 is part of measure F.1.4.2, aiming to ensure fair taxation of online economic activities. To that end, milestone 157 foresees the State Tax Inspectorate obtaining detailed data on the transactions carried out by taxpayers on online platforms in 2023.

Milestone 157 is the second and final step of sub-measure F.1.4.2, following the completion of milestone 156 related to the entry into force of the legal requirement for online platform operators to collect and report to the tax authorities data on transactions carried out on online platforms.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Order No. VA-95 of 23 December 2022 approving the 'Rules for providing information on activities carried out on online platforms to the State Tax Inspectorate' (hereinafter referred to as "Order No. VA-95"). A link to the publication in the Register of Legal Acts (TAR, 2022-12-23, No. 26730)	The Order No. VA-95 transposes the EU "DAC7" directive into Lithuanian practice by obliging online-platform operators (both domestic and foreign) to register with the tax authority, carry out due-diligence checks on sellers and—starting with the 2023 tax year—file an annual XML report to the State Tax Inspectorate (VMI) on income earned through the platform. The Rules spell out who must report, which transactions are covered (property rentals, personal services, goods sales, vehicle rentals), the exact data fields, registration deadlines, sanctions (temporary site blocking or deregistration) and the timetable for automatic exchange of the information with other EU tax administrations.
3	Technical specification of 22 January 2024 "Data Exchange Subsystem – DPI-DAC7-LT Message XML Schema Description" (version 2.1, 22 January	A manual that platform operators must follow when filing DAC7 reports to Lithuania's State Tax Inspectorate. It lays out reporting duties for platform operators set by Order VA-95 into machine-readable

	2024) of the State Tax Inspectorate Available from the State Tax Inspectorate website: https://www.vmi.lt/evmi/documents/20142/1032511/_DPI-DAC7-LT.zip/e4b857ff-f0f6-c7fe-7e54-5b140c84bd1d?t=1709731175935	format.
4	Law No. XIV-1658 of 13 December 2022, amending Articles 2, 3, 12, 13, 25, 26, 32, 33, 38, 39, 401, 87, 88, 99, 1042, 126, 139, 140, 164 of, and the Annex to, the Law on Tax Administration No. IX-2112, and supplementing the Law with Article 61, (hereinafter referred to as "Law No. XIV-1658"). Link to the publication in the Register of Legal Acts (TAR, 22/12/2022 No. 2022-26362)	Legitimising the obligation for digital platform operators to submit information to the State Tax Inspectorate on sellers who receive income from activities through a digital platform.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

The State Tax Inspectorate shall obtain detailed data on the transactions carried out by taxpayers on online platforms in 2023.

Article 61(1) of Law No. XIV-1658 (evidence 3) mandates that online platform operators must collect and report sellers' revenues and transaction data annually to tax authorities. Articles 61(1) and 61(5) provide that the State Tax Inspectorate is designated as the competent authority to receive this data, ensuring transparency and accountability in online economic activities.

Order No. VA-95 (evidence 2) sets out the requirements for transaction reporting as follows:

- Article 16 provides that platform operators must submit transactions data to tax authorities no later than 31 January of the year following the calendar year to which the information relates.
- Article 47 states that the State Tax Inspectorate must share the received information with other Member States by means of automatic exchange within two months following the end of the reporting period.

The Commission services conducted an on-the-spot check on 2 July 2025 to verify in line with the above requirements, the State Tax Inspectorate's internal data storage system contained the received data, labelled as DAC7 data, from platform operators active in Lithuania for year 2023. This check was completed successfully, confirming that the State Tax Inspectorate obtained detailed data on the transactions carried out by taxpayers on online platforms in 2023.

During the meeting, the Lithuanian authorities demonstrated the system's functionality through a screen-sharing session, where they filtered and displayed the data packets received for the year 2023 in XML format. The requirements for the data to be provided and its format are set out in the Annex to Order No. VA-95. Each data packet contains identification details of a platform, identification details of the taxpayer, and quarterly transaction data, including transactions number in a given quarter by a given taxpayers on a given platform, revenues, platform fees, and taxes paid.

The Commission services were able to successfully check that:

- 830 data packets were received as of 3 January 2024 from platform operators registered in Lithuania covering transactions carried out in 2023;
- 299 data packets were received as of 23 January 2024 from tax authorities of EU Members States concerning platform operators active in Lithuania but registered in another Member State, also covering transactions carried out in 2023.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 159 Number of pupils who received an electronic pupil's card with payment function

Related Measure: C6.F-1-4- F-1-4- Improving tax compliance

Quantitative Indicator: Number

Baseline: 12 900

Target: 90 000

Time: Q3 2024

1. Context:

The aim of reform F.1.4. is to improve tax compliance in high-risk sectors and to increase the transparency of transactions. This reform consists of five sub-measures: more transparency in the trade in used vehicles (sub-measure 1); fair taxation of online economic activities (sub-measure 2); limiting the use of cash (sub-measure 3); financially literate future taxpayers (sub-measure 4); more transparency in the construction sector (sub-measure 5).

Target 159 is part of sub-measure F.1.4.4 and concerns the issuing of 90 000 electronic pupil's cards (hereinafter referred to as "EPC") with a payment function.

Target 159 is the first step of the implementation of the sub-measure and is accompanied by target 160 in this payment request, related to the establishment or updating of infrastructure for non-cash payments in the canteens of 240 schools, and will be followed by milestone 161, related to delivering educational material and an information campaign to enhance tax literacy among children and young people for the Ministry of Education, Science and Sport.

The sub-measure has a final expected date for implementation of 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary Document by the Lithuanian Ministry of Finance duly justifying how the target has been satisfactorily fulfilled
2	Explanatory document accompanying the cover note for Target 159, providing explanation that all Electronic Pupil Cards are with payment function.	This document by the Lithuanian Ministry of Finance explains the financing conditions and technical specifications for issuing EPCs in Lithuania, as defined by Order No. V-2014 from the Minister of Education, Science and Sport of 31 December 2020. It also includes examples of accompanying contracts with different suppliers with provisions stating non-cash payment functionalities.

3	Order No. V-2014 of 31 December 2020 'On the approval of the Procedure for Issuing the Pupil's Identity Card and the mandatory forms of the paper and card-type Pupil's Identity Cards' (hereafter referred to as "Order No. V-2014 of 31 December 2020"). Link to the publication in the Register of Legal Acts; [TAR, 2020-12-31, No. 2020-29363]	The order sets the nationwide rules and blank forms for issuing, replacing and using pupil identity cards (both paper and card versions), specifying application procedures, card design and real-time validity requirements for schools and other educational institutions.
4	Project Contract No. 04-002-P-0001 of 27 April 2023.	The Contract was signed between the project managing authority, Central Project Management Agency, and the project operator, European Social Fund Agency, and includes a list of participating project partners to justify the implemented target.
5	List of identification numbers of individual EPCs with an integrated payment function.	The list has been provided to justify compliance with the target. It includes the EPC identification numbers, dates of issuance and schools.
6	Documents containing the proof of EPC issuance for 60 sample units.	The documents are categorised into one of three types: the pupil register, printer software, paper journal. They contain evidence for the 60 units in the sample.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

90 000 electronic pupil's cards with payment function issued.

