

National Integrity System Assessment
LITHUANIA

Contents

II. About the National Integrity System Study in Lithuania.....	8
III. Lithuania: Country Profile	15
IV. Corruption Profile Analysis in Lithuania	23
V. Analysis of Anti-corruption Activities in Lithuania	26
VI. National Integrity System Assessment:Lithuania.....	28
1. Legislative.....	29
2. Executive.....	43
3. Judiciary.....	58
4. Public Sector	80
5. Law Enforcement Agencies.....	96
6. Central Electoral Commission (CEC).....	116
7. Seimas Ombudsmen.....	Error! Bookmark not defined.
8. Supreme Audit Institution.....	143
9. Anti-corruption agencies.....	156
10. Political parties.....	169
11. Media	Error! Bookmark not defined.
12. Civil Society.....	Error! Bookmark not defined.
13. Business	216
VII. Conclusions	235
VIII. Recommendations	238
IX. Literature.....	247
About the authors.....	274

Every effort has been made to verify the accuracy of the information contained in this report.

Nevertheless, Transparency International Lithuanian Chapter cannot accept responsibility for the consequences of its use for other purposes or in other contexts. The report draws on research for a period up until 2012. As a result, this report may not reflect some recent developments.

This project has been funded with support from the European Commission. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

This book is not for sale.



With the financial support from the Prevention of and Fight against Crime Programme of the European Union
European Commission - Directorate-General Home Affairs

I. Introduction

Dr Algimantas Čepas

This book deals with the resistance to corruption of separate constituent parts of the Lithuanian state and society. Perhaps there is no need to argue that corruption is one of the most complicated issues in our country. It receives considerable attention in country programme documents as well as political rhetoric. It is also widely discussed in academic literature. However, corruption is usually seen from the point of control. The book takes a look at this problem from a different angle and focuses most attention on corruption prevention. The book provides an evaluation of whether different parts of the state and the society are resistant to corruption, it establishes the weak parts of the system and proposes ways to strengthen them. We think that in Lithuania the issue of corruption prevention has not been considered and analysed sufficiently and this book should encourage the development of the discourse of corruption prevention in our country.

Assessment of integrity of different society and state sectors, presented in this book, allows claiming that the general level of integrity in the country is at least middling and in some sectors it is proper. The pillars of the Seimas ombudsmen, National Audit Office, anti-corruption agencies were assessed as strong or very strong. The legislative, the executive, judiciary, the public sector, law enforcement institutions, political parties, media, civil society and business were assessed as somehow weaker.

It is fair to acknowledge that Lithuania already has legal regulation which could allow ensuring appropriate integrity of both state institutions and separate sectors of the public. It is true, however, that some components of the legal regulation are lacking. No complex system of whistle-blowers protection has been created to this day; lobbying is almost unregulated, the legal regulation of the non-state sector is poorly developed as well. Some irregularities in the legal regulation have also been spotted. For instance, legal norms do recognise the somewhat over-extensive freedom in the creation and activity of political parties but also provide for quite numerous excessive requirements of business control. And yet, it is possible to state that legal regulation is sufficient in order to ensure basic requirements for integrity. The legal regulation was assessed as good or very good in almost all the pillars. Exceptions would be the legal regulation of the accountability of the legislative, independence of public sector, business and political parties, and media integrity which were assessed as middling.

But perhaps too many problems in our country are tackled by creating and amending legal acts, however, instead of that more attention should be focused on the daily activities of the state and different public institutions. Different chapters of this book confirm such a hypothesis. Even admitting that separate areas analysed in the book are regulated almost perfectly, it is generally necessary to admit that excellent rules of law do not result in excellent practice. Requirements established by legal provisions remain declarative and they often remain disregarded in practice. In some fields the gap between law and practice is especially distinct. While the legal regulation of the resources, independence and transparency of the judiciary, accountability of the public sector, independence and integrity mechanisms of law enforcement institutions, transparency of the media and resources of the civil society is assessed as good or very good, the practical implementation is minimal in the aforementioned fields.

In many fields there is lack of resources, especially human resources to ensure that anticorruption provisions work effectively. The judiciary, political parties, media and business enjoy only middling resources. The resources of the civil society are only minimal. However, it is hardly probable that the lack of resources is the major factor determining limited efficiency of anti-corruption rules. A greater problem is the fact that both those who have to conform with anti-corruption rules and those controlling their enforcement in both state and non-state sectors have a too formal perception of an anti-corruption as an activity. The meaning and necessity of such activity is not fully appreciated (for example, integrity mechanisms are mostly formed on the initiative of the political government, thus their operation in the fields of civil society, media and business is assessed only as middling or minimal). As a result, the requirements imposed by legal acts regulating anti-corruption are perceived just as additional bureaucracy and, in its turn, such perception means that these requirements are applied in a bureaucratic manner as well (the operation of integrity system of the legislative is assessed only as middling, and in the field of law enforcement institutions – only as minimal). By mechanically applying legal provisions and using some imagination even detailed rules established by the legal acts may be bypassed. At the same time the strictness and detail of regulating and its formalised application in practice determines unsound restrictions to corruption-free persons. Therefore it would be a reasonable solution for the state to pay more attention and make more investments in order to raise the motivation of people performing anti-corruption functions in both state and non-state sector; to develop their skills to focus attention on cases worth suspicion and investigation. At the same time it is possible to speculate that the majority of such cases remain unnoticed because of the lack of legal ways of disclosing them (the accountability of the legislative, law enforcement institutions, political parties and the media is assessed only as middling, the accountability of the public sector is assessed only as minimal). As mentioned above, Lithuania lacks stricter regulation on whistle-blowers protection, the transparency of public procurement cannot be ensured due to the fact that the right to complain about a decision is granted only to providers of public procurement, the control of financing political parties and political campaigns is implemented on the basis of reports submitted by the parties themselves, there is no mechanism of direct individual constitutional complaint, this book also provides other issues the regulation of which should be specified. However, it would be excellent if the state witnessed a more consistent understanding that legal acts are not enough to guarantee resistance to corruption and more attention should be drawn to real people's activity, giving meaning and encouraging it.

It has already been mentioned that in Lithuania corruption is usually viewed in terms of its control. Corruption is being “combatted”, it is tried “bridle” (to harness?) it, it is sought to “break the spine of corruption”. Naturally, agents in a fight or a war are divided into the ones who are good and those who are bad. In its turn, such division means distinguishing the insiders and outsiders. In practice the principle of loyalty, which is essential in civil service, is established as a departmental principle of loyalty demanding to protect one's own institution from the criticism of other institutions and the public, to suppress the problems of the department, including corruption-related issues. Drawing a line between the insiders and outsiders means that the majority of institutions view their activity in such a narrow framework. No questions are raised or problems solved as to what the meaning, effect and efficiency of their activity are. State institutions perform their functions, i.e. they make decisions assigned to them but rarely pay any attention to whether their decisions were implemented or they just express formal concerns about it; institutions provide much information for the public about their activity but the information itself is presented with no regard of whether it will be understandable for people interested in getting familiar with it – the information is not generalised, systemised, it is submitted in is too complicated language.

The majority of the chapters of this book also highlight other problems arising from such dissociation and limitation. It is a pity that such problems of concentrating on the interests of one's own, withdrawing from raising common questions and solving them exists not only in the state but also non-state sectors such as business and media. The initiative to develop anti-corruption activity is met very rarely. Again, this may be due to the fact that anti-corruption is considered only as an expression of control. With such a perception of this activity it is impossible that it could have a high status and would be implemented on the basis on an initiative rather than meeting someone's requirements. Giving prominence to control and thereby to departmental issues determines the fact that in Lithuania it is very hard to develop the culture of cooperation. It is particularly evident in the case of the relations between state institutions and the society. Although legal documents include provisions on the implementation of consulting with the public and puts emphasis on the importance of cooperation between the society and the state, so far the practice in this field has been developing with difficulty. This may be due to the fact that in a control-based culture the society is viewed merely as an object of control, while cooperation with the public – as a form of control.

Control inhibits initiative, limitation to the departmental level impedes with the development of anti-corruption as a system; therefore in practically all chapters of this book it is inevitable to hold sceptical views towards the role and influence of both state and non-state institutions on the national level (engagement of the civil society in policy reform, business' support for the civil society are assessed as minimal). Strengthening of the influence in the common system is often viewed as a new activity that requires addition resources and which can and, from the departmental point of view, should be avoided. And it is being avoided. In the time of the financial crisis, the lack of resources is a very relevant motive to justify inactivity. And the validity of this argument is likely to be justified. And yet it is unlikely to be the only problem determining the passiveness of both the state and the public institutions. There have been examples in Lithuania when great and important project have been implemented having really limited resources. It would therefore be plausible to focus attention on the identification and development of the good practice.

Summarising both the ideas expressed in this introduction and the whole book, it is a pleasure to acknowledge that the system of resistance to corruption in Lithuania is functioning, it is sufficiently strong and reliable. However, it is at the same time essential to admit that there are drawbacks and areas of improvement in it and they are quite numerous. The problems identified are solvable. Some are harder to solve, others – easier to tackle, but all of them are solvable. It is essential to have more faith and confidence, to understand its significance and, most importantly, to have the willingness for Lithuania to be a country resistant to corruption.

To summarize the points presented above and further in this book, it is possible to suggest several recommendations, worth most of attention:

- The legal environment for anti-corruption in Lithuania is fairly decent. Thus the focus in the field should be on the obedience of anti-corruption law in practice as opposed to the creation of new legal norms;
- More attention should be paid for the anti-corruption mechanisms in the public sector. It is necessary to avoid the bureaucratization of anti-corruption. It is also necessary to encourage the establishment of anti-corruption mechanisms in civil society, media and business;
- While encouraging the transparency of the state mechanism, ways have to be found how to present information, relevant to the society in more comprehensible forms. This should be increasingly done by systemizing and summarizing information;

- It is necessary to strengthen pro-active anti-corruption activities of the state, especially by seeking for a more extensive cooperation with state and non-state subjects, implementing anti-corruption activities.
- It is necessary to strengthen the accountability of state and non-state institutions. Besides, a complex system on whistle-blowers protection has to be created. Measures have to be taken to eliminate the dominance of departmental loyalty. Possibilities to bear complaints against decisions in public procurement have to be expanded. Monitoring of party and political campaign financing should become more active.

II. About the National Integrity System Study in Lithuania

A series of high profile corruption cases in the private and public sectors has highlighted the urgent need to confront corruption in Europe. Corruption undermines good governance, the rule of law and fundamental human rights. It cheats citizens, harms the private sector and distorts financial markets. Seventy four per cent of Europeans surveyed for the EU Commission's 2012 Eurobarometer believed that corruption was a major problem for their country.¹ According to the data displayed in the Lithuanian Corruption map of the year 2011, 67 per cent of Lithuanian citizens, 39 per cent of the surveyed heads of the companies and their representatives and 42 per cent of public officers identified corruption as a serious problem in Lithuania².

Corruption rarely occurs only in separate institutions or sectors. On the contrary, corruption usually manifests as a systemic phenomenon and in order to investigate it, to fight against it or to prevent it, a holistic and systematic approach is necessary. Precondition of its successful operation is the involvement of the government and public sector institutions, civil society, the scientific community, business representatives and other actors³.

This book presents a study based on a systematic approach to corruption phenomenon and consultations with experts in different fields. The publication "National Integrity System Assessment. Lithuania" examined Lithuania's National integrity system. The aim of the study was to identify weaknesses of the system, its problematic areas and propose guidelines for the promotion of anti-corruption changes.

The National Integrity System assessment is an approach created and used by „Transparency International with a purpose to systematically investigate and fight corruption, seeking for a change in an anti-corruption society. During the assessment, legal and practical aspects of transparency and accountability as well as functioning of inner ethics systems and ability to resist corruption of the main public institutions, branches of government and sectors were being analyzed.

The National Integrity System assessment approach provides a framework to analyse the robustness and effectiveness of a country's institutions in preventing and fighting corruption. The research tool is based on the premise that a well-functioning national integrity system can prevent corruption and makes a significant contribution to the broader fight against abuses of power, all forms of misconduct, asset misappropriation and embezzlement. It is less likely that corruption will prosper, when institutions, that consist national integrity system, are characterized by appropriate regulation and accountable behavior. On the contrary responsible governance will be better ensured, the rule of law will be strengthened and fundamental human right will be better ensured. Strengthening the NIS promotes better governance across all aspects of society and, ultimately, contributes to a more just society overall.

This book was developed as a part of European anti-corruption initiative "Evidence-based operation against corruption: project of European integrity system". It is financially supported by the European Commission's Directorate-General for Home Affairs. The study evaluates national integrity systems of the 25 participating European countries, also develops recommendations for these countries how to achieve sustainable and effective anti-corruption reforms.

¹ *Special Eurobarometer 374. Corruption*. Conducted by TNS opinion & social at the request of Europe Commission, 2012.

² Vilmorus, *Lithuanian Corruption map, 2011*. The research ordered by the SIS (from July to August of 2011). Internet access: http://www.stt.lt/documents/soc_tyrimai/Korupcijos_zemelapis.pdf.

³ "Transparency International", *National Integrity System assessments. National Integrity System background, rationale and methodology*. Internet access: http://www.transparency.org/files/content/nis/NationalIntegritySystem_Background_and_Methodology.pdf.

The research “National integrity system. Lithuania“ was organized by the methodology developed by “Transparency International“ Secretariat. The methodology is the same for all 25 participating countries. Due to the regional nature of the study, investigators discussed specific questions, that were provided by the methodology. The publication did not provide a detailed analysis of each area, but there were identified problem areas that can become objects of further search references, how to avoid corruption.

Defining integrity

Stemming from the Latin adjective *integer* (whole, complete), integrity is the inner sense of "wholeness" deriving from qualities such as honesty and consistency of character. As such, one may judge that others "have integrity" to the extent that they behave according to the values, beliefs and principles they claim to hold.

In western ethics, integrity is often regarded as the opposite of hypocrisy, in that it regards internal consistency as a virtue, and suggests that parties holding apparently conflicting values should account for the discrepancy or alter their beliefs.

“Transparency International’s plain language guide” defines integrity as ‘behaviours and actions consistent with a set of moral or ethical principles and standards, embraced by individuals as well as institutions that create a barrier to corruption’⁴.

Lithuanian National Integrity System Assessment

The assessment of NIS in Lithuania was carried out for the second time. The first assessment was done in the year 2001⁵ and the second one, the results of which are displayed in this publication, was carried out using an improved methodology. It was started in February 2011 and completed in April 2012. Relevant at that time legislation and practice from the period 2009-2011 were reviewed in the assessment. In cases where more recent data was not available the older data was used.

The assessment was carried out by fifteen researchers and a group of assistants. The scientific editor and team leader of the authors’ group was dr. Algimantas Čepas, the director of the Institute of Law.

The Lithuanian NIS country report addresses 13 “pillars” or institutions believed to make up the integrity system of the country.

⁴ Transparency International, *Anti – Corruption Plain Language Guide*. Transparency International Secretariat: Berlin, 24. Internet access: http://www.transparency.org/publications/publications/other/plain_language_guide.

⁵ S. Vaitiekus, *National integrity system in Lithuania: review of organization and its operations*. “Transparency International“ Lithuanian Chapter: Vilnius, 2002.

Chart: Pillars of the Lithuanian NIS assessment

Government	Public sector	Non-governmental
1. Legislature (the Seimas) 2. Executive (the President and the Government) 3. Judiciary	4. Public Administration 5. Law Enforcement Agencies (the Special Investigation Service, the police and the prosecution service) 6. The Central Electoral Commission 7. Seimas Ombudsmen 8. National Audit Office 9. Anti-corruption Agencies (Department of Corruption Prevention of the Special Investigation Service and Chief Official Commission)	10. Media 11. Civil Society 12. Political Parties 13. Business

Each of these 13 institutions is assessed along three dimensions that are essential to its ability to prevent corruption. First, its overall capacity in terms of resources and legal status, which underlies any effective institutional performance. Second, its internal governance regulations and practices, focusing on whether the institution is transparent, accountable and acts with integrity, all crucial elements to preventing the institution from engaging in corruption. Thirdly, the extent to which the institution fulfils its assigned role in the anti-corruption system, such as providing effective oversight of the government (for the legislature) or prosecuting corruption cases (for the law enforcement agencies). Together, these three dimensions cover the institution's ability to act (capacity), its internal performance (governance) and its external performance (role) with regard to the task of fighting corruption.

Each dimension is measured by a common set of indicators. The assessment examines both the legal framework of each pillar as well as the actual institutional practice, thereby highlighting discrepancies between the formal provisions and reality on the ground.

Chart: Indicators used in Lithuanian NIS assessment

Dimension	Indicators (<i>law, practice</i>)
Capacity	Resources Independence
Governance	Transparency Accountability Integrity
Role within governance system	<i>Between 1 and 3 indicators, specific to each pillar</i>

The assessment does not seek to offer an in-depth evaluation of each pillar. Rather, it seeks breadth, covering all relevant pillars across a wide number of indicators in order to gain a view of the overall system. The assessment also looks at the interactions between institutions to understand why some are more robust than others and how they influence each other. The NIS presupposes that weaknesses in a single institution could lead to serious flaws in the entire system. Understanding the interactions between pillars also helps to prioritize areas for reform. In order to take account of

important contextual factors, the evaluation of the governance institutions is embedded in a concise analysis of the overall political, social, economic and cultural conditions, the *foundations*, on which these pillars are based.

Methodology

The NIS assessment is a qualitative research tool based on a combination of desk research, in-depth interviews. Qualitative interviews were carried out in order to supplement the research material with additional data, which was not obtained through the process of analysis and also with a goal to verify the data collected during the analysis and to obtain information of evaluative nature. Consultations with experts in different fields (work in an Advisory group, consultations with experts on improvements of the research, see *Consultations with experts and revision of the results*) helped to conduct an external assessment of the research and also worked as a quality control mechanism.

The assessment is guided by a set of “indicator score sheets” developed by the TI Secretariat. The sheets consist of a “scoring question” for each indicator, supported by further guiding questions and scoring guidelines for the minimum, mid-point and maximum scores. For example:

Sample indicator score sheet: Legislature <i>Capacity – Independence (law)</i>	
Scoring Question	To what extent is the legislature independent and free from subordination to external actors by law?
Guiding Questions	Can the legislature be dismissed? If yes, under which circumstances? Can the legislature recall itself outside normal session if circumstances so require? Does the legislature control its own agenda? Does it control the appointment/election of the Speaker and the appointments to committees? Can the legislature determine its own timetable? Can the legislature appoint its own technical staff? Do the police require special permission to enter the legislature?
Scoring guidelines	
Minimum score (0)	There are no laws which seek to ensure the independence of the legislature.
25	
Mid-point (50)	While a number of laws/provisions exist, they do not cover all aspects of legislative independence and/or some provisions contain loopholes.
75	
Maximum (100)	There are comprehensive laws seeking to ensure the independence of the legislature.

In total the assessment includes over 150 indicators, approximately 12 indicators per pillar. The guiding questions for each indicator were developed by examining international best practices, existing assessment tools for the respective pillar as well as using TI’s own experience, and by seeking input from international experts on the respective institution.

The indicator score sheets provide guidance to the researcher, but when appropriate some questions were left unanswered as not all guidance was relevant in Lithuanian context. Due to the broad scope of the NIS assessment, the analysis of each pillar is necessarily brief and in some cases the research reveals a need for further in-depth research on specific issues which are beyond the scope of the NIS assessment. The full toolkit and score sheets are available on TI Lithuania's website⁶.