According to Order No. V-2014 of 31 December 2020 (evidence 3), all EPCs are printed on ISO 7810 standard plastic cards with an integrated microprocessor and non-contact chip and are provided by the National Education Agency (Chapter II, Sections 4.2, 5.2, 6). The overarching project contract, Project Contract No. 04-002-P-0001 of 27 April 2023, (evidence 4) between the project managing authority, Central Project Management Agency, and the project operator, the European Social Fund Agency, includes a list of participating project partners, and provides that all issued EPCs must have cashless payment capabilities (Sections 5.1, 6.3, 8). Therefore, all EPCs have payment functions.

Following the selection of a random sample of 60 units, Lithuania submitted the following evidence:

- A spreadsheet with a numbered list of all EPCs issued, including information on the date of EPC issuance, identification number, and school name of the pupil (evidence 5).
- For 41 units: an extract from the national electronic pupil register (evidence 6): This register is a centralised database managed by the Lithuanian educational authorities that logs important student information, including the issuance of EPCs. When a card is issued to a pupil in a participating school, it is registered in this system, providing a record that confirms the distribution and details of each card.

- For 18 units: an extract from the schools' paper journal register (evidence 6): At this stage, not all schools deliver data to the centralised database. Those schools that do not (yet) participate in the centralised database keep a manual logging system that records the issuance of EPCs. It is a localised verification method within schools, ensuring that each card issued is accounted for on-site.
- For 1 unit: the transfer-acceptance act of EPCs (evidence 6): This formal document records the handover of the EPCs from the municipality to schools.Evidence provided were checked by confirming that an EPC with the same identification number and issuance date as provided in the spreadsheet (evidence 5) was recorded in the national electronic register, school paper journal or transfer-acceptance act (evidence 6).

The evidence provided for a sample of 60 units confirmed that the requirement of the target has been met – 92 270 electronic pupil's cards with payment function were issued, demonstrating that the target requirements can be considered met, thus exceeding the goal of Target 159 (the target under assessment) by 2 270.

The Commission services conducted an on-the-spot check on 16 July 2025 to verify the authenticity of selected extracts from storage systems for EPC identification and issuance dates for three random units from the sample, confirming that the evidence matched the submitted data for unit 81 234. Lithuania demonstrated the issuance of the EPC by showing an extract from the school's paper journal on camera, confirming that the identification number and issuance date matched the submitted data. This check was completed successfully, confirming that electronic pupil card with a payment function was issued.

The Commission services conducted another on-the-spot check on 28 July 2025 to verify the authenticity of evidence for units 7 879 and 403. For unit 7 879, Lithuania demonstrated issuance by sharing contents of the screen via a video conferencing tool displaying the school register and thereby confirming that the EPC identification number and issuance date matched the submitted data. For unit 403, an extract from the school paper journal was shown, matching the submitted data. This check was completed successfully, confirming that electronic pupil's cards with payment function were issued.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Target: 160 Number of schools (primary, secondary, progymnasiums, gymnasiums) with newly established or upgraded non-cash payment infrastructure

Related Measure: C6.F-1-4- F-1-4- Improving tax compliance

Quantitative Indicator: Number

Baseline: 40

Target: 240

Time: Q3 2024

1. Context:

The aim of reform F.1.4. is to improve tax compliance in high-risk sectors and to increase the transparency of transactions. This reform consists of five sub-measures: more transparency in the trade in used vehicles (sub-measure 1); fair taxation of online economic activities (sub-measure 2); limiting the use of cash (sub-measure 3); financially literate future taxpayers (sub-measure 4); more transparency in the construction sector (sub-measure 5).

Target 160 is part of sub-measure F.1.4.4. and concerns the establishing or updating of infrastructure for non-cash payments in the canteens of 240 schools.

Target 160 is the second step of the implementation of the sub-measure. It is accompanied by target 159 in this payment request, which aims to issue 90 000 electronic pupil's cards with a payment function and will be followed by milestone 161, which aims to deliver educational materials and an information campaign to enhance tax literacy among children and young people for the Ministry of Education, Science, and Sport.

The sub-measure has a final expected date for implementation of 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary Document by the Lithuanian Ministry of Finance duly justifying how the target has been satisfactorily fulfilled.
2	Explanatory document (slide deck) accompanying the cover note for target 160 providing details on evidence requirements for equipping and operating non-cash payment infrastructure in schools.	This document sets out the possible types of evidence that have been provided to demonstrate that school canteens have been equipped with infrastructure for non-cash payments and that this infrastructure is operational. It distinguishes between verbal and written contract arrangements for proving equipment delivery and outlines different forms of evidence to prove that equipment is operational.
3	List of schools with non-cash payment infrastructure.	This list contains the municipalities and names of 243 schools (general education institutions), where the infrastructure for non-cash payments has been established or updated.

4	For 60 sample units, evidence of operational infrastructure.	The evidence provided by Lithuania contains, depending on the unit, Transfer Acceptance Acts, invoices, contracts, daily turnover reports, system generated turnover reports using 'e-maitinimas' software.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the target.

Infrastructure established or updated for non-cash payments in the canteens of 240 schools.

Following the selection of a random sample of 60 units, Lithuania submitted the following evidence:

- Lithuania provided a spreadsheet with a numbered list of all schools where infrastructure for non-cash payments in the canteens has been established or updated (evidence 3).
- To prove that the schools had been equipped with infrastructure for non-cash payments, authorities provided transfer-acceptance acts, supplemented by contracts where transfer-acceptance was handled not by the school directly but by the municipality, or invoices when transfer-acceptance acts were not available:

    - For 58 units in the sample, Lithuania provided transfer-acceptance acts (evidence 4) indicating the date of the transfer, equipment details, the provider of the equipment and the recipient of the equipment, either a school or a municipality. Where the equipment was received by a municipality, transfer-acceptance acts only listed the municipality in the document and not the school, and therefore purchase agreements were provided accompanying the transfer-and-acceptance acts indicating that the equipment was ordered for a school by the municipality.

    - For 2 units in the sample, invoices (evidence 4) were provided, indicating the date of the invoice, equipment details, the provider of the equipment and the recipient of the equipment. For these units, transfer-acceptance acts were not available because a verbal and not a written purchase agreement was chosen between the school and the supplier.

- To prove that the infrastructure for non-cash payments is operational, authorities provided evidence that non-cash payments were made at a school, where the equipment was installed or updated, by checking that the school name on the evidence matches the school name provided in the transfer-acceptance acts or invoices.

    - For 52 units in the sample, daily turnover reports (evidence 4) were provided indicating sums of payments made in non-cash form at a given school, indicating sums in the report as 'NEGRYNIEJI' which translates to non-cash in English, or 'Kreditas Nr. 1', which refers to payments made by student cards as provided in evidence 2.
    - For 8 units in the sample, system generated turnover reports using 'e-maitinimas' (evidence 4) software for a selected period were provided, indicating sums of payments made by electronic student card at a given school, including splits by different order types.