To answer the guiding questions, the lead researcher relied on three main sources of information: national legislation, secondary reports and research, articles, other secondary sources and interviews with key experts of respective fields.

A minimum of two key informants were interviewed for each pillar – at least one representing the institution under assessment and one expert external to it independent from the institution but having enough competence and knowledge to evaluate it. The surnames of the experts were published by the researchers, in the parts of report based on the information obtained from the interviews, only in such cases when it was necessary in order to proof validity of the data.

The scoring system

While the NIS is a qualitative assessment, numerical scores are assigned in order to summarise the information and help to highlight key weaknesses and strengths of the integrity system. The country's national resistance to corruption national integrity system's size and scale, so the system of estimates helps the reader to see all 13 institutions as a part of system in a wider context. The estimates are intended to help the reader to focus on the details, also to encourage him/her to see the system as a whole, rather than concentrate on its individual parts.

The estimates in a five-point system for each area of investigation were assigned by the researchers, authors of separate parts of the research, due to the results of the assessment. The results were revised and adjusted afterwards, while consulting with members of the Advisory group, taking into account the comments of expressed by representatives of "Transparency International" Secretariat of the Research Department and remarks made by experts in different fields while carrying out the assessment of the Lithuanian National Integrity system and after it (see "*Consultations with experts and revision of the results*"). With an assistance of the leader of the authors' team the researchers combined the estimates in between each other, considering the overall context of the evaluation, in order to avoid differences of evaluation by minimizing the influence of individual points of view as much as possible.

The main estimates were displayed in a scale of five points (when "1" means the lowest rating and "5" – the highest, see "*An example of indicators assessment questionnaire, the researchers of the Lithuanian National Integrity System assessment based their work on*"). Later the estimates were transformed in a 100-point system (1 equating to 0, 2-25, 3-50, 4-75, 5-100). In addition, the overall average estimate of every dimension was calculated (deriving a simple average of the estimates of the dimension) and the general estimate of every "pillar" was calculated by deriving an average of estimates of all dimensions. Respectively, according to the tables of the estimates, calculation of differences in between each dimension of legal regulations and practice and at the level of an institution can be made.

As the methodology of assigning the estimates was based on the best practice research standards, it was easier for the research team to form the final estimates. The system of estimates also contributed to the main purpose of the assessment – to create recommendations for the anti-corruption policy in Lithuania. Since there is no international board which reviews and calibrates all scores to ensure that the same information, methodology, and judgment process have been used across countries, we do not produce any country rankings and do not recommend using the raw scores for cross-country comparisons.

⁶ Website of "Transparency International" Lithuanian Chapter: www.skaidrumas.lt.

Consultative approach and validation of findings

The research of Lithuanian national integrity system was based on the advices of opinion leaders, decision makers and other experts from government, civil society, the scientific community and other key areas in order to ensure the quality of the research and development of recommendations for anti-corruption policies. It was important to ensure the best quality of the research, involving opinion leaders – give momentum to anti-corruption processes that promote political will and civic demand for reforms.

Consultations with experts took place in two ways: organizing research advisory group work and consultations with experts on the improvement of the study.

Chart: Members of the NIS Advisory Group

NIS Advisory Group	
Dr. Gytis Andrulionis	Vice Minister of Ministry of Justice of Lithuania
Dr. Elena Masnevaite	Adviser to the Chairman of the Court of Appeal of Lithuania
AP Dr. Audronė Nugaraite	A lecturer of Vytautas Magnus University, Faculty of Political Science and Diplomacy
Prof. Dr. Arūnas Poviliūnas	Head of Sociology Department, Faculty of Philosophy, Vilnius University
Artūras Račas	Editor-in-Chief of the Baltic News Agency, a member of Board of Lithuanian Radio and Television (a member of TI Lithuania Board)
Rūta Skyrienė	Executive Director of association “Investor’s Forum“
AP Dr. Aurelijus Veryga	Doctor, a President of Baltic Coalition of Tobacco and Alcohol Control, a President of National Coalition of Tobacco and Alcohol
Diana Vilytė	Head of Lithuanian Business Support Agency, a member of TI Lithuania Board
Prof. Dr. Ramūnas Vilpišauskas	Dean of the Institute of International Relations and Political Science, Vilnius University
Romas Zienka	Head of Department of Administration, Special Investigation Service of the Republic of Lithuania

Two meetings of NIS Advisory Group were organized. During the first of them, on May 13, 2011, the research and their findings were introduced to the members of the group and during the second meeting, on October 4, 2011, the members of the group discussed the major part of prepared text drafts and the estimates assigned to the institutions and also presented their recommendations for the researchers for further improvements of the texts. Remarks of the Advisory Group members for the final parts of the research were submitted e-mail.

On May 2, 2011, “Transparency International” Lithuanian chapter organized consultations with experts on Lithuanian National Integrity System assessment. During the consultations, along with the researchers who prepared the report and gave recommendations, 68 participants from different countries, researchers from public sector institutions, media, academic

world and business in cooperation with experts all together discussed the recommendations for strengthening the Lithuanian National Integrity System. The texts of the research, that were introduced to the participants prior the event, received evaluation and comments from different institutions. After the consultations the texts of the research were revised by the researchers once again, considering the comments and proposals expressed during the event.

The draft version of the research was reviewed and comments on the methodology were given by the representatives of “Transparency International” Secretariat of the Research Department as well. Two reviewers also gave the final remarks and proposals after looking over the draft.

Background and history of the NIS approach

The concept of a “National Integrity System” originated within the TI movement in the 20 century as TI’s primary conceptual tool of how corruption could be best fought, and, ultimately, prevented. It made its first public appearance in the TI Sourcebook, which sought to draw together those actors and institutions which are crucial in fighting corruption. The focus on “integrity” signified the positive message that corruption can indeed be defeated if integrity reigns in all relevant aspects of public life. Therefore, the main objective of the method is to provide robust, evidence-based anti-corruption ground of the advocacy in a particular country, through research-based recommendations – to encourage anti-corruption developments around the world.

As time passed, the concept was changed: from the beginning, much attention has been paid to the workshop of the NIS (consultations with experts), that had to relate this tool with the more practical context of the system. In the early 2000s, TI then developed a basic research methodology to study the main characteristics of actual National Integrity Systems in countries around the world via a desk study, no longer using the National Integrity Workshop approach. In 2008, TI engaged in a major overhaul of the research methodology, adding two crucial elements – the scoring system as well as consultative elements of an advisory group and reinstating the National Integrity Workshop, which had been part of the original approach. The concept of the NIS was developed and based on increasing number of academic literature on anti-corruption theory and practice⁷.

The NIS research approach is an integral component of TI’s overall portfolio of research tools which measure corruption and assess anti-corruption efforts. By offering an in-depth country-driven diagnosis of the main governance institutions, the NIS’s main aim is to provide a solid evidence-base for country-level advocacy actions on improving the anti-corruption mechanisms and their performance. It is complemented by other TI tools, which are more geared towards raising public awareness of corruption and its consequences via global rankings (e.g. Corruption Perception Index, Bribe Payers Index) or via reporting the views and experiences of the public (e.g. Global Corruption Barometer). In addition, the NIS approach fills an important gap in the larger field of international governance assessments, which are dominated by cross-country rankings and ratings (e.g. Global Integrity Index, Bertelsmann Transformation Index), donor-driven assessments (which are rarely made public) or country-specific case studies.

Since 2001 in different countries have been carried out more than 70 researches of the NIS.

⁷ See: Rose Ackerman, Susan *Corruption and Government: Causes, Consequences, and Reform*, Cambridge: Cambridge University Press, 1999; OECD *Public Sector Integrity: A Framework for Assessment*, Paris: OECD publishing, 2005; Head, Brown and Connors (eds) *Promoting Integrity*, Surrey: Ashgate, 2008; Huberts, L. W. J. C., Anechiarico, F., & Six, F. *Local integrity systems: world cities fighting corruption and safeguarding integrity*. Den Haag: BJu Legal Publishers, 2008.

III. Lithuania: Country Profile

Dr. Algimantas Čepas

It has become quite usual to paint a gloomy picture about life in the country and the state itself when it comes to corruption and transparency. This is not surprising as self-flagellation is very popular in Lithuania. Sometimes it is worth looking at what has been done and achieved as the country has a lot to boast about. The state has something to boast about. When assessing the achievements dating back from the soviet totalitarian society to the solid democracy based on the respect to human rights, one has to admit that they are surprising and worth admiring. However, the assessments of the situation in Lithuania provided below are a bit different. They are meant for a different purpose. Their aim is not to describe the situation but to understand the issues still wanting a solution for the situation to become different. We believe that criticism towards the state is not to ruin it, quite oppositely, encourages it moving forward. The assessment being provided in this book is based on a belief that our state is a strong one and therefore can allow itself to be assessed critically.

POLITICS

To what extent are the political institutions in the country supportive to an effective national integrity system?

Score: 75/100

Lithuanian political system is based on the principles of free and fair competition. This is recognised when assessing political system internally (in public statements of the ruling majority and opposition, the media, academic literature actually raise no doubt that the above mentioned principles are ensured) and externally (political and civic freedoms, democracy in Lithuania receive highest scores in the *Freedom House Freedom in the World* survey⁸, *Bertelsmann Stiftung Transformation index*⁹). On the other hand, there is a strong distrust of the political system in the society. Almost three fourths of the citizens do not trust political parties¹⁰. This is demonstrated by the electorate being passive to come to the polls. Usually less than a half of those eligible to vote take part in the Parliamentary, Presidential and Municipal elections¹¹, whereas only 10 per cent of the voters took part in the single-constituency elections to the Seimas in Danes constituency in July 2011¹². Distrust is prevailing in respect to the state institutions as well. More than half of the residents do not

⁸ Freedom House, *Freedom in the World* 2011. <http://www.freedomhouse.org/template.cfm?page=363&year=2010>.

⁹ Bertelsmann Stiftung, *BTI 2010 — Lithuania Country Report*. Gütersloh: Bertelsmann Stiftung, 2009. Internet access: <http://www.bertelsmann-transformation-index.de/en/bti/country-reports/laendergutachten/eastern-central-and-southeastern-europe/lithuania/>.

¹⁰ The results of a survey carried out by UAB „Vilmorus“ in June, 2011, reveal that only 3.5 per cent of population trust in political parties while 73 per cent distrust them. <http://www.vilmorus.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=2&cntnt01returnid=20>.

¹¹ In 2011 Municipal Elections voter turnout was about 45 per cent, in 2009 President Elections turnout was about 49 per cent, in 2008 Parliamentary Elections voters turnout was 46 per cent. Internet access: <http://www.vrk.lt/lt/pirimas-puslapis/rinkimai/2011sav/>; <http://www.vrk.lt/lt/pirimas-puslapis/rinkimai/2009-prezidento-rinkimai/>; <http://www.vrk.lt/lt/pirimas-puslapis/rinkimai/2008-seimo-rinkimai/>

¹² Elections to the Seimas 2011. Results in single-seat constituencies. (Website of the CEC. Internet Access: http://www.vrk.lt/2011_seimas_dane/output_lt/rezultatai_vienmand_apygardose2/rezultatai_vienmand_apygardose2turas.html).

trust the Government (57%) whereas almost three fourths do not trust the Parliament (74%). The only exception is the President that retains national trust (in June 2011 more than two thirds of all the inhabitants placed their trust in the President (68,6 %) ¹³). Even though one may say that distrust in public institutions in the post communist countries is a heritage of the past totalitarian regime ¹⁴, it is very likely that such a high level of distrust is determined by the lack of integrity in the current political system also.

It is believed that the distrust of citizens in the state is determined by the limited capacities of the Government to deal with the main problems. The Government work index ¹⁵ demonstrates that the work of the Government in 2010 received 3.7 points in the scale of 10. Even though such a score is by one third better than in 2008 and 2009 and demonstrates clear positive trends, it allows raising doubts whether the Government is capable to properly deal with the main issues of the state. The inefficiency of the Government is even more questionable when dealing with corruption. Some 78% of the residents believe that the Government is inefficient when dealing with corruption (although it should be mentioned that this is a common view prevailing all over the EU, 74% of all the EU residents are of the same opinion towards their Governments) ¹⁶.

The Constitutional Court of the Republic of Lithuania has ruled for a number of times that the Lithuanian legal system is based on the constitutional principle of the rule of law, which among all other requirements means ensuring of human rights and freedoms ¹⁷. Human and civil rights are guaranteed in the Constitution of the Republic of Lithuania, Lithuania has also ratified almost all key universal and regional international legal instruments that stipulate the protection of human rights. The legal system reform that is already coming to completion has shaped quite a coherent regulation of human rights and their protection. Lithuania possesses a sufficiently developed institutional system of protection of human rights. The Worldwide Governance Indicators presented by the World Bank rate the rule of law in Lithuania at 71 points out of 100, Lithuania in this respect is among the strong average countries in Eastern and Central Europe ¹⁸. Nevertheless this means that the rule of law in Lithuania stays an aim instead of coming into reality.

Firstly, the society is quite sceptical towards the intentions and opportunities of the main institutions that defend the human rights - the courts. According to almost half of the

¹³ Public opinion and market research center "Vilmorus". Representative survey of the population trust in authorities. "Vilmorus", June 2011.

¹⁴ Gaižauskaitė I. "The Need for Trust in Post-Communist Lithuania: An Institutional Perspective" // Blasko A.M., Janušauskienė D. (eds.) "Political Transformation and Changing Identities in Central and Eastern Europe". Washington, D.C.: Council for Research in Values and Philosophy, 2008. 327 p.

¹⁵ The Index of private website Viešai.lt, formed by summarising budget deficit, Social security funds deficit, Government expenditure of GDP, Corruption Perception Index, Freedom of taxes day, Government debt risk in Lithuania, Easy of Doing Business rating, expenditures of the administrative apparatus (part in budget), number of officers and civil servants. Internet access: <http://www.viesai.lt/vyriausybes-veiklos-indeksas/>.

¹⁶ Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.

¹⁷ The Ruling of the Constitutional Court of the Republic of Lithuania on the compliance of paragraph 2 of article 5, article 27, item 4 of paragraph 7 (wording of 8 october 2002) of article 29, item 1 of paragraph 2 (wording of 26 June 2011) of article 56 of the Republic of Lithuania Law on Tax Administration with the Constitution of the Republic of Lithuania and on the compliance of item 2 of Government of the Republic of Lithuania resolution No. 1073 „On the indirect establishment of the tax base“ of 3 september 1998, also of the chapter „cases of the indirect establishment of the tax base“ and the chapter „methods of the indirect establishment of the tax base“ of the methods of the indirect establishment of the tax base which were confirmed by the said government resolution with the constitution of the Republic of Lithuania and paragraph 2 of article 5 of the republic of Lithuania law on tax administration. Žin., 2003, 109–4887.

¹⁸ The World Bank Group, *Worldwide Governance Indicators*. Internet access: http://info.worldbank.org/governance/wgi/mc_chart.asp.

Lithuanians do not trust the courts¹⁹, they are considered to be among the most corrupt state institutions²⁰. The Prosecutor's Office is also distrusted by the society²¹, while the Police is a bit more reliable in the eyes of the citizens²². Distrust of state institutions explains the reluctance to seek state help and support. Such distrust determines that 20% of people believing that their rights have been violated recently do not address the state institutions for the remedy as they do not believe that the state could want to help them²³.

Secondly, the maturity of the rule of law in Lithuania is being halted by frequent cases of abuse of office by civil servants. In recent years the society has been hearing almost every month about a new corruption scandal. Five heads of municipalities, vice ministers of two ministries, directors of state institutions and companies have been indicted in corruption cases²⁴. Disclosed corruption cases are, of course, the indicator of law enforcement institutions being active in combating corruption. However, at the same time the number of similar cases proves that the scope of disclosed corruption cases depends almost solely on the willingness of law enforcement institutions to disclose them. High number of notorious corruption cases has a latent effect also; they increase concern of the public towards corruption in the state.

To conclude, Lithuania is a stable and free democracy, however the rule of law could be sought in a more coherent manner.

SOCIETY

To what extent are the relationships among social groups and between social groups and the political system in the country supportive to an effective national integrity system?

Score: 75/100

In recent years Lithuania received some international attention on the manifestations of homophobia and xenophobia in the society. The provisions towards sexual minorities have even raised concern of the European Parliament²⁵. This seems to be a real problem in the

¹⁹ The results of a survey carried out by UAB "Vilmorius" in June, 2011, reveal that only 11.1 per cent of population trust in courts, while 47.3 per cent distrust them (Vilmorius, June 2011).

²⁰ National Anti-Corruption Programme for 2011–2014. Approved by the Seimas of the Republic of Lithuania. Žin, 28 June 2011, No. 77-3727; *Global Corruption Barometer 2010*.

²¹ The results of a survey carried out by UAB "Vilmorius" in June, 2011, reveal that only 14.5 per cent of population trust in Prosecutor's Office, while 43 per cent distrust them (Vilmorius, June 2011).

²² The results of a survey carried out by UAB "Vilmorius" in June, 2011, reveal that 35.8 per cent of population trust in the Police, while 22 per cent distrust them (Vilmorius, June 2011).

²³ Vilmorius, "What do the residents think about the human rights in Lithuania." Representative survey of Lithuanian residents. Carried out by Vilmorius at the request of Human Rights Monitoring Institute. Internet access: http://www.hrmi.lt/uploaded/PDF%20dokai/Vilmorius_Apklausos_Rezultatai_20101210.pdf.

²⁴ Garkauskas P. Prosecutor about the arrests in Kaunas: number of detainees can increase, *BNS*, www.Delfi.lt, 16 January 2012; Garkauskas P. Criminal responsibility may threaten to the mayor of Lazdijai. www.Delfi.lt, 4 November 2011; Mayor of Alytus was arrested for 48 hours. *BNS*, www.Delfi.lt, 6 October 2010; Samoškaitė E., Černiauskas Š., "Radviliškis district mayor A.Čepononis and his colleague have been arrested". [Delfi.lt](http://www.Delfi.lt), *BNS*, 19 December 2011; Director of Panevėžys city municipality administration was arrested by SIS. *BNS*, 18 November 2009; SIS: Vice ministre of ministry of Agriculture Aušrys Macijauskas is suspected of abusing his official position. 15min.lt, 14 June 2011; Vice minister A. Šikikas is suspected of bribery and arrested for 14 days. *ELTA*, *BNS* and *Lrytas.lt* 23 January 2010.

²⁵ European Parliament resolution of 17 September 2009 on the Lithuanian Law on the Protection of Minors against the Detrimental Effects of Public Information. Internet access:

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2009-0019&language=EN>;

European Parliament resolution of 19 January 2011 on violation of freedom of expression and discrimination on the basis of sexual orientation in Lithuania Internet access:

state. On the other hand, Lithuania is one of the most advanced countries in the EU in respect to ethnic minority problems²⁶ (even though ethnic minorities are quite big in Lithuania – 17% of Lithuanian inhabitants are not ethnic Lithuanians²⁷, however it should be noted that Lithuania, actually, has not faced real problems of immigrant integration yet...). The legal system in Lithuania ensures more or less sufficient guarantees for minority rights (they are stipulated in the Constitution and specified in the Law for Equal Opportunities²⁸ and other legal acts); the Equal Opportunities Ombudsmen is quite effective. The courts are rarely addressed on the issues of discrimination; the problems of minority rights discrimination in Lithuania have almost never been dealt in the European Court of Human Rights²⁹. One may guess that such a situation is determined by the proper respect to minority rights in everyday life.

However, the Lithuanian society is not homogeneous³⁰. For almost a decade the public space has been full of comments that there are “two Lithuanias”³¹: “one rich, influential that appears on the covers of trendy magazines, whereas the other – grey, indifferent, destitute, dispersing and not desired by anyone”³². Sinked in the towns and villages far away from the capital, residing in the blocks of flats, this “other Lithuania” is being remembered only when the new elections are approaching, it also reminds about itself during the elections only. And it most often elects without much contemplation on who would represent it better. To tell the truth, hardly anyone represents this “other Lithuania”. Major left and right political party lists often have the same sponsors³³, demonstrating the merger of business and political elite. The biggest leftist political party (currently in opposition) acknowledges that when in power it was guided by liberal and neo-liberal ideology³⁴. Therefore, it is not strange that the voices of “the other Lithuania” quite often mean protest against the entire system, against both the parties in power and in opposition and go for new, newly formed parties without clear ideology and stable electorate.

Disappointment in the political system means apathy which almost undermines the plans to establish civic society. There are very few organisations in Lithuania that

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2011-0019&language=EN&ring=B7-2011-0031>.

²⁶ *Discrimination in the European Union: Perceptions, Experiences and Attitudes. Special Eurobarometer 296*. European Commission, 2008. Internet access: <http://ec.europa.eu/social/BlobServlet?docId=769&langId=en>

²⁷ Department of statistics. “M3010215: Population at the beginning of the year by ethnicity.” Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveselections.asp?MainTable=M3010215&PLanguage=0&TableStyle=&Buttons=&PXSID=3236&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=> .

²⁸ Law of the Republic of Lithuania on Equal Treatment. Žin., 2003, No. 114-5115.

²⁹ An exception could be European Court of Human rights case about the gender reassignment. *L. versus Lithuania*, No. 27527/03. (European Court of Human rights case. *L. v. Lithuania*, No. 27527/03). Internet access: <http://cmiskp.echr.coe.int/tkp197/view.asp?item=4&portal=hbkm&action=html&highlight=L.%20%20v.%20%20Lithuania%2C%20%20no.%20%2027527/03&sessionId=73755083&skin=hudoc-en>.

³⁰ GINI Index in Lithuania reached 37.6 in 2008 and was among the highest in the EU. (World Development Indicators 2011. Washington, DC: World Bank, 2011. P. 69).

³¹ Annual Report of the President, President of the Republic of Lithuania in the Seimas, 19 April 2001. Internet Access: <http://adamkus.president.lt/pmp2001.phtml>.

³² Speech of A. Butkevičius, member of the Seimas, leader of the opposition, in Seimas commemoration of Independence Day of Lithuania, 11 March 2011. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=4465&p_d=108394&p_k=1.

³³ The Central Electoral Commission, *Analysis of donations received by political parties in 2011, fourth quarter*. Internet access: <http://www.vrk.lt/dynamic/files/2020/2011ivaukotojuanalize.pdf>.

³⁴ Algirdas Butkevičius, Head of the Lithuanian social Democratic Party, Speech in XXX Party Congress, 2011, part 1. Internet access: <http://www.lsdpl.lt/lt/naujienos/2150-lsdp-pirmininko-algirdo-butkeviciaus-pranesimas-xxx-suvaziavime-1-dalis.html>.

represent the interests of separate society groups. The commonality of interest is hardly perceived as something uniting the society.³⁵ Lithuanian people are more united by the “someone I know” relations shaped by the culture of soviet “blats” (more about it read in Chapter *Culture*). Many like to say that in a small country where everyone knows each other it is impossible to ensure that public decisions are impartial, based solely on the public interest. These supposedly objective circumstances determining corruption are very often presented to justify the inactivity of public institutions in the area. Some like to say that corruption in the country will only be tackled once public consciousness and culture change,³⁶ so before this no measures can bring results, therefore there is no point in looking for them. It is gratifying that in recent years public institutions demonstrate more willingness to change such a situation and some changes are becoming evident. Nevertheless this should be considered as a beginning of a necessary change process only.

ECONOMY

To what extent is the socio-economic situation of the country supportive to an effective national integrity system?

Score: 75/100

The assessment of whether the Lithuanian economy is strong enough depends on the point of reference. If we were to compare it with the other post-soviet countries, the achievements of Lithuania are obvious. Lithuanian GDP per capita is bigger than that of almost any former country ruled by the USSR, only Estonian being higher³⁷. The economy that was growing fast for a decade made Lithuania famous internationally as a “Baltic tiger”³⁸. Lithuania has one of the most developed infrastructure in the region, rapid entrenchment of the IT sector in everyday life, highly qualified labour force and this is why Lithuania comes 14th in “A.T. Kearney” Global Services Location Index among the countries most favourable to the development of business³⁹, 33rd of Fraser Institute economic Freedom of the World Index⁴⁰,

³⁵ European values research carried out in 2008, reveal that 74 per cent Lithuanian residents are not active in any social activity. The same results are also in some Eastern Europe countries (e.g. in Latvia – 72 per cent, Poland – 78 per cent). Nevertheless, this is more than the average of Europe Union by one-third (55 per cent) Gesis. Leibniz Institute for Social Sciences, *European Values Study 2008 4th wave*. ZA4800: EVS 2008: Integrated Dataset. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=4800>.

³⁶ For example, Z. Pacevičius, director of the SIS, states that the thinking of the society has to change. Until then corruption will stay in life of the society. Several years have to pass and people have to realize that such things are bad. („STT director: corruption increased in the police and custom.“ *BNS, Delfi.lt*, 8 June 2010. Internet access: <http://www.delfi.lt/news/daily/lithuania/stt-vadovas-padaugejo-korupcijos-policijoje-ir-muitineje.d?id=33263209#ixzz1tKgB6V00>).

³⁷ World Bank, *World Development Indicators*, GDP (current US\$). Internet access: <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD/countries>.

³⁸ “Baltic tiger. Lithuania has the fastest-growing economy in Europe“. *The Economist*, Jul 17th 2003. Internet access: http://www.economist.com/node/1929205?story_id=1929205.

³⁹ *The A.T. Kearney Global Services Location Index™, 2011*. Internet access: <http://www.atkearney.com/index.php/Publications/offshoring-opportunities-amid-economic-turbulence-the-at-kearney-global-services-location-index-gsli-2011.html>.

⁴⁰ Gwartney, James, Robert Lawson, and Joshua Hall (eds.). *Economic Freedom of the World 2010 Annual Report*. Vancouver, B.C.: Fraser Institute, 2010. P. 7. Internet access: <http://www.freetheworld.com/2010/reports/world/EFW2010-ch1-ch2.pdf>.

22nd in Global Quality of Life index⁴¹, allows creating ambitious plans to become the Nordic European Service Centre by 2015 and by 2020 – the Centre for Innovations⁴².

On the other hand, the above mentioned GDP per capita demonstrates that Lithuania is among the poorest five EU countries⁴³, one of the four EU countries where Human Social Development Index does not recognise “a very high human social development” status⁴⁴. To summarise, Lithuania is a promising state but to make these promises true a lot has to be done.

One has to remember that the wealth is concentrated in the hands of a small majority. Gini Coefficient demonstrates that the gap between the rich and the poor is among the highest in the European Union⁴⁵, almost one third of the inhabitants live at a risk of poverty and exclusion⁴⁶. These problems became even more acute during the times of economic and financial crisis, when the unemployment in Lithuania in 2010 was 18.3%; even now the level of unemployment in Lithuania is the second highest in the EU (in 2011 – 17.2%⁴⁷). The problems are aggravated by the fact that Lithuania is among five EU countries that allocate the smallest amounts of money to social protection (in 2008 social protection received only 16% of GDP⁴⁸). Even though the problems of starvation and homelessness are almost non-existent in Lithuania, one cannot be overoptimistic about the economic situation in the state. On the other hand, one should not overestimate economic financial crisis when dealing with the most relevant issues of the society. However, very often the current economic situation becomes a justification for no initiatives and changes in the life of the state.

Business sector is quite strong in Lithuania; one may say that market economy is functioning in Lithuania.⁴⁹ At the beginning of 2011 there were 86 987 companies in Lithuania, the majority of them were private companies - 48919 limited liability companies, 16410 individual companies, 343 public companies (for comparison: there were only 142 state or municipal companies in Lithuania)⁵⁰. The majority of the companies were trade, real estate, and transport service companies. However one should remember that only 99 Lithuanian companies had more than 500 employees, more than 20% of all the companies are

⁴¹ 2010 Quality of Life Index. Internet access: <http://www1.internationalliving.com/qofl2010>.

⁴² Invest in Lithuania, Developed infrastructure. Internet access: <http://www.investlithuania.com/lt/investuok/isvystyta-infrastruktura>.

⁴³ World Development Indicators database, World Bank. Gross domestic product 2010, PPP. Internet access: http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP_PPP.pdf.

⁴⁴ UNDP. Human Development Index and its components. Internet access: http://hdr.undp.org/en/media/HDR_2010_EN_Table1_reprint.pdf.

⁴⁵ Eurostat, Gini coefficient (Source: SILC). Last update: 13 July 2011. Internet access: <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do?dvsc=10>.

⁴⁶ Eurostat. Population at-risk-of-poverty or exclusion. % and 1000 persons. Percentage of total population. Internet access: <http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=0&pcode=tsdsc100&language=en>.

⁴⁷ Eurostat. Harmonised unemployment rates (%) - monthly data. Last update: 13 July 2011. Internet access: <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do?dvsc=9>.

⁴⁸ Eurostat. Total expenditure on social protection. Current prices (% of GDP). Internet access: <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps00098&plugin=0>.

⁴⁹ Council opinion on the updated convergence programme of Lithuania, 2005–2008 m. (2006/C 82/10). Internet access: <http://eur-lex.europa.eu/Notice.do?mode=dbl&lang=en&ihtmlang=en&lng1=en&lng2=cs,da,de,el,en,es,et,fi,fr,hu,it,lt,lv,nl,pl,pt,sk,sl,sv,&val=424781:cs&page=>

⁵⁰ Department of statistics, M4010116: Number of registered and in operation economic entities at the beginning of the year by legal form. Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveelections.asp?MainTable=M4010116&PLanguage=0&TableStyle=&Buttons=&PXSID=5389&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>.

micro with fewer than 20 employees⁵¹. Business stability in Lithuania is demonstrated by the number of company bankruptcies during the years of financial crisis: 2008 saw 957 Lithuanian companies go bankrupt, 2009 – 1843 companies, 2010 – 1635 companies⁵². There have been no bankruptcies of major Lithuanian companies recently.

To sum up, one may say that even under very difficult conditions the Lithuanian business proved to be quite vibrant and is able to maintain a more or less effective resistance to corruption system; however the Lithuanian economy is assessed as a promising one in the future and not implementing solutions in real time.

CULTURE

To what extent are the prevailing ethics, norms and values in society supportive to an effective national integrity system?

Score: 75/100

The mutual trust in the Lithuanian society is not very much appreciated. The distrust is prevailing not only towards the state institutions but also among people. Only one third of Lithuanians (29.9%) in 2008 European Values Study survey said that the majority of people can be trusted and this is one of the lowest indicators in the European Union⁵³. The society is full of anger and aggression. This is demonstrated by high murder and suicide rates in Lithuania (there are 7.9 murders (the closest Estonian rate is 5,74, a similar rate comes from Latvia, while other EU countries do not reach a rate of 2,5)⁵⁴, 31.7 suicides (while EU average is 7.4)⁵⁵ per 100000 inhabitants). The anger towards the state is expressed by people leaving their country. According to the Department of Statistics in 2010 83200 people left the country which is by one third more than in 2009 and by one fourth than in 2008⁵⁶.

In the Chapter *Politics* the indifference of the society towards the public interests was described. Some one third of Lithuanians pay no attention to their co-citizens⁵⁷. Those who emphasize public interests are either considered strangers or such an emphasis on public interests often is regarded as pretence (unfortunately it is often the case). For example,

⁵¹ Department of statistics, *M4010243: Number of enterprises in operation and number of employees at the beginning of the year by size class of enterprises, economic activity (NACE 2)*. Internet access:

<http://db1.stat.gov.lt/statbank/selectvarval/saveelections.asp?MainTable=M4010243&PLanguage=0&TableStyle=&Buttons=&PXSId=13369&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>

⁵² Department of statistics of Lithuania. Press release: Number of Enterprises in bankruptcy increased by 58 per cent in 2008. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=6831>; Department of statistics of Lithuania. Press release: Number of enterprises in bankruptcy increased by 92.6 per cent in 2009. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=7968>; Department of statistics. Press release: Bankruptcy of Enterprises. Number of enterprises in bankruptcy decreased by 11 per cent in 2010. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=9160>.

⁵³ *European Values Study. 2008 4th wave.*

⁵⁴ G. Sakalauskas, *Registered and latent crime: trends, comparative aspects and background factors*. Vilnius: Law Institute, 2011, 77; Eurostat, *Crime trends in detail. Data from January 2012, most recent data: Further Eurostat information, Main tables and Database*. Internet access: http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Crime_trends_in_detail#Homicide_.28Table_3.29.

⁵⁵ Eurostat, *Tables, Graphs and Maps Interface (TGM) table Suicide death rate, by age group - Males crude death rate per 100 000 persons from 15 to 19 years*. Internet access: <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tsdph250>.

⁵⁶ Department of statistics of Lithuania. Press releases: *International migration. 83200 Lithuanian residents declared emigration in 2010*. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=9060>.

⁵⁷ *European Values Study. 2008 4th wave.*

the scope of volunteering work in Lithuania is among the lowest in Europe⁵⁸. More moral significance is being placed on the commitments to the closer community – the relatives, friends. Due to the networks of family ties fettering the country, the state is often referred to as a “country of brothers-in-law”⁵⁹, the decisions of civil servants that are guided by the public interest and ignore the interests of their relatives in one or another decision are often not understandable in the close environments of many civil servants. Society tends to justify such behaviour. According to 2008 European values survey, 44 per cent of people thought that bribery may be justified in certain circumstances (this figure was higher only in two other EU countries - the Czech Republic and Slovakia). A culture of “good guys” based on friendship develops both in politics and business, therefore many decisions are made with regard to personal and subjective features of interested persons and not to objective criteria. In such a way the personal and business ties intertwine and often lead to the fact that the success of implementing state interests depend on whom from those “good men” represent them.

Overall, one may say that the indifference of the society and distrust towards each other, distrust towards the state are obstacles to reduce corruption in Lithuania.

⁵⁸ Educational, Audiovisual & Culture Executive Agency (EAC-EA), Directorate General Education and Culture (DG EAC). *Volunteering in the European Union. Final Report submitted by GHK*. 17 February 2010. P. 7. Internet access: <http://ec.europa.eu/citizenship/eyv2011/doc/Volunteering%20in%20the%20EU%20Final%20Report.pdf>.

⁵⁹ For example, such descriptions of the state used the Lithuanian Prime Ministers Algirdas Brazauskas and A. Kubilius. See: Lithuanian Seimas. The eleventh (11) session. 9 December 2004. transcript. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=239020&p_query=%F0vogeris%F8%20lietuva&p_tr2=2; Lithuanian Seimas. Thirty-seventh session. 1994. 29 November. Transcript. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=246858&p_query=%F0vogeris%F8%20lietuva&p_tr2=2.

IV. Corruption Profile Analysis in Lithuania

Dr. Algimantas Čepas

In 2010 Lithuania reached the 5 points threshold in the CPI⁶⁰. Unfortunately, in 2011 Lithuania again scored with a lower 4,8 points.⁶¹ In this sense Lithuania is among the leaders in the region, with only Estonia, Slovenia and Poland scoring better; on the other hand Lithuania is only the 20th in the EU⁶². The Global Corruption Barometer 2010 results indicate that during the last 12 months 34% of Lithuanians gave a bribe to at least one in nine public service providers – education sector, courts, health care, police, and registration and permit issue agencies, communal service companies, tax inspectorate, land management institutions or customs representatives (this is the worst score in the entire EU)⁶³. Bearing in mind the fact that in 2011 there were approximately 2 718 000 residents over the age of 16⁶⁴ (criminal liability age) in Lithuania and that 34% of them had given a bribe at least once, one may estimate that almost a million corruption cases a year occur in Lithuania. Of course, the number of corruption cases registered by official statistics is much smaller and is even not the tip of the iceberg (to tell the truth, many disclosed cases of corruption are considered petty corruption). In 2010 413 criminal cases were taken to court for bribery, bribery of an intermediary or offering a bribe (in 2009 – 374 cases), with 550 persons accused in them (in 2009 – 446 persons) (more in Chapter *Law Enforcement Agencies*). In 2009 the President of the Republic of Lithuania in her annual report expressed her resentment that not a single person found guilty of corruption was sentenced for imprisonment⁶⁵. In 2010 2 persons found guilty for bribery were sentenced for imprisonment. The average punishment in courts for bribery amounts to 2 years 10 months and 15 days⁶⁶. However it is not the severity of sanctions but the fact that they are imposed rarely (for example in 2010 42% of pre-trial corruption related investigations were terminated) determines the public opinion that corruption is not punished. Results of the survey *Lithuanian Corruption Map 2008* demonstrate that four fifths of Lithuanians thought that the sanctions stipulated in laws for corruption activities do not deter from corruption⁶⁷.

⁶⁰ Transparency International, *Corruption Perceptions Index 2010*. Results. Internet access: www.transparency.org/policy_research/surveys_indices/cpi/2010/results.

⁶¹ Transparency International, *Corruption Perceptions Index 2011*. Internet access: <http://archive.transparency.org/content/download/64426/1030807>.

⁶² Ibid.

⁶³ Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.

⁶⁴ Statistics Lithuania. *M3010206: Population at the beginning of the year by place of residence, age (5 years groups), sex*. Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveselections.asp?MainTable=M3010206&PLanguage=0&TableStyle=&Buttons=&PXSID=3212&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>

⁶⁵ Annual Report of Dalia Grybauskaitė, President of the Republic of Lithuania, 8 June 2010. Internet access: http://www.president.lt/lt/prezidento_veikla/metinis_pranesimas/2010_m..html.

⁶⁶ Prison Department under the Ministry of Justice of the Republic of Lithuania, *Imprisonments amount, composition (by crime, age, punishment period and others) and their changing*. 28 January 2011. January – December 2010 data. Internet access: <http://www.kalejimudepartamentas.lt/getfile.aspx?dokid=8A3D4611-EB5C-447B-99C6-46F2F276FB85>.

⁶⁷ “Transparency International” Lithuanian Chapter, *Lithuanian Corruption Map 2008*. Internet access: http://www.transparency.lt/new/images/lkz2008_prezentacijafinal.pdf.

Lithuania is among the countries that do not face serious levels of corruption according to the CPI⁶⁸, belong to the “highly advanced” countries according to the Bertelsmann Index of Status of Political and Economic Transformation⁶⁹, *Global Integrity Index* shows strong Anti-Corruption and Rule of Law in Lithuania⁷⁰, the recent years the press was full of reports on the successes of law enforcement institutions in disclosing corruption cases, many significant steps were taken by reforming state governance, ensuring transparency and accountability in civil service, one would like to believe that the situation in Lithuania is improving. However, according to the Global Corruption Barometer 2010 63% of Lithuanians were of the opinion that in recent three years the corruption level in the country has increased⁷¹.