The evidence provided for a sample of 60 units confirmed that the requirement of the target has been met – infrastructure established or updated for non-cash payments in the canteens of 243 schools, demonstrating that the target requirements can be considered met, thus exceeding the goal of Target 160 (the target under assessment) by three units.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 162 Entry into operation of digital tools to allow real-time registration of persons working in the construction sector and the identification of those who work illegally on construction sites

Related Measure: C6.F-1-4- F-1-4- Improving tax compliance

Qualitative Indicator: Digital tools are in place and operational

Time: Q4 2024

1. Context:

The aim of reform F.1.4 is to improve tax compliance in high-risk sectors and to increase the transparency of transactions. This reform consists of five sub-measures: more transparency in the trade in used vehicles (sub-measure 1); fair taxation of online economic activities (sub-measure 2); limiting the use of cash (sub-measure 3); financially literate future taxpayers (sub-measure 4); more transparency in the construction sector (sub-measure 5).

Milestone 162 is part of sub-measure F.1.4.5, aiming for more transparency in the construction sector and to better identify instances of illegal work. To that end, milestone 162 concerns the development of a digital tool (Builder's ID system) which shall enable mandatory registration of persons working in the construction sector and identification of such persons with a special builder's identity code.

Milestone is the first step in the implementation of the sub-measure F.1.4.5 and will be followed by milestone 163 related to national authorities carrying out 1400 planned inspections and an additional 30% of non-routine inspections. The sub-measure has a final expected date for implementation of 31 December 2025.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XIV862 of 23 December 2021, supplementing Article 15[1] of Law No. I1336 'Law on State Social Insurance'. Link to the publication in the Register of Legal Acts: TAR, 20211230, No. 202127768	Amends the Law on State Social Insurance requiring the State Social Insurance Fund under the Ministry of Social Security and Labour to issue, manage and enable public verification of a Transparent Worker Identification code (QR format) for every person covered by state social insurance.
3	Law No. XIV859 of 23 December 2021, amending Chapter IV and Articles 55, 56, 57, 60, 56[1], 59[1] and 59[2] of Law No. XII2470 'Law on Employment'. Link to the publication in the Register of Legal Acts: TAR, 20211230, No. 202127754	Amends the Employment Law to classify the absence of a Transparent Worker Identification code as illegal work, applying the rule to employees, the self-employed and civil-contract workers and setting fines for both individuals and site owners.

4	Law No. XIV462 of 29 June 2021, amending the title of Section IV and adding Article 22[1] to Law No. I1240 'Law on Construction'. Link to the publication in the Register of Legal Acts: TAR, 20210708, No. 202115521	Amends the Construction Law, requiring every person on a construction site to carry a valid Transparent Worker Identity code and empowering the State Labour Inspectorate to enforce compliance.
5	Order No. V100 of 21 March 2022 'On the issuance, cancellation, validity and verification of the "Transparent Worker" identification QR code'. Link to the publication in the Register of Legal Acts: TAR, 20220321, No. 202205051	Approves the graphic template, issuance, cancellation, online validation and realtime public checking procedure for the Transparent Worker Identity code and orders the State Social Insurance Fund to integrate the service into its information systems.
6	Law No. XIV2413 of 19 December 2023, amending Articles 1, 2, 3, 4, 5, 6, 11, 12, 14, 15, 17, 18, 22, 24, 26, 27, 27[1], 28, 34, 37, 39, 47, 49, 51, 52[1], 53, 55, 56, 57, 59 and Annex 1 and adding Articles 11[2], 27[2] and 68 to Law No. I1240 'Law on Construction'. Link to the publication in the Register of Legal Acts: TAR, 20231228, No. 202325634	Doubles maximum fines under the Construction Law for companies that fail to register construction works or subcontractors or that breach the Transparent Worker Identity code rules.
7	Law No. XIV2651 of 16 May 2024, amending Articles 2, 4, 5[1], 16, 17, 20, 24, 25, 30[1], 30[2], 31, 32, 35, 38, 39[3], 40, 41, 42, 43, 44, 45, 47, 48, 48[1] and 50 and modifying Chapter IV of Law No. XII2470 'Law on Employment'. Link to the publication in the Register of Legal Acts: TAR, 20240530, No. 202409689	Extends the Transparent Worker Identity code obligation beyond construction sites to all construction activities—including private homes—and reclassifies working without the code as illegal work, thereby increasing the liability of construction site owners.
8	Service Contract No F1-0-113 of 29 October 2019 between the State Social Insurance Fund Board (SoDra) and LLC "E. Ana" 'On maintenance and modification of the IMOKOS subsystem'.	Service Contract allowing the State Social Insurance Fund to order software updates for IMOKOS, including the 'QR code generation' feature for Transparent Worker Identification.
9	Technical specification "IMOKOS software modification DT10-192 (KTM-149716)" of 9 March 2022.	Orders an internal button so that the Social Insurance Fund staff can generate Transparent-Worker QR codes.
10	Service delivery confirmation act for DT10-192 (KTM-149716), signed 19 April 2022.	Confirms that the QR code generator described in the Technical specification "IMOKOS software modification DT10-192" is built, tested and live under Contract F1-0-113.

11	Service Contract No F1-0-80 of 13 August 2020 between SoDra and LLC ATEA 'On maintenance and modification of the employer portal EDAS'.	Service Contract for the employer portal (EDAS), including the 'QR code generation' feature for Transparent Worker Identification.
12	Technical specification "EDAS software modification DT19-113 (KTM-150872)" of 15 December 2021.	Adds a "Generate Transparent-Worker ID" button to EDAS and launches the QR code validation website https://tikrinti.sodra.lt.
13	Service delivery confirmation act F2-0-54 for DT19-113, signed 28 January 2022.	Confirms that the features ordered in the Technical specification "EDAS software modification DT19-113" are complete.
14	Technical specification "EDAS software modification DT19-26 (KTM-165302)" of 21 March 2022.	Orders creation of the real-time report Transparent Worker Identification codes issued for inspectors.
15	Service delivery confirmation act F2-0-181 for DT19-26, signed 1 April 2022.	Confirms that the site-wide inspector report ordered in the Technical specification DT19-26 is complete.
16	Technical specification "EDAS software modification DT19-37 (KTM-167262)" of 25 April 2022.	Orders update for the inspector report to make clearer worker and employer names.
17	Service delivery confirmation act F2-0-355 for DT19-37, signed 20 June 2022.	Confirms that the clearer-data upgrade described in the Technical specification DT19-37 is complete.
18	Technical specification "EDAS software modification DT19-74 (KTM-173232)" of 17 October 2022.	Orders an update to allow large contractors to bulk-download QR codes for all workers and tunes performance.
19	Service delivery confirmation act F2-0-787 for DT19-74, signed 5 December 2022.	Confirms that the bulk-download and performance features ordered in the Technical specification DT19-74 is complete.
20	Service Contract No F1-0-81 of 13 August 2020 between SoDra and LLC ATEA 'On maintenance and modification of the citizen portal EGAS'.	Service Contract allowing the State Social Insurance Fund to order software updates for the citizen portal (EGAS), including the 'QR code generation' feature for Transparent Worker Identification.
21	Technical specification "EGAS software modification DT19-112 (KTM-150878)" of 23 December 2021.	Orders an update to enable insured persons to generate and download a PDF of their own Transparent Worker Identification code (QR code).
22	Service delivery confirmation act F2-0-438 for DT19-112, signed 21 July 2022.	Confirms that the worker self-service QR code download from the Technical specification DT19-112 is complete.