Lithuanians consider political parties, the Parliament, courts⁷² to be the most corrupt institutions, and they are most likely to give a bribe to the health care institutions⁷³. On the national level the most problematic areas are:

1. *legislation* (insufficient transparency in discussing draft legal acts, improper regulation of lobbying, etc),
2. *the work of courts and law enforcement institutions* (high number of terminated corruption related cases, closed and non-transparent court system, etc),
3. *the monitoring of economic entities* (huge scope of business licensing, over-bureaucratic regulation of business conditions and control, etc),
4. *public procurement*⁷⁴ (the most corrupt is public procurement in the sectors of construction and health care⁷⁵; corruption most often is found in public procurement documents establishing specific requirements for the purchased goods and services so that only the favoured companies can meet the requirements⁷⁶),
5. *health care* (according to 2010 survey every second client of the health care establishments gave illegal payment to the doctors (48,8%)⁷⁷; insufficient precision in the procedures for regulating the drafting (renewal) and change of the lists of diseases, reimbursed medications, centrally purchased medicinal preparations and reimbursed medical care tools,
6. *territorial planning, national construction monitoring* (according to survey *Corruption Map of Lithuania 2008*, the issues of construction and reconstruction permits, the change of land purpose are two most corrupted procedures in

⁶⁸ *Corruption Perceptions Index 2010*. Results.

⁶⁹ Bertelsmann Stiftung, *Transformation: Status Index*, 2009. Internet access: <http://www.bertelsmann-transformation-index.de/en/bti/ranking/status-index/>.

⁷⁰ Global Integrity, *Global Integrity Report: 2008 Assessment, Lithuania: Integrity Indicators Scorecard*. Internet access: <http://report.globalintegrity.org/Lithuania/2008/scorecard>.

⁷¹ Transparency International, *Global Corruption Barometer 2010*.

⁷² Residents tend to think that the level of corruption of these institutions is almost the maximum - 4 points out of 5. See: *Global Corruption Barometer 2010*.

⁷³ *Lithuanian Corruption Map 2008*.

⁷⁴ Ministry of Economy of the Republic of Lithuania, *Problems of Public Procurement and Ways of solution*. Internet access: http://www.ukmin.lt/lt/dokumentai/Vies_pirkimai.pdf.

⁷⁵ R. Juozapavičius (ed.), *How to make public procurement more transparent?* Vilnius: Eugrimas, 2006. P. 29. Internet access: http://www.transparency.lt/new/images/viesieji_pirkimai_maketas.pdf

⁷⁶ *Ibid.*, P.19.

⁷⁷ UAB „Konsultus“, *Not only queues are getting bigger, but also illegal payments*, 12th October, 2010 – 16th November, 2010, at the request of National Health Insurance Fund. *Lietuvos sveikata*. Internet access: <http://www.lsveikata.lt/pagrindinis/naujieinos/2618-gydymo-staigose-didja-ne-tik-eils-bet-ir-priemokos.html>.

Lithuania⁷⁸, 40% of all Lithuanians dealing with construction were demanded a bribe⁷⁹).

Even though it is often said that the huge scope of corruption in Lithuania is a Soviet heritage⁸⁰, such an opinion is not accepted in the society. According to the diagnostic survey *Corruption Map of Lithuania 2008* such a perception is acceptable to only one third of Lithuanians⁸¹. It should be noted that the tolerance of corruption in Lithuanian society, is not decreasing, but actually is increasing. According to 1999 European Values Survey data, 66.5 per cent Lithuanians admitted that bribery can never be justifiable⁸² and according to 2008 European Values Survey, this figure was only 56 per cent⁸³. Two thirds of the respondents were of the opinion that corruption scope is determined by the lack of democratic administration and management culture and the moral downfall of the society (the fact that the society is lenient towards the corrupted persons and those are not ashamed of their actions).

Even though only one third of Lithuanians are of the opinion that corruption is an innate phenomenon of the Lithuanian life⁸⁴, one may guess that the prevailing opinion is that corruption is something inevitable only one fifth of Lithuanians consider the scope of corruption in Lithuania as their responsibility, almost two thirds (64%) would be inclined to give a bribe “if need be”, one fourth of the bribe givers admitted that they did so as “this is usual and many people do this”⁸⁵.

All of this leads to a conclusion that corruption is a widely spread and devastating in nature social phenomenon. This phenomenon is predetermined by systemic problems of national scope. There is a clear lack of understanding that corruption is unacceptable, despair often prevails and there is no common belief that the situation can be changed.

⁷⁸ *Lithuanian Corruption Map 2008*.

⁷⁹ “Transparency International” Lithuanian Chapter, *Transparency in the construction sector*. January of 2008. Internet access: http://www.transparency.lt/new/images/statybu_skaidrumo_ataskaita.pdf.

⁸⁰ J.T. Noonan, „Struggling Against Corruption.“ W.C. Heffernan & J. Kleinig, *Private and Public Corruption*. Lanham, MD: Rowman & Littlefield, 2004. 230; A. Zagainova, „Challenges of anticorruption policies in post-communist countries.“ http://www.sed.manchester.ac.uk/research/events/conferences/documents/Redesigning_The_State_Papers/Zagainova.pdf; *Study on Corruption within the Public Sector in the Member States of the European Union. Final Report*. Internet ace: http://ec.europa.eu/home-affairs/doc_centre/crime/docs/study_corruption_in_the_public_sector_in_eu_ms_en.pdf; J. Palidauskaitė, “Spread of Corruption in Lithuania: Between soviet Legacy and Market Pragmatism.” *Public Policy and Administration*, No. 18, 2006, 64.

⁸¹ *Lithuanian Corruption Map 2008*.

⁸² Gesis. Leibniz Institute for the Social Studies. ZA3793: *EVS - European Values Study 1999/2000 (release 2, May 2006) – Lithuania*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=3793>.

⁸³ Gesis. Leibniz Institute for the Social Studies. *European Values Study. 2008 4th wave. ZA4768: EVS 2008: Lithuania*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=4768>.

⁸⁴ *Lithuanian Corruption Map 2008*.

⁸⁵ *Ibid*.

V. Analysis of Anti-corruption Activities in Lithuania

Dr. Algimantas Čepas

Corruption prevention in Lithuania is based on the 2002 Law on Corruption Prevention. The Law stipulates that Corruption prevention in Lithuania is carried out on the basis of programmes aimed to fight corruption. These programmes form a certain system: the National Anti-corruption Programme approved by the Parliament (approved in 2002, at the moment the programme of 2011-2014 is being implemented), sector programmes (sector anti-corruption programmes are approved by all ministries, territorial anti-corruption programmes are approved by all municipalities), institutional programmes (they are approved by many state and municipal and non-public institutions).

The National Anti-Corruption Program has been carried out since 2002; however in 2008 the National Audit Office concluded that the implementation of the programme was not efficient enough. Taking into account the findings of the National Audit Office⁸⁶ the National Anti-Corruption programme was fundamentally changed in 2009; in 2011 a new National Anti-Corruption Programme for 2011-2014 was drafted. The new Programme was drafted taking into account the obstacles for better efficiency of the previous programme. The new Programme clearly separates the monitoring, control and coordination functions of the Programme (the implementation of the previous programme was coordinated by the Government and Special Investigation Service, whereas this Programme is coordinated by the Interinstitutional Commission), clear tool implementation assessment criteria has been established (the previous Programme was limited to the definition of the direction for the desired changes, the new Programme clearly defines qualitative and quantitative criteria in advance which will help assessing the success of the Programme implementation), the Programme tasks are interrelated, the tools for their implementation are set, bigger focus is on anti-corruption education of the society, awareness raising.

Even though the new Programme of 2011 itself is assessed as a strong one, one should remember that it was drafted with almost no consultation with the public. Even though the draft Programme was discussed in many committees of the Parliament, the public organisations, academic institutions had no chance to voice their opinion. It may be that ignoring the significance of the society in anti-corruption process determines also negative assessment of the state attempts to tackle corruption. Even though in 2010 Lithuania received 5 points in the Corruption Perception Index⁸⁷ and the press was full of cases on the success of law enforcement institutions to disclose corruption cases in state institutions and

⁸⁶ National Audit Office of Lithuania. *Performance Audit Report*. National Anti-Corruption Programme. 29 February 2008, No. VA-P40-6-5. Internet access: <http://www.stt.lt/documents/NKKP%20valstybinio%20audito%20ataskaita.pdf>.

⁸⁷ A lot of attention to Corruption perception index is paid in Lithuania. These include the year of 2006 when Prime Minister made the promise to resign in a year if a 5-point limit will not be achieved. See: "The Prime Minister: I will resign, if the corruption will not reduce." *BNS, Delfi.lt*, 9 November 2006. Internet access: <http://www.delfi.lt/news/daily/lithuania/article.php?id=11169562>. However the promise was not executed. See: S. Gudavičius, "The Prime Minister has forgotten the most important promise." *Kauno Diena*, 27 September 2007. Internet access: <http://kauno.diena.lt/dienrastis/lietuva/premjerar-pamirso-svarbiausiapazada-51089#axzz1tLA3tYVj>.

municipalities, only 6% of Lithuanians consider the state attempts to curb corruption efficient enough and this is the lowest indicator in the entire EU⁸⁸.

Nevertheless one has to recognise the significance of key decisions adopted recently, the changing legal practise. The Council of Europe States Group of States against Corruption (GRECO) this year officially stated that Lithuania has carried out significant reforms in the area of ensuring liability for corruption and the transparency of funding of political parties and political campaigns⁸⁹. Important steps of the Government have been taken in trying to ensure transparency of legislation, public procurement, carrying out systematic changes in the area of governance, ensuring the control of declaring income and property of civil servants, establishing one of the widest systems of extended confiscation of property in the EU.

It is thought that the state could achieve better results in corruption prevention and control if this work could involve more actively civic society organisations. Unfortunately, up till now the only active organisation is Transparency International Lithuanian Chapter, the work of the Chapter is mostly funded by the foreign donors (Embassies of some countries, foreign foundations). One should mention business sector initiatives to unite forces against corruption: in 2004 National Responsible Businesses Network (part of the Global Compact Network) was established, in 2007 project *White Wave* started. Unfortunately both those projects involve only a few dozens of Lithuanian companies and the functioning of such networks is quite spiritless.

⁸⁸ Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.

⁸⁹ Group of States against Corruption (GRECO). Third Evaluation Round. Compliance Report on Lithuania. "Incriminations (ETS 173 and 191, GPC 2)", "Transparency of Party Funding". Adopted by GRECO at its 51st Plenary Meeting (Strasbourg, 23-27 May 2011). Internet access: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2011\)7_Lithuania_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2011)7_Lithuania_EN.pdf).

VI. National Integrity System Assessment:Lithuania

1. Legislative

Prof. J.Palidauskaitė and Johanas Baltrimas

Summary

The Parliament (Seimas) is a sufficiently provided institution. The members of the parliament are independent in their activities. It can be stated that the institution operates transparently and publicly with abundant information available on the internet. Although ethics-related matters are regulated in the legislation, and the Code of Conduct for Politicians, yet the issues of integrity remain the Seimas' weakness.

The laws provide the Seimas with a power to control the executive power, which is done in a fragmented manner. However, the ruling majority or coalition government enjoys the advantage against the group of MPs who usually do not belong to any ruling majority but try to control it. In 2009-2010 the Seimas adopted certain laws that in the future should assist in the battle against corruption; however, no fundamental means have been taken.

Legislative Total pillar score: 73/100			
	Score	Law	Practice
Capacity 88/100	Resources	100	75
	Independence	100	75
Governance 67/100	Transparency	75	75
	Accountability	75	50
	Integrity mechanisms	75	50
Role 63/100	Executive oversight	50	
	Legal reforms	75	

Structure and organization

The Seimas consists of 141 members elected by the people in the general election. The Seimas Members belong to political groups. Every member belongs to a certain standing committee or commission. The Seimas includes the Board of the Seimas (the Seimas speaker, deputy speakers, and the Seimas opposition leader) and the Assembly of Elders (members of the Board and political groups). The Office of the Seimas assists in organizing the work in the Seimas.

Capacity

1.1.1. Resources (law)

To what extent are there provisions in place that provide the legislature with adequate financial, human and infrastructure resources to effectively carry out its duties?

Score: 100/100

According to article 60 of the Constitution and article 15 of the Statute (hereinafter, the Statute) of the Republic of Lithuania, the work of a member of the Seimas and expenses related to his/her parliamentary activity are reimbursed from the state budget⁹⁰. The Seimas itself determines the salary of its members by a particular law. According to article 15 of the Statute and the ruling of the Constitutional Court of the Republic of Lithuania on the 9th of November, 1999⁹¹, the changes in the salary of a member of the Seimas (with the exception of parliamentary activities related to funds spending or in cases where the State is faced with very difficult economic situation)⁹² come into force upon the beginning of the mandate of a newly elected Seimas. The remuneration for the work of the remaining staff of the Seimas is regulated in the Law on Public Service.

The Seimas legislative activity is funded through several channels: through the Office of the Seimas, funding of the committees of the Seimas, and by covering the parliamentary activity expenses of the Seimas Members. The amount of funding allocated to the Office of the Seimas is stipulated in the overall state budget that the Seimas approves once a year upon nomination by the Government. As provided for in article 131 of the Constitution of the Republic of Lithuania, while approving it, the Seimas cannot increase the funding indicated in the draft unless it identifies the sources for financing the increase in expenses. However, according to article 36 of the Statute, it is the Board of the Seimas that submits the estimate of expenses needed by the Office to the Government and the Seimas Assembly of Elders and the Office of the Seimas contribute to the drafting of the estimate too.

The estimate of the expenses of the Seimas committees, according to article 49 of the Statute, is drafted by the committees themselves, within the budgetary limits of the Office. The budget of the committees is drafted considering the number of their members, need for stationary, travels etc.

Parliamentary expenses of the Seimas Members are reimbursed up to the limit that exceeds 1 average bruto monthly salary a month.

Human resources are provided for the Seimas legislative and other activities through the Office of the Seimas, personal assistants of the Seimas Members and a possibility of the committees to invite external experts to the working groups. Article 16 of the Statute stipulates that the Seimas Members can have up to 3 MP assistants – secretaries. The staff is admitted and discharged by the Seimas chancellor who is appointed by the Seimas upon nomination by the Seimas speaker for 5 years.

The Statute also stipulates that the Seimas Members are provided with working places in the Seimas and the municipalities of their constituencies, accommodation, transport, and means of communication. Moreover, the Statute mentions the Secretariat of Plenary

⁹⁰ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

⁹¹ The ruling of the Constitutional Court of the Republic of Lithuania on the 9th of November, 1999. Žin., 1999, No. 99-2863.

⁹² The ruling of the Constitutional Court of the Republic of Lithuania on the 15th of January, 2009. Žin., 2009, No. 6-170.

Sittings, i.e. a service division that serves the sittings of the Seimas, and carries out a number of technical tasks, i.e. ensures appropriate technical preparation and services during the sittings⁹³. The office of the Seimas is responsible for the exploitation of infrastructure objects.

The roles of the Seimas and the Government in the process of the allocation of financial resources are of similar importance, while the allocation of all the remaining resources (for the parliamentarians and the Office of the Seimas) lies within the remit of the Seimas. However, it is worth noting that all the provisions in the law regulating these issues can be changed by the Seimas itself, with an exception of a small part established in the jurisprudence of the Constitutional Court of the Republic of Lithuania.

1.1.2. Resources (practice)

To what extent does the legislature have adequate resources to carry out its duties in practice?

Score: 75/100

Due to the economic crisis in 2009, the salary of the Seimas Members was reduced by an average of 36.2 per cent, and travel and other expenses decreased too⁹⁴. While evaluating the change in the resources based on a quantitative criterion of productivity (the number of laws adopted), the reduction of resources had no significant influence during the period of the crisis: the number of laws adopted in 2004-2008 was 1170, while that of a shorter period of 2008-2011 was 1115⁹⁵.

According to the data of 2009, one member of the Seimas was assisted by an average of 3.3 members of staff. There are 467.5 positions of civil servants of political (personal) confidence and employees working on the grounds of an employment contract in the Seimas while the number of elected parliamentarians is 141. All the 15 committees of the Seimas have committee bureaus operating within the Office of the Seimas that assist the committees in fulfilling their functions established in the Statute and ensure smooth work of the committees⁹⁶.

The Seimas Members are provided with sufficient physical space to do their work without disturbance. They are also provided with the best periodical and specific literature.

During the interviews, it was noted that due to a tough current financial situation, there are no possibilities to admit new servants to the Office of the Seimas, tension is felt in certain committees related to the number of staff, computer software is not updated, renovation works have slowed down, and training was organized on a minimal scale even though it had not stopped completely⁹⁷.

It can be concluded that the committees of Seimas, the Seimas Members and separate political groups have sufficient financial, human and infrastructural resources for efficient execution of their functions.

⁹³ The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

⁹⁴ Activity report of the Office of the Seimas, 2009. Internet Access: http://www3.lrs.lt/home/ataskaitos/Seimo_kanceliarija_ataskaita2009.pdf.

⁹⁵ Statistics of the work of the Seimas, 2008 – 2011. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=252&p_d=113776&p_k=1.

⁹⁶ Activity report of the Office of the Seimas, 2009. Internet Access: http://www3.lrs.lt/home/ataskaitos/Seimo_kanceliarija_ataskaita2009.pdf.

⁹⁷ Author's interview with Member of the Seimas of the Republic of Lithuania, Member of Seimas Commission of Ethics and Procedures, 12 May 2011 (hereinafter – the interview with Member of the Seimas of the Republic of Lithuania).

1.1.3. Independence (law)

To what extent is the legislature independent and free from subordination to external actors by law?

Score: 100/100

The speaker of the Seimas is elected in the first sitting of the Seimas following the elections by secret ballot (the candidates can be nominated by at least 1/10 of the Seimas Members). Deputy speakers (2-3 representatives of the opposition) are elected simultaneously (articles 187-188 of the Statute).

Every parliamentarian has to be a member of at least one committee. As it is indicated in article 44 of the Statute, the committees are composed observing proportional representation of political groups. The article also indicates that the proposals for the composition of the committees are presented by political groups or separate Seimas Members and approved by the Seimas. The parliamentarians can choose technical staff themselves⁹⁸.

According to art. 59, 62 of the Constitution, the Seimas Members enjoy immunity for the speeches they deliver while fulfilling their duties and cannot be persecuted for their votes or speeches⁹⁹.

According to art. 62 of the Constitution, it is the Parliament only that can lift the legal immunity of its members (it is applied to legal liability related to restriction of freedom). By the majority of 3/5 of the votes of all members, the Seimas can abolish the mandate of a member of the Seimas in cases of serious infringement of the Constitution or breaking the oath as well as committing a crime. The order of impeachment process is then followed, as indicated in articles 227-243 of the Statute¹⁰⁰. Upon catching a member of the Seimas in the process of committing a crime, his/her freedom can be restricted and the prosecutor general immediately informs the Seimas about it (art. 22.3)¹⁰¹.

Article 58 of the Constitution establishes that early elections are organized with the support of 3/5 of all Seimas Members or following the decision of the President. However, the President can do it only in cases of failure by the Seimas to take decision on a new Government programme within 30 days following its proposal or in cases when it does not approve with the Government programme twice in a row within 60 days following the first proposal of the Government programme. The President can also initiate early elections of the Seimas following the proposal of the Government in cases when the Seimas expresses direct no-confidence in the Government.