23	Example of generated Transparent Workers ID including a QR code that can be checked using https://tikrinti.sodra.lt	A worker managing the project at the Ministry of Social Security and Labour provided his own Transparent Workers Identity code to allow conducing a check that the system is operational. The evidence includes personal information.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all the elements of the milestone.

Entry into operation of digital tools to allow real-time registration of persons working in the construction sector and the identification of those who work illegally on construction sites.

Fully functional digital tool (Builder ID information subsystem) which enables mandatory registration of persons working in the construction sector and identification of specified persons according to a special builder's identity code.

The development of a digital tool allowing real-time mandatory registration of persons working in the construction sector was initiated by Law No. XIV862, amending Article 151 of Law No. I1336 'Law on State Social Insurance' adopted on 23 December 2021 (evidence 2) (hereinafter referred to as "Law No. XIV862") requiring the State Social Insurance Fund under the Ministry of Social Security and Labour (hereinafter referred to as "SoDra") to develop the digital tool. The digital tool is officially named Transparent Worker ID, not Builder's ID, as it is designated for use across multiple sectors, not exclusively for construction. Under Article 2 of Law No. XIV862, these provisions entered into force on 1 April 2022—the date from which every worker must be registered with the new tool.

- Article 1 point 1 specifies that Transparent Worker Identification should be issued for every insured employee, self-employed person, micro-company manager and posted worker.
- Article 1 point 5 authorises the SoDra Director to determine the code's format and the detailed rules for its issuance and cancellation.
- Article 1 point 6 requires SoDra to ensure that the validity of each code and its encrypted data is publicly verifiable in real time, free of charge, via a verification tool that may also be integrated into third-party systems.
- Article 2 point 1 sets the entry into force for the digital tool as 1 April 2022.
- Article 2 point 2 instructs the Government and SoDra to adopt all implementing acts by 31 March 2022.

To implement Law No. XIV862, the Director of SoDra adopted Order No. V100 of 21 March 2022 "On approval of the form of the Transparent Worker Identification Code and of the Rules on its issuance, revocation, validity and real-time verification" (evidence 5) (hereafter referred to as "Order No. V100"). Order No. V100 was published on 21 March 2022 and entered into force on 22 March 2022.

- Point 1.1 of Order No. V100 approves the rules for issuing, cancelling, validating and verifying the accuracy of the Transparent Worker's ID.
- Point 2.2 approves the graphic template of the QR code.
- Point 2 instructs SoDra departments to publish and integrate the new service in their information systems, making the tool publicly accessible.

- Annex III specifies that the validity of the Transparent Worker's ID must be verifiable online in real time.

SoDra developed digital tool to allow real-time mandatory registration of persons, including construction workers, by implementing software updates under its standing maintenance contracts, F1-0-113 with LLC "E. Ana" (evidence 8) and F1-0-80/F1-0-81 with LLC ATEA (evidence 11 and 20). Under these maintenance contracts SoDra issued five requests for software updates and following each update, a transfer-and-acceptance act was signed confirming that the new functionality is operational in the production environment.

- Technical specification "EDAS software modification DT19-113 (KTM-150872)" (evidence 11) was issued on 15 December 2021 to add a "Generate Transparent-Worker ID" button to the employer portal (EDAS), allowing each employer to create a QR code for every employee assigned to a construction site, and launch QR code validation website. Transfer-and-acceptance act "Service delivery confirmation act F2-0-54" for this functionality was signed on 28 January 2022 (evidence 13).
- Technical specification "EDAS software modification DT19-26 (KTM-165302)" (evidence 14) was issued on 16 March 2022 to create a real-time report called Information on Transparent Worker IDs issued, providing labour inspectors with a site-wide list of all registered workers. Transfer-and-acceptance act "Service delivery confirmation act F2-0-181" was signed on 1 April 2022 (evidence 15).
- Technical specification "IMOKOS software modification DT10-192 (KTM-149716)" (evidence 9) was issued on 23 November 2021 to add an internal button for SoDra staff to generate a QR code when an employer or worker is unable do so. Transfer-and-acceptance act under DT10-192 was signed on 19 April 2022 (evidence 10).
- Technical specification "EDAS software modification DT19-37 (KTM-167262)" (evidence 16) was issued on 25 April 2022 to enhance the inspectors' report with clearer worker and employer names, thereby reducing errors. Transfer-and-acceptance act F2-0-355 was signed on 24 May 2022 (evidence 17).
- Technical specification "EDAS software modification DT19-74 (KTM-173232)" (evidence 18) was issued on 17 October 2022 to allow large contractors download QR codes for all workers in bulk and to optimise performance for large datasets. Transfer-and-acceptance act F2-0-787 was signed on 5 December 2022 (evidence 19).

To demonstrate that the digital tool is operational, the Ministry of Social Security and Labour provided an example Transparent Workers Identity Code (evidence 23) for one of its employees enabling the Commission services to conduct a verification check. The Commission services accessed the link provided by the authorities on 7 August 2025 to verify that the website is accessible and to verify that the provided Transparent Workers Identity Code is valid, confirming identity of the person, identity of the employer and validity of the Transparent Worker ID. This check was completed successfully, confirming that the digital tool is operational.

Law No. XIV862 and accompanying Order No. V100 were supplemented by additional amendments to other laws, establishing mandatory registration of persons working in the construction sector and allowing identification of those who work illegally on construction sites. From 1 April 2022 every worker on a construction site in Lithuania must be issued a Transparent Workers Identity code, and from 1 July 2024 this requirement was extended to cover all construction activities, including those beyond construction sites. Labour inspectors are authorised to scan the code in real time, and failure to present a valid code is considered as illegal work.
Law No. XIV462 of 29 June 2021, amending the title of Section IV and supplementing Law No. I1240 'Construction Law' with Article 221 (evidence 4) made it mandatory for all the workers in

construction sites to have a valid Transparent Worker Identification code. The law entered into force on 1 April 2022 (Article 3, point 1).

- Article 22-1 point 1 specifies that all workers in construction sites must always have a valid Transparent Worker Identification code and present the code to the State Labour Inspectorate and the other control bodies upon request during checks.
- The article 22-1 point 4 requires all construction workers on the site to hold a valid Transparent Workers Identification code, with liability under the Employment Law.

Law No. XIV859 of 23 December 2021, amending the heading of Chapter IV and Articles 55, 56, 57, 60 of Law No. XII2470 'Employment Law' and supplementing it with Articles 561, 591 and 59 (evidence 3) specified that absence of a Transparent Worker Identification code is considered illegal work. The law entered into force on 1 April 2022 (Article 9, point 1).

- Article 56 point 2.2 defines the inability to provide the Transparent Worker Identification code upon request as illegal employment.
- Article 561 specifies that the rule applies to employees, self-employed persons and anyone working under a civil contract.
- Article 591 sets fines for self-employed workers who work without a code.
- Article 592 sets fines for site owners and contractors who allow people to work without a valid code.

Law No. XIV2413 of 19 December 2023, amending Articles 1, 2, 3, 4, 5, 6, 11, 12, 14, 15, 17, 18, 22, 24, 26, 27, 27^1, 28, 34, 37, 39, 47, 49, 51, 52^1, 53, 55, 56, 57 and 59 of Law No. I1240 'Construction Law'; renumbering the heading of its Section VI; amending its Annex 1; and adding Articles 11^2, 27^2, 68 to it (evidence 6), increase fines for illegal work. Notably, Article 57 increases the maximum fines for companies that fail to notify the start of construction, declare their subcontractors or follow the Transparent Woker Identification code rules. The maximum fines were approximately doubled, reaching EUR 30 000 for repeat offenders.

Law No. XIV-2651, amending Articles 2, 4, 51, 16, 17, 20, 24, 25, 301, 302, 31, 32, 35, 38, 393, 40, 41, 42, 43, 44, 45, 47, 48, 48^1 and 50 of Law No. XII-2470 'Employment Law' and adding Article 12-2 to it, was adopted on 16 May 2024 (evidence 7), making it mandatory for all construction workers to have a valid Transparent Worker Identification code. Notably, Articles 56 and 56-1 specify that the Transparent Workers Identification code is mandatory for everyone that is working in construction, including in private homes. It also specifies that working on construction sites without Transparent Worker Identification code (or the substitute documents) is classified as illegal work.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 169 Completion of the pilot project on the replacement of physical tax stamps for alcoholic beverages with digital solutions

Related Measure: F.1.6. Smart tax administration to reduce the VAT gap faster - F.1.6.4. Digitalisation of the tax stamps

Qualitative Indicator: Delivery of the report on the results of the pilot project

Time: Q1 2024

1. Context:

The aim of the reform is to modernise the data analysis and decision-making processes carried out by the State Tax Inspectorate and the Lithuanian Customs by using advanced analytical methods and methods based on the use of artificial intelligence, and to enhance the competences of their staff. This reform consists of six sub-measures: (1) introduction of new data analytics tools in the State Tax Inspectorate; (2) improving data quality of the State Tax Inspectorate and of other institutions; (3) robotisation of business processes at the State Tax Inspectorate; (4) digitalisation of the tax stamps; (5) new data analysis tools and upgrading Customs' IT systems; (6) improvement of staff competences of the State Tax Inspectorate and the Lithuanian Customs sub-measure.

Milestone 169 concerns sub-measure (1) and requires the completion of a pilot project so that the State Tax Inspectorate can decide whether to develop a dedicated module allowing electronic labelling of alcoholic beverages.

Milestone 169 is the fifth milestone of the reform and it follows the completion of milestone 168 related to automation of two business processes carried out by the State Tax Inspectorate and milestones 165 and 167 as well as target 166 related to improving the administration of VAT. Milestone 169 will be followed by milestone 170 related to five new data analytic methods for the processing of data from existing and five new data sources, target 171 related to interfaces with the information systems of external authorities managing data, vehicle and goods and traffic management systems, milestone 172 and target 173 related to enhancing competences of the State Tax Inspectorate and Customs staff. The sub-measure has a final expected date for implementation on 31 Mach 2024.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone was satisfactorily fulfilled.
2	Services' transfer and acceptance act under Contract No. (1.10-04-2 E) 22-22, signed by the representatives of the State Tax Inspectorate and the contractor UAB „Civitta" (2024-09-25 Nr. (2.59 Mr) 524-3365).	The Deputy Head of State Tax Inspectorate (STI) and the executive director of the contractor UAB „Civitta" signed the services' transfer and acceptance act on 25 of September 2024. It certifies that the pilot project on the replacement of tax stamps for alcoholic beverages with digital solutions was completed and a report of the pilot project was prepared and transferred to the State Tax Inspectorate.
3	*Report on the Pilot Project for Replacing Excise Bands for*	The report evaluates the options and feasibility for Lithuania to replace paper alcohol stamps with digital

	Alcoholic Beverages with Digital Solutions by Civitta of 2024 on the pilot project for the replacement of stamps for alcoholic beverages with digital solutions	labelling. It describes the practical tests conducted in three Lithuanian alcoholic beverage factories, where beverages were marked with modern digital labelling codes.
-	A letter No RAA-2078 of 10 September 2024 from the State Tax Inspectorate to the Ministry of Finance regarding the report on the pilot project for the replacement of stamps for alcoholic beverages with digital solutions	The letter from the State Tax Inspectorate (STI) to the Ministry of Finance summarises the work carried out during the project and outlines the advantages and disadvantages of the digital labelling solution. The STI concludes that the introduction of digital labelling offers some benefits and recommends that the Ministry of Finance either establishes an interinstitutional working group or seeks input from other relevant institutions.
4	The State Tax Inspectorate Decision of 28 March 2025 No. RAA-1870 not to develop a dedicated module allowing electronic labelling of alcoholic beverages	Based on the report's findings, the STI concludes that while digital marking is technically feasible, it poses considerable risks, particularly due to its susceptibility to falsification. The identified risks, along with excessive costs, outweigh the potential benefits of implementing the digital solution; therefore, it will not be pursued.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all the elements of the milestone.

The Council Implementing Decision required, in line with the qualitative indicator for the milestone, **delivery of the report on the results of the pilot project.**

As evidenced by the Services' transfer and acceptance act signed on 25 September 2024 (evidence 2), the pilot project on the replacement of tax stamps for alcoholic beverages with digital solutions was completed. A report on the results of the pilot project ('report' - evidence 3) was transferred from UAB Civitta to the State Tax Inspectorate. The finalisation of the contracted service is further evidenced by the positive decision of releasing the budget (evidence 2).

Completion of the pilot project shall allow to:

1) assess the possibilities to replace paper tax stamps currently used to protect the market against illegal alcoholic beverages with digital solutions for the labelling of such products;

As evidenced by the *Report on the Pilot Project for Replacing Excise Bands for Alcoholic Beverages with Digital Solutions* (hereinafter referred to as "the report") (evidence 3), an analysis was carried out to assess the feasibility of replacing tax stamps on alcoholic beverages with digital solutions and to estimate the potential savings. The report (evidence 3) begins by evaluating the Lithuanian legal framework and the current process for the registration, receipt and use of tax stamp data (sub-section 1.1). It then expands the scope by examining digital solutions and technologies used in other countries (sub-section 1.5). The report outlines the technical specifications of the digital marking method (section 4), assesses the strengths, weaknesses (section 5) and associated risks (section 9) and presents the results of pilot testing conducted in three alcoholic beverage factories in Lithuania (section 11). The report concludes (p. 96) that the digital solution could be implemented in Lithuania and outlines its potential benefits.