The President can intervene and not to sign the law adopted by Seimas – then the law is discussed repeatedly¹⁰². To reject the President's veto requires a qualified majority vote of the Seimas members – more than half of all parliamentarians (art. 72 of the Constitution).

The work of the Seimas is organized in 2 sessions; however, if needed, the sessions can be prolonged (art. 85.4). The Constitution (art. 64) and the Statute (art. 86)

⁹⁸ The Statute of the Seimas of the Republic of Lithuania, art. 16. Žin., 1994, No. 15-249.

⁹⁹ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

¹⁰⁰ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

¹⁰¹ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014..

¹⁰² The Statute of the Seimas of the Republic of Lithuania, art. 165, 167. Žin., 1994, No. 15-249.

provide for a possibility of an extraordinary session (convened following the proposal of at least 1/3 of all Seimas Members) (art. 86.1)¹⁰³.

The newly elected Seimas compiles the work programme of the session at the beginning of the first session (art. 84.4). The speaker of the Seimas, his/her deputies, the Board of the Seimas, the members of the Assembly of Elders, committees and Seimas Members can contribute to the agenda (art. 90). The President and the Government can submit written proposals on the agenda (art. 89).

According to the Internal Regulations of Seimas¹⁰⁴, Police officers are not granted exceptional rights to enter the premises of Seimas.

Having evaluated legal norms related to the independence of Seimas from external impact, it can be concluded that such regulations exist. However, they are rational and thus are justified by an argument of mutual control of powers. Therefore, it can be concluded that ensuring the independence from external impact of Seimas' is legally optimally established.

1.1.4. Independence (practice)

To what extent is the legislature free from subordination to external actors in practice?

Score: 75/100

The Government can submit bills or amendments to the Seimas. In 2009-2010 the pressure from the Government was particularly well felt with regard to budget and other fiscal laws. Separate complaints were present that the Government gave orders and the system itself was called "the prime minister parliamentary system" since the ruling coalition in the Seimas consisted of only 71 member of the Seimas out of 141. However, no official public statements from any member of the Seimas regarding the unduly large interference of the Government to the work of the Seimas have yet been made.

Since 2008, the Seimas has thus rejected six presidential vetoes, which makes up approximately one third of all vetoes.

Out of 530 legal acts adopted in 2009: 35 resulted from the initiative of the President (prepared by the Government), 264 came on the initiative of the Government and 231 legal acts followed the initiative of the Seimas Members¹⁰⁵. In 2009-2011 5 temporary investigation commissions were composed for the purpose of looking into the activities of individual parliamentarians. Judicial interference into parliamentary activities is restricted to the issue of lifting legal immunity (art. 239, 240 of the Statute) and The Constitutional Court's control of acts adopted by the Seimas.

It can be concluded that legislative activities of Seimas are affected by the Government, and legitimate individual lobbyist groups.

¹⁰³ The Statute of the Seimas of the Republic of Lithuania, art. 86. Žin., 1994, No. 15-249; the Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

¹⁰⁴ Internal Regulations of Seimas Activities, internet Access:
http://www3.lrs.lt/pls/inter/w5_show?p_r=292&p_d=71334&p_k=1.

¹⁰⁵ Activity report of the Office of the Seimas, 2009. Internet Access:
http://www3.lrs.lt/home/ataskaitos/Seimo_kanceliarija_ataskaita2009.pdf.

Governance

1.2.1. Transparency (law)

To what extent are there provisions in place to ensure that the public can obtain relevant and timely information on the activities and decision-making processes of the legislature?

Score: 75/100

According to the Statute, the sittings of the Seimas are open and public and a closed meeting can be organized by way of derogation only, when information related to state or commercial secrets as well as other information the use and dissemination of which is limited according to the legislation is presented during the hearings¹⁰⁶. The sittings can be observed by all persons possessing permissions to enter the House of the Seimas (art. 102). Committee meetings can receive as guests other Seimas Members, members of municipal boards, ministerial representatives, and representatives of other state institutions, parties, public organizations, educational institutions etc. After each meeting of a committee, a notice is prepared to the Seimas Press Service, where the essence of the discussions on the matters discussed and decisions adopted are indicated (art. 53). Every person enjoys a right to participate in the hearings.

High government representatives can participate in the meetings without a separate invitation and present their opinions in the discussions when matters related to their activities are discussed. Usually, open ballot is used for the matters discussed in the Seimas sittings (art. 111) with an exception of the issues of personalities (art. 115). In case of a request from one of the political groups or part of the Seimas Members, role-call vote can be organized.

The Statute requires the sittings to be recorded (art. 132). Video and audio recordings of the Seimas sittings are broadcast on the website of the Seimas, where the stenographs of all plenary sittings are also available. The reporting by the Lithuanian Radio and Television as well as the broadcasting procedure of the Seimas sittings is set out in the contract of the Board of the Seimas and the Lithuanian Radio and Television (art. 131). The national radio broadcasts the last 20 minutes of the evening sitting every day, when the Seimas Members present their opinions on important state issues (art. 97.1).

The laws envisage that all main information of the activities of the Seimas is published in the *Seimo kronikos* magazine (art. 134,5)¹⁰⁷. The Statute requires that the bills should be published for public discussion. They are available on the website of the Seimas. However, the law does not require early publication of the agendas of the sessions and committee meetings.

Art. 10 of the Law on the Adjustment of Public and Private Interests in the Public Service (hereinafter, LAPPIPS) indicates that private interests of state politicians are public and published in the website of the Chief Official Ethics Commission (hereinafter, COEC)¹⁰⁸.

The Petition Commission of the Seimas must accept and analyze personal appeals complying with the requirements of a petition indicated in the Law on Petitions¹⁰⁹. Other appeals are to be accepted by the Seimas Members according to art. 12 of the Statute.

¹⁰⁶ The Statute of the Seimas of the Republic of Lithuania, art. 101. Žin., 1994, No. 15-249.

¹⁰⁷ The Statute of the Seimas of the Republic of Lithuania, art. 134. Žin., 1994, No. 15-249.

¹⁰⁸ Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659.

¹⁰⁹ Law on Petitions. Žin., 1999, No. 66-2128 (with later amendments and additions).

The same article also provides for the obligation of the Seimas Members to organize meetings with the electorate aimed at informing about their activities. The Statute provides for an obligation for the Seimas committees to analyze proposals by the voters and public organizations (art. 49).

The documents needed for the work in the Seimas are provided to the accredited journalists by the Office of the Seimas¹¹⁰. The journalists can observe the meetings of the Seimas committees, commissions and parliamentary groups (except for closed ones) upon receipt of permissions (art. 17-18)¹¹¹.

The Statute provides for the accountability of the Seimas committees¹¹². The stenographs of open sittings of the Seimas as well as the minutes of committee and commission meetings, broadcast of the meetings, press conferences and official notes regarding the Seimas activity constitute an activity report. The Seimas is not obliged to publish reports on its activities; however, the annual activity report of the Office of the Seimas provides general view on the parliamentary work.

To sum up, it can be concluded that legal norms provide sufficient conditions for relevant and up-to-date information on Seimas activities and the decisions adopted to be made available for the public. However, there are not enough requirements for transparency in the stages of drafting new laws and hearings.

1.2.2. Transparency (practice)

To what extent can the public obtain relevant and timely information on the activities and decision-making processes of the legislature in practice?

Score: 75/100

Since 2009, the sittings of the Seimas are broadcast via cable television channels and internet. The Office of the Seimas prepares a review TV programme where the sittings, press conferences etc. are broadcast. However, during the interviews, it was emphasized that higher financial resources would help ensure better spread of information¹¹³. Another respondent claimed that public information is not targeted at separate audiences (groups). However, it was also mentioned that “this is perhaps the most open institution”¹¹⁴.

Society and media can easily get information on the activity of the Seimas, its separate committees (with an exception of individual cases), and parliamentarians since information of this nature is publicised on the website of the Seimas.

Commercial TV companies cannot broadcast the Seimas sessions free of charge. A contract is signed with the national broadcaster and it must broadcast separate sittings on the radio and television.

According to art. 136 of the Statute, all registered bills are forwarded to related state institutions and publicly presented in official publications of the Seimas. In practice, all registered bills are also available online. And the bills the most relevant to the public are also

¹¹⁰ The Statute of the Seimas of the Republic of Lithuania, art. 132. Žin., 1994, No. 15-249.

¹¹¹ Board of the Seimas of the Republic of Lithuania decision No. SV-S-198 of 3 April 2009. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=2928p_k=1.

¹¹² The Statute of the Seimas of the Republic of Lithuania, art. 48. Žin., 1994, No. 15-249.

¹¹³ Author's interview with a member of the Seimas of the Republic of Lithuania, 12 May 2011.

¹¹⁴ Author's interview with a docent of the Institute of International Relations and Political Science, Vilnius University, 8 May 2011.

published in the media. The agendas of the sittings and committee hearings are approved and arranged one week in advance. The problem of frequent changes is characteristic of agenda planning. The Seimas' sittings as well as meetings of individual committees and commissions are recorded. The records on voting in the Seimas' sittings, the activity of the parliamentarians in initiating legal acts and their participation in plenary sittings are available online.

During the period concerned, no repercussions on unreasonably delayed publication of information on the Seimas' voting were present in the public area.

Society members can visit the Seimas' sessions according to a set procedure. Tours can be organized in the House of the Seimas, the visitors can also observe plenary sittings according to a set procedure.

The Seimas' budget is published as Individual Budget of the Parliamentarians of the Office of the Seimas and the report on expenses is published on the intranet. The COEC website contains official private interest declarations of the parliamentarians indicating the deals that they have concluded, their belonging to legal entities etc.¹¹⁵ Reports on the expenses for individual quarters are published on the website of the Chief Official Ethics Commission. Reports on the activity of the Government, aimed at the Seimas, are submitted once a year in March – April. Assets declarations of each parliamentarian, submitted to the State Tax Inspectorate, are publicized without their consent.

The presentation of the Government programme is broadcast on the national broadcaster. The report is discussed by individual committees of the Seimas and later, following questions and discussions, they approve it.

In 2009 54 596 requests, complaints, proposals and letters of physical and legal persons were received.

There is a publicly available list of lobbyists¹¹⁶, which is required by Law on Lobbying Activities¹¹⁷. In practice, the lobbying activities are carried out by the public organizations too, submitting their positions during the consideration of draft laws. However, sometimes the committees themselves choose who will be invited to participate in drafting and discussing legislation¹¹⁸.

It can be concluded that the Lithuanian public has all the conditions to receive important information on the activities of the institution and its decisions on time.

1.2.3. Accountability (law)

To what extent are there provisions in place to ensure that the legislature has to report on and be answerable for its actions?

Score: 75/100

Two forms of consultation between the parliamentarians and the public: personal and group. Art. 12 of the Statute envisages that the parliamentarians analyze proposals, statements and complaints from the electorate they receive and, if necessary, forward them for further

¹¹⁵ Chief Official Ethics Commission, *Declarations Search*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=453&Itemid=49.

¹¹⁶ Chief Official Ethics Commission, *Register lobbyists*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=371&Itemid=41.

¹¹⁷ Republic of Lithuania Law on Lobbying Activities. Žin., 2000, No. 56-1644 (with later amendments and additions).

¹¹⁸ The Statute of the Seimas of the Republic of Lithuania, art. 54, 147. Žin., 1994, No. 15-249.

discussion to state institutions that must react within 20 days¹¹⁹. In the second case it is envisaged that the committees of the Seimas analyze proposals from the electorate and public organizations (art. 49.10) and in cases of the matters of particular importance, the Seimas organizes a referendum¹²⁰.

The country has no specialized institution that would look into the complaints from the citizens or groups of citizens against the decisions or actions of the Seimas or its individual members. The proposals, requests and letters of the citizens are collected and analyzed by the Office (art. 31.7). The proposals and letters from the electorate, state institutions, and public organizations on the matters of the activity of the Seimas Members (which are usually related to their unethical activity) are analyzed by the Seimas Commission for Ethics and Procedures (art. 78.8).¹²¹

Moreover, the citizens dissatisfied with legal regulation enjoy a right to address the Seimas Petition Commission with a request to change it, abolish or supplement it.

In cases of a law adopted by the Seimas contradicting the Constitution, the law can be abolished by the decision of the Constitutional Court following the procedure set out in Chapter VIII of the Constitution. The right to appeal to the Constitutional Court with this enquiry belongs to the Government, 1/5 of the Seimas Members and the courts (art. 106 of the Constitution). It is worth mentioning that the legal system of Lithuania does not establish the right of the citizens to directly appeal to the Constitutional Court with regard to the recognition of a law as contradictory to the Constitution; however, the conception of the establishment of an individual constitutional complaint is now approved in the Seimas, according to which the needed amendments in the law are to be prepared and adopted.

The laws, rulings and decisions of the Seimas as a representative governmental institution can only be questioned by the Constitutional Court.

1.2.4. Accountability (practice)

To what extent do the legislature and its members report on and answer for their actions in practice?

Score: 50/100

In theory, the Seimas should consult the public on important matters since this is envisaged in the legal acts; however, in practice, it is rarely done. The Seimas widely spreads information on its activities in the public but public level of confidence in the Seimas is very low: in 2009-2010 it was less than 10 per cent.¹²² The Seimas as an organization does not regularly submit its activity reports; however, the commissions and committees publish their activity reports on their websites twice a year. The Seimas does not report to other links in the governmental chain.

Individual accountability of parliamentarians manifests itself through mandatory (art. 12 of The Statute of the Seimas) meetings with voters

The information on the activity of the Seimas is publicized both by officially publishing everything that has been referred to in other sections and by direct information to

¹¹⁹ The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

¹²⁰ Ibid.

¹²¹ Ibid.

¹²² The Commissioner is on the top of the most popular politics, but she is still silent. *Lietuvos rytas*, 25 January 2000; The electorate is disappointed in promises of political parties and looking for a new rescuers. *Lietuvos rytas*, 29 January 2011.

the media from individual politicians. Thus the Seimas supports the public control of its own activity.

Regarding individual Seimas Members, ordinary citizens may apply to pre-trial institutions (upon suspicion of a commitment of an offence), they can apply the COEC or the Seimas Commission for Ethics and Procedures regarding infringements of ethics, and the Seimas Petitions Commission accepts petitions. In 2010 the Petitions Commission received 25 appeals, 10 of which were acknowledged as petitions and 2 were granted. Data on granted appeals to law enforcement institutions, the COEC or the Seimas Commission for Ethics and Procedures by the citizens is not present.

The current Seimas is the leader according to the number of proceedings regarding the lifting of legal immunity for the parliamentarians. In 2010 the issue was raised regarding the lifting of the immunity for 2 parliamentarians. Both parliamentarians became subjects to impeachment and one of them lost his parliamentary mandate.

In May 2010 the Seimas refused to allow making two Seimas Members subjects to administrative liability for the unrest caused during the pride parade of sexual minorities¹²³.

In practice, the Seimas as an institution consisting of parliamentarians holding national mandates is not obliged to report on its activity to nobody. It is the issue of personal accountability depending entirely on the good will of each member of the Seimas.

1.2.5. Integrity mechanisms (law)

To what extent are there mechanisms in place to ensure the integrity of members of the legislature?

Score: 75/100

The Constitution (art. 60) and the Statute (art. 6) provide for certain issues related to moral integrity¹²⁴. The Seimas Members are supposed to follow the Code of Conduct for State Politicians and the LAPPIPS. There is a constantly operating Commission for Ethics and Procedures in the Seimas which monitors the application of the principles and provisions of the Code. Upon receipt of information from the COEC regarding offences committed by a parliamentarian, it can carry out the investigation of his/her activity¹²⁵. Following the analysis of every case, the Commission can issue a warning, state the absence of an infringement of the provisions of the law or even forward the material to pre-trial investigation institutions¹²⁶.

There are no rules applied exclusively to the Seimas Members regarding gifts, services and hospitality as well as post-positional employment but indications on suggested behaviour in such situations can be found in LAPPIPS¹²⁷ or recommendations prepared by the COEC (on its website).

No special (separate) obligation is provided for the Seimas Members in cases of conflict of interests. Article 18.2 of the Statute indicates that the parliamentarians are obliged to avoid conflicts of interests between private interests and their duties to represent interests

¹²³ S. Gudavičius. "The Struggle for inviolability". *Kauno diena*. 12 April 2010.

¹²⁴ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014; The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

¹²⁵ The Statute of the Seimas of the Republic of Lithuania, art. 78, 79. Žin., 1994, No. 15-249.

¹²⁶ Rules of Procedure of the Seimas Commission for Ethics and Procedures. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=6223&p_d=83347&p_k=1.

¹²⁷ Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659.

of the public. The same article states that “before the beginning of the discussion or during the discussion of a matter in which a Seimas Member has private interests, the Member must inform the chairman of the meeting on the threat of a conflict of interests and withdraw from further discussion of the matter and the voting”¹²⁸.

Neither the Statute nor the Law on Lobbying Activities does not establish an obligation to reveal one’s relations to lobbyists.¹²⁹

The Seimas Members are required to declare private interests by submitting their annual declaration of private interests, which is publicized on the COEC website¹³⁰.

The Seimas Commission for Ethics and Procedures, having looked into the declarations of private interests of the Seimas Members, presents written recommendations to the Seimas Members on the ways to avoid conflict of interests. In case of failure to follow the recommendation of the Commission for Ethics and Procedures on the avoidance of conflict of interests, a Seimas Member can be issued a warning (art. 20). Therefore, all possibilities to avoid the threat of a conflict of interests are present.

It can be stated that the existing integrity mechanisms (laws, codes of conduct, and commissions of ethics) are sufficient enough to ensure honesty and integrity of the Seimas Members.

1.2.6. Integrity mechanisms (practice)

To what extent is the integrity of legislators ensured in practice?

Score: 50/100

The current Code of Conduct for State Politicians is inefficient in practice. Well-established unofficial standards of behaviour are applied more often. The last training on ethics took place in the Seimas in around 2002-2004.¹³¹

The member of the Committee for Ethics and Procedures stated that the Seimas Members abuse their positions, work elsewhere, and miss the Seimas sittings without a valid excuse. In such cases the parliamentarians are subject to the analysis in the meetings of the Commission for Ethics and Procedures. The most frequent penalty applied is publicity in the form of an announcement in plenary sittings.

During the interview it was noticed that the politicians often act in representation of the lobbyists interests¹³². No specialized declarations that the politicians should submit thus practically indicating their links to lobbyists are present. The parliamentarians are obliged to submit assets declarations within a month following their election and update them upon changes in the situation during the entire period in the Seimas. However, no sanctions apply for doing so.

It can be concluded that in theory integrity mechanisms exist for the Seimas Members; however, in practice these integrity mechanisms efficiency is poor.

Role

¹²⁸ The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

¹²⁹ Law of the Republic of Lithuania on Lobbying Activities. Žin., 2000, No. 56-1644, actual redaction with amendments.

¹³⁰ Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659. (actual redaction with amendments).

¹³¹ Author’s interview with a member of Seimas of the Republic of Lithuania, 12 May 2011; Author’s interview with a docent of the Institute of International Relations and Political Science, Vilnius University, 8 May 2011.

¹³² Author’s interview with a member of the Seimas of the Republic of Lithuania, 12 May 2011.

1.3.1. Executive oversight

To what extent does the legislature provide effective oversight of the executive?