Based on the analysis (evidence 3), including the results of practical tests conducted in factories, the report enables an informed assessment of the feasibility of replacing the paper tax stamps with digital labelling solutions to protect the market against illegal alcoholic beverages.

2) assess the possibilities to reduce the administrative burden and costs linked to the labelling of alcoholic beverages for economic operators.

As evidenced by the data and analysis in the report (evidence 3), an estimate of the costs and administrative burden associated with the adoption of digital tax stamps is provided, allowing for a comparison with the current situation and an evaluation of whether a reduction in these areas would be possible for economic operators. The report estimates that abandoning paper tax stamps could save the state between EUR 4 million and EUR 4.8 million over a five-year period and reduce CO2 emissions (with the production of paper tax stamps emitting approximately 8.72 tons of CO2eq/kg per year). However, the savings for economic operators may be less significant, particularly for imported products, as paper stamps would still be required due to differences in automated production lines. Based on this analysis, the State Tax Inspectorate concluded (evidence 3 and 4) that the expected savings would not be significant enough to justify replacing paper tax stamps with digital ones.

Based on the results of the pilot project, the State Tax Inspectorate shall decide whether to develop a dedicated module allowing electronic labelling of alcoholic beverages.

As evidenced by Decision No. RAA-1870 of 28 March 2025 (evidence 4), the State Tax Inspectorate decided not to develop a dedicated module for the electronic labelling of alcoholic beverages. This decision was based on several drawbacks identified in the report, including the ease and low cost of code forgery compared to counterfeit paper stamps. Additionally, such activities would be more difficult to trace with existing investigative tools. Finally, the implementation of a digital tax stamp system would require significant investments from both the State Tax Inspectorate and producers and retailers compared to expected savings, with no budgetary allocation for such a transition in the 2025-2027 budget period.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 175 Entry into operation of technological solutions to enable the practical use of e-receipts in business processes

Related Measure: F.1.7. Development of an electronic document ecosystem - F.1.7.1. Creation of a solution to enable e-receipts

Qualitative Indicator: Entry into operation of the new e-service

Time: Q4 2024

1. Context:

The aim of the reform is to ensure efficiency in the public sector. Specifically, it seeks to enable businesses to exchange electronic information and data with public authorities in an automated way. The reform shall focus on data of cash registers, purchase receipts and consignment notes. Amendments to the Law on Tax Administration and other legislation shall set mandatory requirements for the digitalisation of previously mentioned documents and their transfer to authorities. This reform has two sub-measures: (F.1.7.1) creation of a solution to enable e-receipts; (F.1.7.2) creation of a solution to enable international e-consignments.

Milestone 175 requires entry into operation of the application (new e-service) developed to generate an e-receipt and deliver it from business to consumers. The application shall be made available by the State Tax Inspectorate to businesses.

Milestone 175 is the first step of sub-measure F.1.7.1 and will be followed by milestone 174, which requires amending the Law on Tax Administration imposing an obligation on businesses to provide digital data from means of payment to the tax administrator, and milestone 176, which requires entry into operation of the functionalities (new e-service) of the i.VAZ (electronic consignments subsystem) sub-system of the Smart Tax Administration System (i.MAS) managed by the State Tax Inspectorate for the exchange of electronic freight transport information (eFTI) between businesses and supervisory authorities.

The reform has a final expected date for implementation on 30 September 2025.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone was satisfactorily fulfilled.
2	Service Completion Report (Annex No. 1) under Contract No. (1.10-04-2 e) 22-34, dated 22 March 2024.	Pursuant to this report, the service provider, UAB Insoft, and the State Tax Inspectorate (STI) under the Ministry of Finance of the Republic of Lithuania confirm that the implementation of the e.Receipt (certified data set) issuance and receipt functions within the i.APS subsystem has been completed and is operational.

3	The link to the electronic receipt (as well as electronic invoice) generation and transmission e-service for business users is available within the i.APS subsystem of the i.MAS system on the State Tax Inspectorate's website: https://imas.vmi.lt/iaps/	Users of the i.APS subsystem for remote accounting services for small businesses can generate an electronic receipt or an electronic invoice when accounting for goods or services. They can then transmit or receive it from the recipient of the goods or services.
4	The XML schema descriptions (XSD) for the Electronic Receipt data set and the Electronic Invoice data set were published on 23 of December 2024 and on 17 of February 2025 on the State Tax Inspectorate's website: https://www.vmi.lt/evmi/projektas-pletoti-elektroniniu-dokumentu-ekosistema-	XML Schema Description (XSD) for the Electronic Receipt Data Set: EK001. E. kvito duomenų modelio ir duomenų perdavimo aprašymas eReceipt XML pavyzdys (Pirkėjas identifikuotas) 1.0 eReceipt XML pavyzdys (Pirkėjas neidentifikuotas) 1.0 eReceipt XSD 1.0 XML Schema Description (XSD) for the Electronic Invoice Data Set: SF011. einvoicing duomenų modelio ir duomenų perdavimo aprašymas einvoicing XSD einvoicing kreditinės SF rinkmenos pavyzdys einvoicing SF rinkmenos pavyzdys

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all the elements of the milestone.

Entry into operation of the application (new e-service) developed to generate an e-receipt [...]

As evidenced by the Service Completion Report of 22 March 2024 prepared by the contractor UAB Insoft under Contract No. (1.10-04-2 e) 22-34 (evidence 2) and signed by UAB Insoft and the State Tax Inspectorate, the service provider UAB Insoft and the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania confirm that the implementation of the e-receipt (certified data set) issuance and receipt functions within the i.APS subsystem has been completed and is operational. i.APS simplifies tax reporting for self-employed individuals by replacing paper journals and automatically transferring data to the annual tax return.

[...] and deliver it from business to consumers.

The technical documentation for these e-services, including the XML Schema Description (XSD) for the Electronic Receipt Data Set and the XML Schema Description (XSD) for the Electronic Invoice

Data Set, demonstrates that businesses can generate an electronic receipt or an electronic invoice to customers by following these technical specifications (evidence 4).

The Commission services accessed the link provided by the authorities on 1 of April 2025 to verify that the technical documentation is publicly accessible to businesses for further use. This check was completed successfully, confirming that the technical documentation is publicly accessible to businesses for further use through the links provided in the supporting evidence 4.

This application shall be made available by the State Tax Inspectorate to businesses.

A link to the e-receipt (as well as electronic invoice) generation and transmission e-service for business users is available within the i.APS subsystem of the Smart Tax Administration System (i.MAS) system, which implements electronic services by transferring the collection, processing, management, and submission of taxpayers' economic transaction data to the electronic space. (evidence 3).