Score: 50/100

Parliamentary control is implemented through a requirement for the Government, ministers and other officials to constantly report on their activities and present annual activity analysis. “Government hours” and “half-hours” are constantly organized in the Seimas, parliamentary investigations are carried out, etc. Temporary commissions are composed in order to implement specific assignments¹³³. Their composition can be approved by the Seimas once the Board of the Seimas, one of the committees or political groups expresses its initiative (art. 73). In cases when the initiative comes from a group of ¼ Seimas Members, the Seimas must compose a temporary commission. The committees, within their remits, have a right to check the application of laws and the Seimas decisions and the following of the committee recommendations and suggestions; carry out parliamentary investigation of separate issues on their own initiative or by the Seimas’ order; and analyze annual reports of state institutions accountable to the Seimas (art. 56.1)¹³⁴. Such conclusions of a committee are of recommendatory power to the Seimas that approves the reports of state institutions.

In the budget preparation stage, the Government (the Ministry of Finance) operates independently of the Seimas; however, the Seimas expresses its will on draft budget by either approving or rejecting it¹³⁵. Alongside with a separate specialized Budget and Finance Committee (art. 59), each committee carries out preliminary analysis of the bill of the approval of financial indicators of the State and municipalities budget as well as set of budget implementation reports¹³⁶. According to art. 224-226 of the Statute, budget implementation control is carried out by the Seimas Budget and Finance Committee at least once every six months and once a year the Seimas discusses in a plenary sitting whether to approve the Government budget reports. Alongside with the reports, the conclusions of the State Auditor on the set of budget implementation reports submitted by the Government are discussed.

A group of 1/5 of all Seimas Members can submit interpellation against the Prime Minister or a minister. Having discussed the response to the interpellation, the Seimas Members can decide to express no-confidence of the Prime Minister or the minister¹³⁷.

In 2009-2010 preparations were taken to submit 6 proposals for interpellations against individual ministers; however, only 3 of them were submitted to the Seimas, following which all the ministers remained in their areas. Some ministers resigned themselves.

The Seimas monitors the State activity but it cannot interfere in-depth. The Seimas participates in the assignation of certain the most important officials. It can implement control through temporary control or investigation commissions composed for that particular purpose. The decisions of such commissions are submitted for discussion in the Seimas, which, on their basis, can take a decision that would serve to express no-confidence in the Government, minister or other head of a state institution appointed by the Seimas, or submit conclusions regarding the proposed impeachment process. (In cases when the activity of a head of a state institution not appointed by the Seimas is in question, the acts of the commissions have no legally binding but rather political power). The Seimas exercises public procurement control through the Audit Committee that is authorized to carry out

¹³³ The Statute of the Seimas of the Republic of Lithuania, art. 25. Žin., 1994, No. 15-249.

¹³⁴ Ibid.

¹³⁵ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

¹³⁶ The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

¹³⁷ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.

parliamentary control of the efficiency of the implementation of the functions of the National Audit Office, State Property Fund, and Public Procurement Service (Art. 59.1 of the Statute). The Statute envisages that the Seimas' committees have a right to sue out from state institutions and officials the documents, written conclusions, reports and other needed material (art. 56.3) that may prove to be necessary for the supervision of the executive power.

The Constitution provides that the Seimas assigns and releases the state auditor and the head of the National Audit Office, it composes the Chief Election Commission and changes its composition¹³⁸.

There was a practice to form exceptionally great numbers of temporary commissions composed in Lithuania for a certain period of time. This number significantly decreased following the ruling of the Constitutional Court in 2006¹³⁹ which set out the framework of mandates for such commissions by indicating what issues cannot be investigated.

Having evaluated this, it can be concluded that Seimas does perform the controlling function of the executive power. However, due to a big institutional apparatus of the executive powers, the fact that the Government is usually formed by Seimas (and the President) and the cadence of the Government overlaps with the cadence of the parliament, MPs are allowed to become ministers or Prime Ministers (meaning that they most often work with the parliamentary ruling majority, Seimas does not take an effective advantage of all the measures laid out in laws to perform an effective executive power control.

1.3.2. Legal reforms

To what extent does the legislature prioritise anti-corruption and governance as a concern in the country?

Score: 75/100

In 2009-2010 the LAPPIS was amended including a provision that the private interests declarations must be submitted not only by the heads and deputy heads of the joint stock companies in which the State or a municipality holds at least 50 per cent of authorized capital or shares but by those of all companies in which they hold any shares or authorized capital. Since 2009, 10 amendments to the Law on Public Service were adopted; however, they were all aimed at working conditions of the servants. In 2010 a new wording of the Law on Financing of Political Parties and Political Campaigns and Control of Financing was adopted which to a great extent aimed at the implementation of anti-corruption instruments. The Law on Individuals Property and Income Declaration was adjusted according to the new wording of the above-mentioned law. For the purpose of fight against corruption, the Code of Administrative Offences, the Penal Code and the Code of Criminal Procedure were amended¹⁴⁰, increasing maximum fines, introducing extended confiscation of property, etc. During the period concerned, a new national anti-corruption programme 2011-2014 was adopted. Approximately half of these changes were initiated in the Seimas and the executive. The focus on the problems of anti-corruption is carrying out with the help of the provision of some anti-corruption evaluation of draft laws.

¹³⁸ The Constitution of the Republic of Lithuania, art. 67, 133. Žin., 1992, No. 33-1014.

¹³⁹ The ruling of the Constitutional Court of the Republic of Lithuania on 21th November, 2006. Žin., 2006, No. 127-4849.

¹⁴⁰ I. Degutienė, Speaker of the Seimas: Draft Laws on Anticorruption are Going Forward successfully. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=6125&p_k=1&p_d=98388.

No new international documents were ratified. In order to enhance integrity, transparency and accountability in the state governing, in the middle of 2010 the draft Code of Conduct for Civil Servants was begun on the initiative of the members of Anti-Corruption Commission.

No new laws significantly enhancing the integrity, transparency and accountability of the public sector were adopted during the period assessed; however, individual amendments to the legal framework were adopted aiming to contribute to these goals.

2. Executive

Dr. Jurgita Paužaitė-Kulvinskienė, aided by Eglė Vitkūnaitė

Summary

Executive power in Lithuania is in the process of developing democratic processes and is not very different from other Eastern and Central European states. Lithuanian dualistic model of the executive power determines the President and the Government as the two branches of autonomy. Human resource problems are identified as a systematic feature of the executive branch because of the fast turnover of staff and insufficient number of highly qualified specialists. Monitoring the declaration of financial interests is not effective. The number of received declarations is increasing and only the introduction of electronic declaration of private interests, declaring the electronic records of individuals, would enable fast, high-quality and cost-declaration of financial interests, administration, analysis and data publicity, that they would be available to controlling persons, public authorities and the public. Public sector is not resistant enough and experiences intense pressure from the private sector. The increasing openness of the executive institutions and information dissemination are assessed positively, however public participation and involvement into public administration procedures are not sufficient enough.

Executive Total pillar score: 75/100			
	Indicator	Law	Practise
Capacity 83/100	Resources	-	75
	Independence	100	75
Governance 75/100	Transparency	75	75
	Accountability	75	75
	Integrity	75	75
Role 63/100	Public Sector Management	50	
	Legal system	75	

Structure and organization

The executive branch is based on the Constitutional separation of the President and the Government. The President is the head of the state, directly elected by the citizens. The Constitutional powers vested in the President are related to the opportunity to form other institutions implementing the state power and to impact on their work and the decision

making.¹⁴¹ Part of the President's constitutional powers are concerned with the possibility of creating executive and judicial authorities, and (or) have an impact on their activities, decisions, as well as the legislative process. The law can also formulate the additional powers of the President (The Ruling of the Constitutional Court of the Republic of Lithuania on 25th May, 2004). The President with the approval of the Seimas appoints the Prime Minister (hereinafter – PM), delegates him to form the Government and approve its composition.

The Government is a collegiate body made up of the Prime Minister and the Ministers¹⁴². Its composition is decided by the President and the Seimas. The Candidacy of the Prime Minister and the composition of the Council of Ministers as well as its programme should be approved by the Seimas. The Ministries are established and abolished by the Seimas upon the proposal of the Government. The Council of Ministers and the Minister may establish the institutions the work of which are coordinated by the Council of Ministers or the Minister. In the area of Government accountability in 2010 in total there were 1061 organization. Of them, the ministries and the Office of the Government (15), government agencies (14), at the offices of ministries (98) and other budgetary institutions (606), public institutions (168), state-owned enterprises (100), stock companies (60)¹⁴³.

Capacity

2.1.1 Resources (practice)

To what extent does the executive have adequate resources to effectively carry out its duties?

Score: 75/100

Technical resources were improved using the support of the EU structural funds. Financial resources in the recent years have been cut in each of the Ministry by 10-12% due to the economic situation and the reduced funding from the budget. The Council of Ministers has established the maximum number of positions in each of the public institutions – on average about 200 civil servants per Ministry (the smallest Ministry being the Ministry of Energy - 77 jobs and the biggest – the Ministry of Finance - 469 jobs). Although since 2008 there can be noticed the number of civil servants downward trend (eg. 2009. fell 0,9 per cent, 2010 – 2,4per cent). However, the number of civil servants in recent years has increased because of the EU's Structural Funds absorption mechanism, as part of the persons responsible for the administration of EU funds was assign to civil servants. It is not always possible to determine whether the office workers posts are funded from the EU Structural Funds, since these positions are not included in the body of the maximum permissible number of positions. Therefore the government on 4th April, 2010 passed a resolution No. 338, which found that civil servants register will provide information about funding source of the position, indicating whether the public servant or employee's position is included in the maximum civil servants and employees working under an employment contract and receiving a salary from the state budget and public funds or municipal budget number¹⁴⁴. In 2011, there were almost 54,000 civil servants (statutory and non-statutory)¹⁴⁵. There are 54 per cent non-statutory civil

¹⁴¹ The Ruling of the Constitutional Court of the Republic of Lithuania on 25th May, 2004.

¹⁴² The Ruling of the Constitutional Court of the Republic of Lithuania on 10th January, 1998.

¹⁴³ Improvement of State Administration (Sunset) Commission for 2010-2011 report. Internet access <http://www.lrv.lt/bylos/veikla/veiklos-ataskaitos/saulelydis-final.pdf>.

¹⁴⁴ Public Service Department of the Lithuanian Ministry of Interior Civil Service Law and related enforcement and implementation in 2010 report. Internet access: <http://www.vtd.lt/index.php?-1475748911>.

¹⁴⁵ Ibid.

servants. Existing human resources are quantitatively optimum, but qualitatively should be improved¹⁴⁶ because more than a third (31.2 per cent) of all non-statutory civil servants are 51-65 years old and the number of civil servants in this group is increasing (2008 m. - 28.4 per cent, 2009 - 29.7 per cent). Meanwhile the number of professionally mature (31-50 m.) civil servants is declining and make up 25 per cent (eg., in 2010 41 - 50m. accounted for 26.7 per cent., and 31-40 m. - 23.8 per cent). The number of the youngest (18-31 m.) civil servants also is decreasing – they make up only 17.3 per cent of all civil servants¹⁴⁷. The main feature of the systematic human resources executive power is the small proportion of younger and professionally mature generations as well as a frames changes (eg., 30 per cent of civil servants have just 3 years of work experience¹⁴⁸, meanwhile one-third of executives of institutions have 18 years of work experience)¹⁴⁹. The number of civil servants in the recent years has increased due to the absorption of the EU structural funds mechanism, since the staff administering the EU funds started working in the public sector. The professional development programmes that the Civil service embarks on are quite effective, however there are no economic and legal safeguards to retain the staff that the state invested into when developing their qualifications. The Civil service is still referred to as the “paradise for the students and pensioners”¹⁵⁰. Even though the migration of the civil servants into the EU institutions amounted to only 4%, it affected very highly qualified specialists¹⁵¹. Some civil servants are attracted to private businesses, especially with the economic situation improving in the country, whereas the return from the private sector into the public sector is observed only into very senior posts where political support is needed¹⁵².

2.1.2 Independence (law)

To what extent is the executive independent by law?

Score: 100/100

The President of the Republic is the Head of the State directly elected by the citizens for a five year term. The Constitution *expressis verbis* stipulates the absolute immunity of the President from the criminal and administrative liability. The person of the President of the Republic shall be inviolable: while in office, he may neither be arrested nor held criminally or administratively liable.

The powers of the President of the Republic shall cease:

- upon the expiration of the period for which he was elected;
- after a pre-term election of the President of the Republic takes place;
- upon resignation from office;
- upon the death of the President of the Republic;
- when the Seimas removes him from office according to the procedure for impeachment proceedings;
- when the Seimas, taking into consideration the conclusion of the Constitutional Court, adopts a resolution stating that the state of health of the President of the Republic does not allow him to hold office.

¹⁴⁶ Author's interview with a Prime Minister's Office official (hereinafter interview with Prime Minister's Office official), 3 June 2011.

¹⁴⁷ Public Service Department of the Lithuanian Ministry of Interior Civil Service Law and related enforcement and implementation in 2010 report, internet access: <http://www.vtd.lt/index.php?-1475748911>.

¹⁴⁸ Ibid.

¹⁴⁹ Ibid.

¹⁵⁰ Author's interview with Expert of the Public Policy and Management Institute, 29 June 2011.

¹⁵¹ Analysis of the Public Policy and Management Institute, *Lithuania's integration into the EU impact on qualified Lithuanian public sector employees working abroad*. Internet access: <http://www.vpvi.lt/lt/lietuvos-integracijos-es-poveikis-kvalifikuot-lietuvos-vie-ojo-sektoriaus-darbuotoj-i-vykimui-dirbti-uisien/?start=0&subject=&area=13>.

¹⁵² Interview with PPMI expert, 29 June 2011. (Expert of the Public Policy and Management Institute)

The proceedings of impeachment of the President can be initiated for gross violation of the Constitution or breach of oath, also when it transpires that a crime has been committed. (Article 86 of the Constitution). The issue of removal of the President from office is decided by the Seimas. The impeachment proceedings are regulated by the Statute of the Seimas. In such a case the Seimas shall establish a special investigation commission which submits the proposal on the (non) initiation of the impeachment proceedings. The Constitutional Court shall participate in the impeachment proceedings, it will analyse the address of the Parliament and submits a conclusion whether the actions of the official were in breach of the Constitution. After the findings of the Constitutional Court the Seimas shall finally decide on the issue of constitutional responsibility of the official¹⁵³. During the impeachment proceedings the person is guaranteed with the main rights of the granted during the criminal proceedings. During the impeachment proceedings the President shall hold his office.

In the Lithuanian constitutional system the principal of Government being accountable to the Parliament is enshrined. The Government as a whole is accountable to the Parliament for its activity. The President shall appoint the Prime Minister supported by the majority and approve the Council of Ministers the programme of which is approved by the Seimas. The Prime Minister is appointed and dismissed upon the approval of the Seimas by the President. The Ministers are appointed and dismissed upon the proposal of the Prime Minister by the President. The Ministers are accountable to the Seimas, the President and directly subordinate to the Prime Minister. The Prime Minister and the ministers have partial immunity from criminal and administrative liability, i.e. they cannot be made criminally liable or arrested as well as their freedom cannot be limited without the prior consent of the Seimas, and between the sittings of the Seimas – without the prior approval of the President. The Seimas may express non-confidence in the Government, the Prime Minister or a minister under the procedure established in the Statute of the Seimas.

2.1.3 Independence (practice)

To what extent is the executive independent in practice?

Score: 75/100

The principle of the Government's independence in practise depends on the political composition of the Seimas and the Seimas majority support of the Government. In the current 2008-2012 term of the Seimas there is no clear political majority, also, the 15th Council of Ministers is made up of a coalition. Such a situation determined that the threat of expressing non-confidence to the members of the Government is higher. Often the interpellations to the Ministers become a political game¹⁵⁴, that aims at reaching no constructive political results. Nevertheless, in the democratic process such a situation is more determined by the coalition government features and not the deficiency of legal regulation. In everyday relations the coalition Government finds many leverages with the legislative power to implement the independent decision-making, especially with the help of the comitology processes¹⁵⁵.

¹⁵³ The first impeachment proceedings in Europe, that lasted more than five months, came to an end when Rolandas Paksas was removed from the office on 6th April, 2004.

¹⁵⁴ „J. Degutienė: interpretations must not become a political games to ministres“. Žin., 9 March 2011. Internet access: http://vz.lt/rss/straipsnis/2011/03/09/Degutiene_interpelicijos_ministras_neturi_tapti_poli2.

¹⁵⁵ E.g. Polish spelling of names. In the case of Public Service concept, parliamentary majority did not inclined to support the government decision, but the government used legislation mechanisms for the realization of their decisions.

The relations of the President and the Seimas are most intense in the process of legislation. In 2010 the President vetoed 12 times the laws adopted by the Seimas by this expressing her independent position on the decision making. The relations of the President and the Government are quite active at the moment, eg. by selecting the appropriate heads of the bodies candidates, by combining opinions on domestic and foreign policy action. Even though both institutions from the Constitutional point of view are attributed to the same branch, the Constitution stipulates for the “active” executive power of the Government, whereas for the President – the “passive” executive power and the official representative power of the state. In practise the President is “unusually” active in contributing to the work of the Government¹⁵⁶, by publicly commenting and criticizing the work of the ministers, however the Government itself does not consider this as the influence over its independence¹⁵⁷. The emergence of the President as one more centre of power next to the Government in the parliamentary republic is not always efficient from the public governance point of view, however, such demonopolisation of power centres is justified from the perspective of strengthening democratic processes. Better indicators of public confidence in the authority of the President have positive influence on Government relations with the President. This determines that the Government has to take more account of the opinion of the President.

Governance

2.2.1 Transparency (law)

To what extent are there regulations in place to ensure transparency in relevant activities of the executive?

Score: 75/100

The work of the executive branch (the President and the Government) is sufficiently integrated into the information system of the public sector in such a way ensuring the transparency of the executive power through the dissemination of information. The drafting of Presidential decrees and resolutions and their publishing is organised by the Office of the President¹⁵⁸. The Chancellor of the President and the Advisors to the President upload the information on the internet website www.president.lt. The Chancellor of the President shall inform the public about the activities of the Office of the President¹⁵⁹. The dissemination of information of the Government is organised by the Office of the Prime Minister¹⁶⁰. The resolutions and other legal acts of the Government are published on the internet website www.lrv.lt. Here one may find the agendas of the Government sittings, Governmental meetings, the meetings of the Ministry officials, the material of the Government sittings. The Communications Department of the Government provides the video, audio and photo materials of the Government sittings. All Government sittings are directly broadcasted via the

¹⁵⁶ Author's interview with expert of the Public Policy and Management Institute, 29 June 2011.

¹⁵⁷ E.g. disagreement between the positions of the President and the Government on 5th May, 2011 about the NATO actions in Libia.

¹⁵⁸ Lithuania Presidential Decree of 18 June 2008 No. 2K-490 approved by the Office of the President of the Republic of Lithuania provisions of 6.7 p.. Žin., 2008, No. 71-2732 (with later amendments and additions).

¹⁵⁹ Ibid.

¹⁶⁰ Government of the Republic of Lithuania in September 2009 Resolution No. 9. 992, approved by the Prime Minister of the Staff Regulations of 6.26 p.. Žin., 2009, No. 109-4580 (with later amendments and additions).

internal radio system in the building of the Government¹⁶¹. Also, the minutes are being taken during the sittings and the video recording is being made which later on is uploaded on the computer system and stored.¹⁶² The decisions of the Government and Government resolutions must be published on the Government's website on the day of their signature, whereas the Government resolutions are published in the Official Gazette *Valstybės žinios*. Government prepared draft regulations are made public in accordance with the procedure established by legislative rules.