The Commission services conducted an on-the-spot check on 25 April 2025 to verify that the e-receipt application link is accessible on the website of the State Tax Inspectorate and can be accessed by businesses and that an e-receipt can then be transmitted to the recipient of the goods or services. This check was completed successfully, confirming that the requirements that the application is provided by the State Tax Inspectorate to businesses is satisfactorily fulfilled.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 177 Adoption of amendments to legal acts allowing the State Tax Inspectorate to administer majority of fines and economic sanctions

Related Measure: F.1.8. A single window to pay fines

Qualitative Indicator: Legislation shall be adopted

Time: Q2 2023

1. Context:

The aim of the reform is to improve the administration of fines and economic sanctions issued by the state.

Milestone 177 requires the adoption of necessary legislation (Law on Tax Administration and other laws on fines and other economic sanctions imposed by the State) allowing the State Tax Inspectorate to administer majority of fines and economic sanctions.

Milestone 177 is the first step of the implementation of the reform, and it will be followed by target 178 related to the administration of fines and economic sanctions imposed by 37 authorities by a single tax authority – the State Tax Inspectorate. The reform has a final expected date for implementation on 30 June 2026.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone was satisfactorily fulfilled.
2	Law No. XIV-2805 Amending Articles 1, 2, 14, 26, 86, 88, 93, 105, 106, 110 of Republic of Lithuania Law on Tax Administration No IX-2112 adopted on 25 June 2024. Link to the publication in the Register of Legal Acts: XIV-2805 Lietuvos Respublikos mokesčių administravimo įstatymo Nr. IX-2112 1, 2, 14, 26, 86, 88, 93, 105, ...	Following the introduced amendments, the administration of fines and economic sanctions (non-tax obligations) is transferred to the State Tax Inspectorate (STI).
3	Law No. XIV-2806 Amending Articles 646, 650, 651 of the Republic of Lithuania Civil Procedure Code and Supplementing it with Article 5831 (CPC) adopted on 25 June 2024. Link to the publication in the Register of Legal Acts: XIV-2806 Lietuvos Respublikos civilinio proceso kodekso 646, 650, 651 straipsnių pakeitimo ir Kodekso papi... (e-tar.lt).	The amendments to the Civil Procedure Code establish STI's authority in the recovery of fines and economic sanctions.
4	Law No. XIV-2807 Amending Articles 3, 6, Section XII and Repealing Articles 7, 8 of the Republic of Lithuania Penal Code adopted on 25 June 2024. Link to the publication in the Register of Legal Acts: XIV-2807 Lietuvos Respublikos bausmių vykdymo kodekso 3, 6 straipsnių, XII skyriaus pakeitimo ir 7, 8 stra... (e-tar.lt).	The amendments to the Penal Code establish STI's authority in the recovery of fines and economic sanctions.

5	Law No. XIV-2808 Amending Articles 163, 307, 342 and 352 of the Republic of Lithuania Penal Procedure Code adopted on 25 June 2024. Link to the publication in the Register of Legal Acts: XIV-2808 Lietuvos Respublikos baudžiamojo proceso kodekso 163, 307, 342 ir 352 straipsnių pakeitimo įstatymas (e-tar.lt).	The amendments to the Penal Procedural Code establish STI's rights in the recovery of fines and economic sanctions.
6	Law No. XIV-2809 Amending Articles 672 and 676 of the Republic of Lithuania Code of Administrative Offences adopted on 25 June 2024. Link to the publication in the Register of Legal Acts: XIV-2809 Lietuvos Respublikos administracinių nusižengimų kodekso 672 ir 676 straipsnių pakeitimo įstatymas (e-tar.lt).	The amendments to the Code of Administrative Offenses establish STI's authority in the forced recovery of penalties.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all the elements of the milestone.

The necessary legislation (Law on Tax Administration and other laws on fines and economic sanctions issued by the state) allowing the State Tax Inspectorate (STI) to administer a majority of fines and economic sanctions, shall be adopted.

Furthermore, in line with the description of the measure, **in order to implement this reform, a package of legal documents, including amendments to the Law on Tax Administration, shall have to be adopted to enable the State Tax Inspectorate to administer majority of fines and economic sanctions issued by the state.**

On 25 June 2024 Lithuania adopted the required legislation and published it in the Register of Legal Acts: Law No. XIV-2805 Amending Articles 1, 2, 14, 26, 86, 88, 93, 105, 106, 110 of Republic of Lithuania Law on Tax Administration No. IX-2112 (hereinafter referred to as "the Law on Tax Administration") (evidence 2),

- Law No. XIV-2806 Amending Articles 646, 650, 651 of the Republic of Lithuania Civil Procedure Code and Supplementing it with Article 583 (hereinafter referred to as "the Civil Procedure Code") (evidence 3),
- Law No. XIV-2807 Amending Articles 3, 6, Section XII and Repealing Articles 7, 8 of the Republic of Lithuania Penal Code (hereinafter referred to as "the Penal Code") (evidence 4),
- Law No. XIV-2808 Amending Articles 163, 307, 342 and 352 of the Republic of Lithuania Penal Procedure Code (hereinafter referred to as "the Penal Procedure Code") (evidence 5),
- Law No. XIV-2809 Amending Articles 672 and 676 of the Republic of Lithuania Code of Administrative Offences (hereinafter referred to as "the Code of Administrative Offences") (evidence 6).

Following the introduced amendments to the Law on Tax Administration, the administration of fines and economic sanctions (non-tax obligations) is transferred to the State Tax Inspectorate. Specifically, the Law on Tax Administration is amended as follows (evidence 2):

- Article 1 is amended to broaden the scope of the law, including the procedure for administering non-tax obligations.
- Article 2 is complemented by points 41, 292, 293, 294, 295 and 301 introducing the concepts of economic monetary sanction, non-tax liability, non-tax underpayment, administration of non-tax obligations, procedural fine and amount awarded by the court.
- Point 7 of Article 14 is amended, and Article 14 is complemented by points 71, 72, 73 and 74 cross-referring the procedural framework for administering tax obligations as applying mutatis mutandis to the administration of fines and economic sanctions arising from non-tax obligations.
- Article 26, enumerating functions of the local tax authority, is complemented to include administration of non-tax obligations in accordance with the procedure established by the Law on Tax Administration and other relevant legal acts.
- Articles 86 and 88 are amended to regulate takeover, deferral, payment in instalments and termination of non-tax arrears.
- Articles 105 and 106 are amended to establish the right of the State Tax Inspectorate to enforce the recovery of fines and economic sanctions arising from non-tax obligations and the ways for exercising this right.

Furthermore, amendments to Articles 105 and 106 of the Law on Tax Administration, Article 583 of the Civil Procedure Code (evidence 3), Article 6 of the Penal Code (evidence 4), Articles 163 and 352 of the Penal Procedure Code (evidence 5), and Article 676 of the Code of Administrative Offences (evidence 6) empower the State Tax Inspectorate to independently recover funds from accounts held at credit, payment and electronic money institutions (evidence 2 to 6). Additionally, these legislative changes enable the State Tax Inspectorate to decide on transferring recovery to bailiffs.

Following the adoption of these legislative amendments the State Tax Inspectorate is granted the authority to administer all non-tax obligations, in addition to the tax fines currently under its administration. However, a small part of the tax fines, specifically those related to import VAT, import excise duties, and customs duties remain to be administered by the Customs authorities (evidence 2).

The amendments to the legislation therefore enable the State Tax Inspectorate to administer a majority of fines and economic sanctions imposed by the state.

4. Commission Preliminary Assessment: Satisfactorily fulfilled.

Number and name of the Milestone: 183 Entry into force of the amendment to the Law on Unemployment Social Insurance increasing the coverage and adequacy of the unemployment social security system

Related Measure: C7.G-1-1- G-1-1- Guaranteed minimum income protection

Qualitative Indicator: Provision in the amending Law on Unemployment Social Insurance indicating entry into force.

Time: Q1 2023

1. Context:

The reform (Measure G.1.1.) aims at improving the social welfare of the most vulnerable groups and alleviating poverty. It consists of 3 sub-measures: (1) study on the minimum income scheme and related changes to the legislation (sub-measure 1), (2) additional measures to increase adequacy and sustainability of social benefits (sub-measure 2); and (3) accreditation of social care (sub-measure 3).

Milestone 183 is part of sub-measure 2 and relates to the entry into force of the amendment to the Law on Unemployment Social Insurance, which shall increase the minimum unemployment social insurance benefit to the indexed amount equal to 5 Basic Social Benefits or higher and shall extend the maximum duration of unemployment insurance benefit payments to pre-retirement age individuals.

Milestone 183 is the third and last milestone of sub-measure 2, and it follows the completion of milestones 182 and 184, related to the introduction of the additional benefit for disabled and elderly persons and changes to the pension indexation mechanism.

2. Evidence provided:

	Name of the evidence	Short description
1	Summary Document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Law No. XV-500 of 21 October 2025 on "Amending Articles 1, 3, 5, 6, 8, 9, 11, 12, 17, and 21 of the Unemployment Social Insurance Law No. IX-1904, recognizing Article 10 as invalid, and supplementing the law with an annex" (hereinafter referred to as "Law No. XV-500"). Link to the publication in the Register of Legal Acts: https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/e4068b92ae7b11f0b28af49e6544ad31?jfwid=-14a8k4a992	The amendment introduces various changes to the unemployment insurance system, such as the new unemployment benefit calculation formula, the new threshold for the minimum unemployment social insurance benefit amount and the new maximum duration of unemployment insurance benefit payments. The amendment will enter into force on 1 July 2026.
3	Explanatory note to Law No. XVP-591 of 16 June 2025 on "Amending Articles 1, 3, 5, 6, 8, 9, 11, 12, 17, and 21 of the Unemployment Social Insurance Law No. IX-1904, recognizing Article 10 as invalid,	The explanatory note accompanies the draft law and explains the expected impact of the amendments to the unemployment-insurance system, covering the new unemployment-benefit calculation formula, the new minimum

	and supplementing the law with an annex" (hereinafter referred to as "Law No. XVP-591"). Link to the publication in the Register of Legal Acts: https://e-seimas.lrs.lt/portal/legalAct/lt/TAK/897464704ac311f0a19dcea0bcc863ad?jfwid=-14a8k4b7uw	benefit threshold, and the increased maximum duration of benefit payments for pre-retirement-age individuals. It sets out the policy rationale, identifies affected groups, and presents estimates of beneficiaries, fiscal effects, and implementation arrangements.
4	Law on Unemployment Social Insurance No IX-1904. Link to the publication in the Register of Legal Acts: https://www.e-tar.lt/portal/lt/legalAct/TAR.FDF42614DE52/asr	The original legal act which was amended by Law No. XVP-591.

3. Analysis:

The justification and substantiating evidence provided by the Lithuanian authorities cover all constitutive elements of the milestone.

Entry into force of the amendment to the Law on Unemployment Social Insurance

Law No. XVP-591 amending Unemployment Social Insurance Law No. IX-1904, was adopted on 21 October 2025 and will enter into force on 1 July 2026, as stated in Article 13 (evidence 2).

The Council Implementing Decision required the entry into force of the amendment to the Law. The amendment will enter into force on 1 July 2026. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay between the adoption of this law and the actual application of the provisions is considered both limited and proportional, considering the time necessary for both the authorities and the public to prepare for the implementation of the changes to the unemployment insurance system. The implementation of the amendment will require significant improvements to the digital information systems of the State Social Insurance Fund Board, as well as a recalculation of the amounts of unemployment insurance benefits granted to individuals. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

[…] which shall: - increase the minimum unemployment social insurance benefit to the indexed amount equal to 5 Basic Social Benefits or higher

Article 5 of Law No. XVP-591 amends paragraph 6 of Article 8 of Unemployment Social Insurance Law No. IX-1904, increasing the minimum unemployment social insurance benefit from 23.27% of the minimum monthly wage (EUR 241.54 in 2025) to the indexed amount equal to 5 Basic Social Benefits (5 Basic Social Benefits are equal to EUR 350 in 2025). Thereby, the amendment consists of an increase in the minimum unemployment social insurance benefit in 2026 in comparison to the situation prior to the entry into force of Law No. XVP-591.

[…] - extend the maximum duration of unemployment insurance benefit payments to pre-retirement age individuals.

Paragraph 1 of Article 9 of Law No. XVP-591 amends paragraph 1 of Article 12 of Unemployment Social Insurance Law No. IX-1904, extending the maximum duration of the unemployment insurance benefit payments by four months for pre-retirement age unemployed persons, from current maximum of 11 months to new maximum of 15 months total. The pre-retirement age unemployed persons are defined as persons who, on the date of the termination of the benefit payment, have no more than five years remaining until reaching retirement age. In the explanatory note to Law No. XVP-500 (evidence 3) Lithuania provides that an estimated 11 400 pre-retirement age unemployed persons would benefit from the extended duration of the unemployment insurance benefit payments.

Furthermore, in line with the description of the sub-measure, **they** (the milestone) **concern changes to the legislation increasing coverage and adequacy of the unemployment insurance scheme.**

As indicated in Evidence 4, the objective of setting the minimum unemployment insurance benefit at 5 Basic Social Benefits (Article 5 of Law No. XVP-591) is to increase the unemployment benefits for the unemployed persons receiving the lowest unemployment benefits and to reduce the risk of the unemployed individuals experiencing poverty and/or social exclusion, thus, increasing the overall adequacy of the unemployment insurance scheme. The increase of the minimum unemployment insurance benefit would affect approximately 4 650. recipients of unemployment insurance benefits.

As indicated in Evidence 4, the objective of extending the maximum duration of unemployment insurance benefit payments by four months for unemployed persons of pre-retirement age (Paragraph 1 of Article 9 of Law No. XVP-591) is to strengthen their social protection. Following the entry into force of these legislative amendments, an additional 11 400 pre-retirement age individuals will become eligible to receive unemployment benefits, thereby significantly increasing the coverage of the unemployment insurance scheme.

4. Commission Preliminary Assessment: Satisfactorily fulfilled