The right to obtain information from all state institutions is guaranteed by Article 25 of the Constitution, whereas the right of the media subjects to obtain information is regulated by the Law on the Provision of Information to the Public. The other persons are guaranteed with the right to get information by the Law on the Right to Get Information from State and Municipal Institutions.

The legal basis for drafting the budget is the Constitution and other laws. The procedures of budget planning, drafting and approval are public.¹⁶³ When drafting the draft budget the wide coordination process is ongoing, which involves the Ministry of Finance and other ministries, state institutions. The final draft budget is analysed in the Committees, the proposals are made by the Members of the Seimas. Once the Government makes relevant decisions on the proposals, the draft budget is subject to deliberations and approval in the Seimas. The consequences of non-compliance or improper compliance of budgeting procedures is not legally regulated. The specific procedural rules (eg., on the terms for publication, the harmonization of the relevant authorities) are not regulated and this should be considered as essential offenses for which could be provided appropriate legal consequences.

The state politicians, senior level civil servants and the members of their families must declare their assets and income annually. Those who do not submit their tax returns on time or fail to submit them at all are held liable with regard to criminal and administrative proceedings. This process is supervised by the officials of the State Tax Inspectorate. The persons working in civil service must also declare their private interests by submitting private interest declarations, the submission/ non-submission of which are supervised by the Head of the Institution and the Chief Official Ethics Commission (hereinafter – COEC). The COEC examines the reports and the complains (published in the media and the decisions of other institutions) and makes a justified decision. The binary monitoring system is in place (COEC and the heads of respective state and municipal institutions), however, the COEC has a right to revisit the investigations of the institutions, i.e. the COEC has a special competence to carry out independent repeat investigations and to fundamentally alter the investigation conclusions by its decisions.

2.2.2 Transparency (practice)

To what extent is there transparency in relevant activities of the executive in practice?

Score: 75/100

¹⁶¹ Order of the Chancellor of the Prime Minister, 20 January 2010, No. V-7 (with later amendments and additions).

¹⁶² Regulation of the Office of the Prime Minister of the Republic of Lithuania, art. 42. Žin., 1994, No. 43 - 772 (with later amendments and additions).

¹⁶³ The Republic of Lithuania Budget Law Article 11. 1. Žin., 1 August 1990, no. 24-596 (with later amendments and additions).

According to the 2010 surveys¹⁶⁴, due to the openness of the executive the trust of the residents in the state and municipal institutions amounts to 46 % (in 2009 - 44%). The executive body of openness initiatives are based on one-stop-shop concept, which was introduced by 2006. Public Administration Act, also from 2007 reduction of the administrative burden for citizens and business initiatives. Two out of three respondents are of the opinion that “one stop shop” principle when addressing for the information to the state institution helps them to better solve the issues they are concerned with. The EU structural funds are efficiently absorbed to increase the transparency of the executive institutions by electronic means¹⁶⁵. With the help of these funds the minutes and decisions of the Government meetings are published on the internet, the meetings of the Government are directly broadcasted.

The requirements of publicity in budget planning, drafting, approval procedures are adhered to in practise. Also, with the aim to involve the society more actively into the budget drafting procedure, the Ministry of Finance has developed a special software on its website where every person may submit his/ her proposals on the budget¹⁶⁶. With the aim to increase public economic literacy, the Ministry also publishes the relevant financial data on the state finances on its website www.finmin.lt. The political debate determines that it is not always complied with the budget planning, preparation or approval procedures of publicity requirement¹⁶⁷.

The annual asset/ revenue tax return data of the senior civil servants and politicians as stipulated by the law¹⁶⁸ without their consent is submitted by the State Tax Inspectorate (hereinafter STI) and published in the special annex of the Official Gazette *Valstybės žinios* every year before October 1. The COEC ensures the accessibility to the private interest declarations. The declaration data submitted are published on the COEC website¹⁶⁹ or one may get more information upon the justified decision of the COEC. In 2009 – 3347 declarations were submitted, in 2010 - 3630 declarations. Declarations were provided by 772 institutions. Mostly declarations of interests made by private institutions do not comply with the preventive purpose - to prevent potential conflict of interest. Usually data is available only for the specialists, who are responsible for declarations' receiving and keeping. Because of sheer number of works, they can only formally verify if the declaration are duly completed and basically do not deal with their content. In 2010 the Commission itself examined 3531 declarations filled by 2,030 people. One of the causes of the problem – currently the private interests are declared on paper.

In practise from 1000 complaints submitted to the Ombudsmen of the Seimas, as much as 28% of the complaints were lodged due to the violation of the right to proper

¹⁶⁴ This survey was held by UAB „Baltijos tyrimai“, June 2010, it is published in the annual report of the Ministry of the Interior, 2010. P. 9.

¹⁶⁵ Quality improvement of services of the executive power, using resources of European social fund and Lithuania's national budget, internet access www.vakokybe.lt.

¹⁶⁶ See: Lithuanian Ministry of Finance, *Simply about finances*. Internet Access: http://www.finmin.lt/web/finmin/ekonominis_rastingumas.

¹⁶⁷ Eg., Although according to the set procedure budgets were began to form in May, a week before the deliberations of the Government in October 2011, 2012 *Sodra* and the Health Insurance Fund projects have not been made public. See: R. Vainienė, *The 2012 budget: why avoid public debate.* “Delfi.lt. 18 October 2011. Internet access: http://www.delfi.lt/news/ringas/lit/rvainiene-The_2012_Budget_and-why-avoid-viesu-diskusiju.d?Id=50,820,002.

¹⁶⁸ Law on Declaration of the Property of Residents. Žin., 1996, No. 50-1197 (with later amendments and additions).

¹⁶⁹ It is applied for persons mentioned in the law on the Adjustment of Public and Private Interests in the Public Service article 10, part 1, and for persons mentioned in the list of COEC.

public administration, including the right to obtain information from the state institutions¹⁷⁰. Even though the amount of these complaints as compared to 2009 reduced (was 33%), it is a matter of concern that in 2010 as much as 46% of the mentioned complaints were found grounded.

The person shall receive the information from the executive institutions free of charge, no later than in 20 working days from the date of receipt of the request in the relevant institution, except for the cases when the person is asking to provide a lot and complicated information. According to TILS 2011 survey, almost half of the respondents received unsatisfactory and incomplete response, and 7 per cent did not get the response from the state or local government agencies and institutions. One should note that the transparency problems of public information dissemination exist, i.e. the executive institutions provide a lot of "unfiltered"¹⁷¹ specific information where one may find it difficult to understand. On separate governance issues (for example, pensions, social benefits), where the public support is needed, the executive uses different communication means (for ex., paid articles in the press, radio or TV programmes), by providing simple, organised and clear information, understandable to the user. It should be noted that the situation of government availability was revealed by the Civil Society Institute in the study of 2009 "Open government: increasing the availability of public authorities."

2.2.3 Accountability (law)

To what extent are there provisions in place to ensure that members of the executive have to report and be answerable for their actions?

Score: 75/100

The Constitution and the Law on the President do not establish any specific terms of reporting of the President to the public or the content of reporting to the public. The President is accountable to the public by informing it about his/ her decisions and their grounds. However, the accountability of the President to the Seimas is stipulated in detail by establishing that the President submits the work results in his/ her annual reports to the Seimas. Under the procedures laid down, the annual President's report is not debated by the Parliament, no questions are asked.

The Constitution established a bipolar accountability of the Government: to the Seimas and to the President. It also establishes the accountability of the entire Government as well as of each member of the Government. The Government as a whole is accountable to the Seimas and shall no less often than once a year submit an annual report of its activity which reflects the most important decisions made by the Government and the grounds of these decisions. During the submission of the Government report the Seimas sitting is represented by all the ministers who upon the request of the Seimas members also respond to the issues of legal grounds for the actual decisions made or the carried out reforms. The ministers during their term of office are also individually accountable to the Seimas, the President and directly subordinate to the Prime Minister. Each minister drafts and submits the annual work report of his/ her ministry to the Government, which are also published on the ministerial websites. Upon the request of the Seimas the Government or individual ministers report to the Seimas

¹⁷⁰ Annual Report of the Seimas Ombudsmen Office, 2010. Internet Access: <http://www.lrski.lt/files/402.pdf>.

¹⁷¹ Interview with the expert of the PPMI, 29 June 2011.

for their work, but usually during the session of the Seimas each Thursday the “Government hour” is organised.

With the aim to ensure the participation of the public in the decision making procedure of the executive power, the Law on Public Administration was supplemented on 2011 05 01¹⁷² with the general duty of the public administration entity to consult the representatives of the public and the residents if the decisions made touch upon the general legal interest of the public (art. 7). The ways of consultation (the meetings of the interested persons, surveys, publicly announced meetings, the invitation of the representatives, other opinion surveys), if it is not established otherwise by the law are chosen by the public administration entity. Having assessed the proposals received during the procedure of consultation, the results are generalised and published on the website of the institution. When drafting regulatory legal acts, their drafts and other material related to the draft is published on the Seimas legal act information system http://www.lrs.lt/tais_tapis/¹⁷³. However, there is no one clear source that would allow monitoring the preparatory stage of legislation, hearings, and the minutes of hearings in the Government. In addition, information on the draft executive decisions does not need to be published in other media sources (e.g., newspapers, radio). All of this results in the complexity of the access itself and does not provide for sufficient transparency in regulations.

The non-confidence in the Prime Minister or a Minister due to their improper work may be expressed in the Seimas. The procedure of expressing non-confidence is established in the Statute of the Seimas.

2.2.4 Accountability (practice)

To what extent is there effective oversight of executive activities in practice?

Score: 75/100

The efficiency of the executive power institutions is not problematic in practice, as quite well functioning legal tools are used to ensure accountability. The Government report to the Seimas on a regular basis, whereas the Prime Minister coordinates the executive actions with the President. In the process of accountability the reporting mechanism to the public in the media is very important. In the recent years, according to the political researcher A. Ramonaitė this mechanism acquired the nature of “hyper-accountable democracy”¹⁷⁴.

Financial (legitimacy) and performance (efficiency) audits of the executive power are performed by the Supreme Audit Institution which carries out the audits of the executive power institutions independently according to the established plan but not necessarily annually. The findings drafted by the Supreme Audit Institution are heard in the Seimas.

Public participation in the decision making process of the executive branch causes quite a few problems as the opportunities for participation are regulated by different legal acts, whereas the Law on Public Administration stipulates only a general duty to involve the public into public administration processes. In Practice, these regulations on

¹⁷² Amendment of Law on Public Administration. Žin., 2011, No. 4-125.

¹⁷³ Resolution of the Government of the Republic of Lithuania on the approval of the rules for lawmaking 3, Žin., No. 1244, 30 september, 2009. P. 41-42.

¹⁷⁴ A. Ramonaitė, “Hyperaccountable democracy“, when citizens and the press apply a lot higher standards of accountability for politicians and not for other citizens“. Internet access: www.tspmi.vu.lt/doc/340-nepasitikėjimas-vyriausybe.pdf.

citizens engagement work in procedures related to territories/construction planning and natural heritage protection, also in implementation of energy or environmental projects.

In a broad sense, the legitimacy control of the executive power is implemented, among others, by the Constitutional Court and the administrative courts. The Constitutional Court decides whether the laws and other legal acts adopted by the Seimas are in conformity with the Constitution and legal acts adopted by the President and the Government, do not violate the Constitution or laws (Article 102 of the Constitution). The administrative courts decide on the legality of legislation and actions adopted by the public administrative or municipal administrative bodies (Republic of Lithuania Law on Administrative Proceedings (hereinafter - and LAP), Art. 15. Para.1, part. 1, 2). Lithuanian Supreme Administrative Court is the sole and ultimate authority for the legality of normative administrative acts adopted by the central state administrative entities (LAP Art. 20., para.1, part.3).

The mechanism of accountability of the executive power in practise is implemented via the impeachment of the President (1 case) as well as the expression of non-confidence in the Government and individual ministers (in 2008-2012 Seimas term 3 ministers were submitted with interpellations). The work of the executive branch and the accountability issues are dealt with in the judicial procedure. Criminal liability mechanism is not sufficiently efficient. Even though the number of initiated pre-trial investigations is big (in 2010 around 700 cases) in reality the convictions were secured in a few individual cases (18)¹⁷⁵.

2.2.5 Integrity (law)

To what extent are there mechanisms in place to ensure the integrity of members of the executive?

Score: 75/100

The President shall not be a member of the Seimas, nor he/ she shall take any other job or receive any remuneration, except for the one established to the President and the remuneration for creative work. The person who is elected the President shall terminate his/ her activity in political parties and political organisations till the beginning of a new presidential election campaign. The gifts to the President received during the official visits are state property and stored in the residence of the President. These gifts under the established procedure may be transferred to the museums, whereas the very valuable ones - to the Bank of Lithuania.

The Prime Minister and the Ministers shall not occupy any other elected or delegated posts (except for the opportunity for the Seimas Members to be the PM and Ministers), work in the business, commerce or any other private companies as well as receive the pay, except for the established one in accordance to their post in the Government and the remuneration for creative work¹⁷⁶.

¹⁷⁵ Annual Report of the President of the Republic of Lithuania, Dalia Grybauskaitė Internet access: http://www.president.lt/lt/prezidento_veikla/metinis_pranesimas/2011_m..html.

¹⁷⁶ Decision of the Constitutional Court of the Republic of Lithuania on 23th February, "For Lithuania The Constitutional Court in 1 July 2004 order on Lithuanian Seimas Statute (22 December 1998 version) Article 15, paragraph 4, of conformity with the Constitution of the Republic of Lithuania", Žin., 2011, No. 24-1180; The Ruling of the Constitutional Court of the Republic of Lithuania on 1st July 2011, "The Republic of Lithuania Seimas Statute (22 December 1998 version) of Article 15 4 of conformity with the Constitution of the Republic of Lithuania", Žin., 2004, No. 105-3894.2004.

The persons implementing executive policy are subject to the Code of Ethics of the State Politicians (for politicians) and the Public Service Code of Ethics (for civil servants). These persons cannot abuse the powers they are granted with. Civil servants have a duty to avoid public and private interest conflicts, not to create preconditions for such conflicts; there are also restrictions established (for ex., the restriction to be involved into other business, political or public activity that would cause public and private interest conflict). This list of restrictions is not a finite one¹⁷⁷. The ban for the civil servant to do any other job or to receive other remuneration legally is stipulated in a way that in each individual case it could be decided whether to let the civil servant to do any other job or not to. Since 2010, this prohibition is applied not only to civil servants, when they intended to carry out additional activities in a company or institution, whatever its form of ownership. However, this also applies to new servants when they are going to combine existing working relationship with the new position of the State service. The number of civil servants, who hold a permit to work in parallel work, has been rising since 2006. When this right was enshrined in the Civil Service Law, the number of such permits, that are issued to civil servants, have increased by more than 4 times¹⁷⁸. There is 1 per cent of the cases, when a person refuses to grant such a permission. The same principle is applied to the persons who have finished their work in civil service that are imposed with certain job restrictions for one year. The person working in civil service cannot accept gifts or services or to give them if that may give rise to the conflict of private and public interests. This limitation is not applied to the persons who receive gifts or services in accordance to the international protocol or the traditions, however if the value of the gift is more than 5 minimal standards of living, this gift is considered a state property.

A civil servant must declare private interests by providing a private interest declaration. Private interests of state politicians are registered in the Politicians' private interest register¹⁷⁹. Private persons' data are public and published on the COEC website or obtained from the COEC upon its motivated decisions. The Private Interest Register should be established to ensure the publicity of the civil servants' private interests data. Also, the efficiency of civil service ethics standards should be ensured by the 2011 05 01 provision stipulating that each institution must publish information on the gross violations of the service and the imposed fines for them on their website. Administrative case-law¹⁸⁰ establishes an important provision that COEC has no authority to assess a person who have left the civil service, their act of compliance, although their actions during service broke the law. Such a position was formulated following the analysis of the rule of law in public law and the principles of legal certainty, also the analysis of the Public and Private Interests in the Public Service Law¹⁸¹.

Lithuania under the UN convention has a duty to ensure the protection of the whistleblowers, however the respective provisions are implemented only in the area of the criminal law. The protection of the whistleblowers is not regulated separately either in civil service or in the area of labour relations, even though the relevant legal acts have been drafted¹⁸².

¹⁷⁷ Ruling of the supreme administrative court of Lithuania, 24 August 2009, a/b No. A-438-914-09.

¹⁷⁸ Civil Service Department of the Lithuanian Ministry of Interior Civil Service Law and related enforcement and implementation of the 2010 report. Internet access: <http://www.vtd.lt/index.php?-1475748911>.

¹⁷⁹ Law on the Code of Conduct for state Politicians, Article 5, part 3. Žin., No 102-3938, 2006.

¹⁸⁰ Lithuanian Supreme Administrative Court 1 February 2008 Ruling in the administrative case No. A765-55 / 2008; Lithuanian Supreme Administrative Court 9 July 2009 Ruling in the administrative case No. A556-749 / 2009.

¹⁸¹ Lithuanian Supreme Administrative Court in 27 June 2011 order in the administrative case No. A662-2406 / 2011.

¹⁸² On 30th March, 2004 "Draft Law on Protection of Whistleblowers" was registered (No. IXP-3374), but it is still not passed by the Seimas.

2.2.6 Integrity (practice)

To what extent is the integrity of members of the executive ensured in practice?

Score: 75/100

Legal regulation stipulating the standards of ethics has not demonstrated systemic problems in practise. In 2010 the COEC carried out 251 surveys (in 2009 – 226 surveys) on the central and local executive branch levels and adopted 78 decisions on the compliance to the Law on the Adjustment of Private and Public interests in Public Service. In 37 cases the Commission found the violations (in 2009 – 58 cases). The growing number of such investigations demonstrates that the more intense control of the executive power is being established. One should note that in half of all the COEC decisions (49%) the compliance of the politicians' actions (in central and local executive institutions) was assessed since apart from the COEC no other institution is entitled to carry out investigations on the behaviour of the state officials.

Here the case law is important as in 2010 almost half of all COEC negative decisions (19) were appealed against in administrative courts¹⁸³, in 30% of the cases the courts and the COEC decisions were the same¹⁸⁴.

“The Revolving door” principle¹⁸⁵ in practise does not cause any problems as the movement of the staff between the private and public sector is minimal. The return to the public sector is observed only in senior posts or in the posts where political support is needed¹⁸⁶. The division of political-legal accountability between the PM, the President and the Seimas quite efficiently ensures the liability to the highest and lower executive branch civil servants for their decisions favourable to the private business. Criminal and official liability proceedings are initiated against such persons and they are removed from their office. In 2010 there were around 700 pre-trial investigations initiated for corruption, however, for the activities related to bribery only 18 persons were imprisoned (6 - for taking of a bribe and 12 – for offering a bribe). There were registered 65 cases of bribery in Lithuania in 2007 (13.3 per cent less than in 2006), 383 bribery cases (2.8 per cent less than in 2006.), 275 abuse cases (15.6 per cent less than in 2006)¹⁸⁷. At the end of the restrictions for an employment contract, supervision of compliance was obligatory only for COEC. Control of these restrictions can be carried out for ethical requirements enshrined in certain provisions, that are set for some professions (eg., lawyers, auditors, and private companies).

2.3.1 Public Sector Management (law and practice)

To what extent is the executive committed to and engaged in developing a well-governed public sector?

¹⁸³ Annual Report of the COEC, 2010. P. 17. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.

¹⁸⁴ 5 complaints about the decisions of COEC were denied, 1 was complied (COEC appealed it), 3 were partly complied.

¹⁸⁵ According to the "revolving door" principle, when the executive civil servants start to work at the private sector, this can often result in conflict of interest with the previous duties.

¹⁸⁶ Author's interview with the expert of the PPMI, 29 June 2011.

¹⁸⁷ The Seimas of the Republic of Lithuania 14 May 2009 Resolution No. XI-259 “On the resolution of the Seimas “On the Lithuanian National Anti-Corruption Programme“ for replacement“. Žin., 2009, No. 60-2346.

Score: 50/100

The management of the executive branch activity is based on the principle of responsible governance¹⁸⁸, which is specified in the Law on Public Administration. The management of the executive is carried out by the Government and the Minister of the Interior, the management function of the civil service is vested with the Civil Service Department under the Ministry of the Interior. This Department monitors the work of the entire civil service system, manages the civil servants' register and information system: ensures uniform career planning and professional development system of the staff working in civil service and civil servants; approves the training programmes for civil servants and supervises them. In individual executive institutions the internal management is organised by the head of the institution who has a wide discretion in the decision making process in terms of the staff, its structure and the division of functions. The President, the PM, individual Ministers or the heads of other executive institutions have a right in accordance to the procedure set in the laws to select the staff (civil servants of political confidence and career civil servants), to recruit and dismiss them; to establish functions and to organise their work with the aim to carry out the functions established for that particular institution¹⁸⁹. The work in an individual institution is organised with regard to the strategic business plan of that institution, whereas the work of an individual employee is carried out in accordance to an individual business plan¹⁹⁰. The direct head can also apply disciplinary measures and incentives to the staff.

In practise one may observe insufficient executive branch attempts to increase the efficiency of the Executive. The Government calls itself a "saving Government" (www.lrv.lt), therefore the use of financial incentives to improve management at the times of crisis is very limited. The improvement of the executive branch management is carried out under the Executive Branch Composition Improvement Concept¹⁹¹ and the Measure Plan till 2011 which focuses on the transparency and accountability of the government, the monitoring of the system itself and the "citizen-user"¹⁹² concept. State Governance Improvement Commission helps to implement the Government Work Programme's reforms of public administration (Sunset Commission)¹⁹³. Commission provides suggestions for the improvement of strategic planning, budgeting, institutional framework of the state, civil service, public service sector structural reforms and efficient management of state property.

2.3.2 Legal system

To what extent does the executive prioritise public accountability and the fight against corruption as a concern in the country?

Score: 75/100

¹⁸⁸ „Responsible government principle“ formulated in Constitutional Court practice is wider concept than „right to good administration“.

¹⁸⁹ The Ruling of the Constitutional Court of the Republic of Lithuania on 23th November. Žin., No. 101-2916, 1999.

¹⁹⁰ Since 1 January, 2011 the method of civil servants assessment was changed. Each civil servant has an annual individual business plan, he and his direct head are responsible for the implementation of that plan.

¹⁹¹ Concept for the Improvement of the Framework of the Executive system of the Republic of Lithuania, 11 November, 2009, No. 1511. P. 54.

¹⁹² The same as in private business, the public sector also has „Citizen-user“ satisfaction index.

¹⁹³ State Management Improvement (Sunset) Commission 2010-2011 report. Internet access: <http://www.lrv.lt/bylos/veikla/veiklos-ataskaitos/saulelydis-final.pdf>.

In recent years the improvement in the legal system regulating fight against corruption and prevention has been ongoing. In recent years, the executive initiative developed legal regulation in order to improve the prevention of corruption in the area. The Law on Corruption prevention was supplemented¹⁹⁴, the National Anti-Corruption Programme was updated¹⁹⁵. The surveys on corruption carried out in different areas construction (TILS, January 2008), public procurement (TILS, 2005; SIS, October 2008), medical services (TILS, April 2007) and the Corruption Perception Index (CPI) demonstrated that the fight against corruption should be continued. Lithuania's Corruption Perceptions Index in 2011 was 4.8 points¹⁹⁶. Lithuania is 22 out of the 30 EU Member States and other Western European countries¹⁹⁷. SIS constantly carries out corruption risk analyzes and in 2010 there were carried 5 such analyzes and in 2011 – 4. On the basis of these risk of corruption analyzes, separately ministries or bodies to ministries, or the efficiency of their programs and individual municipalities are investigated¹⁹⁸.

On 16 June 2011, revised National Anti-corruption program was started to implement. Program is designed for the period from 2011 to 2014 and provides more than 90 preventive measures. Most of them are designed for the transparency of the executive domain. The new program focused on tangible and measurable results, also clearer criteria from the expected results are identified. For example, in order to increase the transparency and control of the procurement organization and improve business environment, at least 80 per cent of procurement will be transferred to the electronic space. In order to ensure transparency in the legislative field, all draft regulations will be made public, society will see their promoters and initiators. As a result after fully automating the assignment of cases to judges and after the introduction of electronic files institute in 2013 judicial processes should get faster (respectively The Republic of Lithuania Administrative Proceedings Law and Code of Civil Procedure altered with effect from 1 October 2011). This should increase the transparency of judiciary and public confidence. The program aims to reduce business maintenance and regulatory burdens – institutions of business maintenance control for low-risk should be reduced not less than 25 per cent, also it is necessary to simplify an issue of permits (licenses) and eliminate duplication of supervisory functions. As a result, the length of land-use planning treatments reduces 50 per cent (in 2010 the length of procedures was 12 months) and decreases the number of the documents. In addition to these priorities, the program places a lot of emphasis on health care, public servants, education of anti-corruption and responsibility for rights abuses. In the executive branch system anti-corruption policy is carried out in different directions. The aim is to reduce bureaucracy, improve public management system and the transparency of public administration procedures, so clear institutional subordination and coordination relations are being established. In 2009 with the aim to reduce bureaucracy the Government set *The Sunset Commission* that reviews the institutional organisation of the executive branch, has decided to privatise some of the public functions or reorganise individual institutions. The Government has drafted new concepts for the Law on Civil Service and Statutory Civil Service that provide for the promotion of mobility between the private and public sectors, enable to cut the monopolisation of the decision-making and reduce the threat of corruption factors.

¹⁹⁴ Lithuania Law on Prevention of Corruption. Žin., 2002, No. 57-2297 (with later amendments and additions).

¹⁹⁵ Redaction of the Ruling of the Seimas on 14th May, 2009. No. XI-259.

¹⁹⁶ 10 points - a very transparent, 0 - highly corrupt country, see. Transparency International Lithuania Chapter, Corruption Perceptions Index 2011. 1 December 2011. Internet access: http://www.transparency.lt/new/images/ti_ksi_2011.pdf.

¹⁹⁷ Ibid.

¹⁹⁸ See: Special Investigation Service of the Republic of Lithuania. *Corruption risk analysis*. Internet access: <http://www.stt.lt/lt/menu/korupcijos-prevencija/korupcijos-rizikos-analize/>.

On the institutional level the main institution in fight against corruption and corruption prevention is the Special Investigation Service (hereinafter (SIS)). On the central level of the executive branch there is the Inter-institutional Commission that coordinates the fight against corruption¹⁹⁹, headed by the Minister of Justice. This Commission carries out the assessment of anti-corruption monitoring in the state and municipal institutions. The anti-corruption monitoring is carried out by the SIS, that provides the data to the Commission twice a year. The Inter-institutional Commission informs the Seimas, the President and the Government on the implemented the National Anti-corruption Programme measures. All the information on the implementation of the programme and the findings of the Programme Efficiency Monitoring are published on the SIS website. On the central level next to the PMM from 2009 works Anti-corruption group that provides the proposals to the PM on the reduction of preconditions for corruption. On the second executive branch level from 2004 the special divisions or the “hot lines” are being established on the institutional level to carry out corruption prevention and control function²⁰⁰.

In public space the highest executive officials often talk on corruption issues (for ex. annual report of the President, Government activity reports, the addresses of the Minister of Justice), they identify the most relevant preconditions for the emergence of corruption and propose for the ways to reduce it. In 2010 President in the Annual the report identified the problem as a “raging corruption“, submitted a proposal to increase penalties for corruption offenses, stressed that “only an individual intolerance for corruption can expel it from our lives“. In 2009 Government’s Activity Report to the Seimas indicated that while there are some good estimates, still remains a lot of challenges in this area. Justice Minister promises to achieve that in a few years those granting medical bribes will reduce by half and promises to legalize medical premiums in medical care²⁰¹. According to the Minister of Justice, it is necessary to expand central purchasing system in the sphere of public procurement, also to eliminate provisions allowing municipalities without a tender to buy services from their “own“ companies, to ensure that they do not buy expensive items or products, that necessity is questionable. According to the minister, it is also necessary to ensure greater transparency and objectivity of decisions, eliminating pointless rules in the planning of the construction and spatial sphere²⁰². Currently the legislation relating to the reduction of corruption, changes. In December 2010 there was adopted amendments of the Criminal Code²⁰³, which criminalized illegal enrichment and regulated extended confiscation. Since 1st January 2012 new revision of the Law on Funding of Political Parties and Political Campaigns, which prohibits private sponsors to finance political parties, came into force. It is also important to mention the amendments of the Law on Public Procurement, on purpose to reduce risk of the non-transparent procurement.

¹⁹⁹ National Anti-Corruption Programme, 17 January 2002. Žin. 2002, No. IX-711. P. 15.

²⁰⁰ 19 May 2004 Government Resolution No. 607 approved the units and individuals, state or municipal institutions engaged in corruption prevention and control activities and cooperation rules 3 p. Žin., 2004, No. 83-3015.

²⁰¹ “R. Šimašius: corruption can be reduced by validation of premiums.“ *Delfi.lt*, 6 January, 2011. Internet access: <http://www.delfi.lt/news/daily/Health/rsimasius-korupcija-galima-mazinti-iteisinantpriemokas.d?id=40478795>.

²⁰² “R. Šimašius: solution of corruption problems - better, but still a long way to good.“ *Ekonomika.lt*, 29 October 2010. Internet access: <http://www.ekonomika.lt/naujiena/r-simasius-korupcijos-problemu-sprendimas-geriau-bet-iki-gerai-dar-toli-1277.html>; “R. Šimašius: corruption cannot be cancel just by strict penalties.“ *15min.lt*, 13 July 2010. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/rsimasius-korupcijos-grieztomis-bausmemis-nepanaikinsime-56-107113#axzz1lbQXTN00>; “R. Šimašius: searching for good solutions in municipalities“. *Teisingumas.lt*, 18 February 2011. Internet access: <http://www.teisingumas.lt/naujienos/straipsniai-interviu/r-simasiusgeru-sprendimu-savivaldybese-paieskos>.

²⁰³ Criminal Code of the Republic of Lithuania, Law of Amending Articles 3, 67, 72, 190 and Supplementing the Code 72, 189. Žin., 2010, No. 145-7439.

3. Judiciary

Jolanta Samuolytė

Summary

Legislation provides for the independent and impartial work of judges; in practice however, the effective work of judges is hindered by reduced funding from the state, the growing workload (especially for district court judges), a considerably low degree of legal awareness among the public, lack of trust in courts and implementation of court rulings in highly publicised cases, and the attempts of politicians to influence the work of judges.

Lack of trust in courts is mainly related with ineffective dissemination of information about the courts and their activity, which creates a favourable environment for negative stereotypes about courts to be formed among the public. Since 2010 attempts have been made to solve this problem by implementing a plan to make courts open to the public. With the aim of ensuring the transparency of the court system, members of the public have been involved in the activity of courts, specifically in the Selection Commission of judges and the Judicial Ethics and Discipline Commission. An institution of lay judges, which would enable the public to contribute to the rendering of judgements, has not yet been established.

JUDICIARY Total pillar score: 69/100			
	Indicator	Law	Practice
Capacity 63/100	Resources	75	50
	Independence	75	50
Governance 75/100	Transparency	100	50
	Accountability	75	50
	Integrity mechanisms	100	75
Role 63/100	Executive oversight	75	
	Corruption prosecution	50	

Structure and Organisation

The main provisions on courts are entrenched in the Constitution of the Republic of Lithuania²⁰⁴. The structure and competence of courts are established by the Law on Courts of the Republic of Lithuania²⁰⁵.

²⁰⁴ The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014. Law on Courts. Žin., 1994, No. 46-851.

²⁰⁵ Law on Courts of the Republic of Lithuania. Žin., 1994, No. 46-851

The legal system of Lithuania is composed of courts of general jurisdiction and specialised courts. The Constitutional Court of the Republic of Lithuania ensures the supremacy of the Constitution over legal acts passed by government institutions²⁰⁶.

The system of courts of general jurisdiction is composed of a three-tier system that comprises courts of first instance, courts of appeal, and courts of cassation. It is composed of 54 district courts, 5 regional courts, the Court of Appeal of Lithuania, and the Supreme Court of Lithuania. Courts of general jurisdiction deal with civil and criminal cases. When hearing a civil case, a court of general jurisdiction can also decide on the legality of an individual administrative act²⁰⁷.

There is a two-tier system of special administrative courts in Lithuania that is composed of 5 regional administrative courts and the Supreme Administrative Court of Lithuania. Administrative courts hear administrative cases and disputes arising from administrative legal relations.

The independent and autonomous Constitutional Court of the Republic of Lithuania decides whether laws and other legal acts adopted by the Seimas are in conformity with the Constitution, and whether acts adopted by the President or the government of the republic are in compliance with the Constitution and the laws.²⁰⁸

The Judicial Council is an executive institution ensuring the independence and autonomy of courts and judges²⁰⁹. Courts are served by the National Courts Administration (hereinafter NCA)²¹⁰, which is funded by the state budget²¹¹. The National Courts Administration is restructured, reorganised, or dissolved under the procedure prescribed by law²¹². Since the law does not provide the possibility of an individual constitutional petition, individuals with inquiries of a personal nature cannot apply to the Constitutional Court.

Capacity

3.1.1. Resources (law)

To what extent are there laws seeking to ensure appropriate salaries and working conditions of the judiciary?

Score: 75/100

Guarantees of the autonomy of judges are entrenched in rulings of the Constitutional Court²¹³.

The law provides for remuneration of judges and the right to a state pension. The wages fund for remuneration of judges is annually approved by the Seimas in the Law on the Budget. Remuneration and additional payments for judges are determined on the basis of this fund. The amount of remuneration and the procedure for its calculation are determined by the Law on the Remuneration of Judges²¹⁴. Remuneration of judges consists of the basic

²⁰⁶ Law on the Constitutional Court of the Republic of Lithuania. Žin., 1993, No. 6-120.

²⁰⁷ Ibid., Article 12, part 3.

²⁰⁸ The Constitution of the Republic of Lithuania, Article 102, part 1.

²⁰⁹ Nacional Courts Administration, Judicial Council. Žin., 2002, No. 31-1130. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-taryba/teismu-savivalda-teiseju-taryba-apie>.

²¹⁰ Law on the National Courts Administration. Žin., 2002, No. 31-1130.

²¹¹ Nacional Courts Administration, *About Administration*. Internet access: <http://www.teismai.lt/lt/administracija/apie-administracija/?type=0>.

²¹² Law on the Constitutional Court of the Republic of Lithuania. Žin., 1993, No. 6-120.

²¹³ Ruling of the Constitutional Court of the Republic of Lithuania on 12th July, 2001.

²¹⁴ Law of the Republic of Lithuania on salaries of judges. Žin., 2008, No.131-5022.

salary for their position and additional payments for the years served for the State of Lithuania. Judges salaries are not indexed.

The Constitutional Court has stipulated that it is prohibited to cause deterioration in the working conditions of the financial and technical activity of the courts as established by the law. If economic and financial conditions in the state have deteriorated, the Seimas can revise the conditions of the financial and technical activity of the courts²¹⁵. The Constitutional Court has also stipulated that if remuneration of judges is reduced temporarily due to a difficult economic situation, this must not hinder the implementation of justice²¹⁶, and taking into consideration that a judicial position is incompatible with any other positions or activities, the State is obligated to settle remuneration and social guarantees adequate to the dignity and professional status of a judge²¹⁷. Judges who disagree with a reduction in remuneration or other social guarantees can defend their rights and legitimate expectations in court²¹⁸. Moreover, the Constitutional Court has declared that when judges performing their legal duties have to work overtime, on their day off, or on public holidays and are not remunerated or are remunerated inadequately, this contradicts the right of a person to receive fair pay for work as specified in Article 48 (1) of the Constitution²¹⁹.

Judges have the right to a state pension. The procedure and conditions for the allocation of this social guarantee are provided for by a special law²²⁰. The state pension for judges is paid by the state budget²²¹ and is awarded until their death. Courts finance their activity from resources received from the state budget²²². Each court has a separate budget. Preliminary draft budgets of courts are sent to the National Courts Administration, which in turn submits them to the Judicial Council for consideration, which upon approval submits them to the Cabinet of Ministers. After consideration, this governing body submits a draft of the annual budget to the Seimas for its approval. The law does not provide for a minimum percentage of the state budget to be allocated to the judiciary. The law does however provide that the state must ensure adequate working conditions for judges and courts. The law stipulates that material and technical support for courts has to correspond with the advancement of science and technology as allowed by the economic resources of the State²²³. This responsibility of the state has to be carried out by the National Courts Administration, which organises and ensures centralised material support for courts in accordance with the law²²⁴. The material and technical support of each court has to be organised and implemented by the court chancellor in accordance with approved cost outlays²²⁵.

²¹⁵ Ruling of the Constitutional Court of the Republic of Lithuania on 28th March, 2006. Žin. 31 March 2006, No. 36-1292; Law on Courts, Article 11, part 3.

²¹⁶ Ruling of the Constitutional Court of the Republic of Lithuania on 12th July, 2001.

²¹⁷ Ibid.

²¹⁸ Ruling of the Constitutional Court of the Republic of Lithuania on 22th October 2007. Žin., 25 October 2007, No. 110-4511.

²¹⁹ Ruling of the Constitutional Court of the Republic of Lithuania on 14th February, 2011. Žin., 17 February 2011, No. 20-967.

²²⁰ Law on state pensions for judges. Žin., 2002, No. 73-3088

²²¹ Ibid., Article 2.

²²² Law on Courts, Article 126; Law on the state Budget, article 4, part 3, clause 3.

²²³ Law on Courts, Article 11, part 2. Žin., 2004, No. 2-27.

²²⁴ Law on Courts, Article 124, part 2, clause 5.

²²⁵ Law on Courts, Article 128, part 1.

3.1.2. Resources (practice)

To what extent does the judiciary have adequate levels of financial resources, staffing, and infrastructure to operate effectively in practice?

Score: 50/100

Due to the financial crisis, the financing allocated by the state to courts has been reduced and is insufficient to ensure the effective and smooth work of courts and has reached the point that it is difficult to ensure the work of courts in general.

Financing allocated to courts was reduced from LTL 202,535,000 (USD 81,014,000) in 2009 to LTL 177,041,000 (USD 70,816,000) in 2011 from which LTL 122,610,000 (USD 49,044,000 ²²⁶) was allocated to pay for work. Most courts have debts. The debt of courts for goods and services amounted to LTL 919,400 (USD 367,700) on 31 December 2010. Courts were forced to apply certain measures to save money: employees had to take unpaid days off, new employees were not recruited to temporarily available positions, and employees were not paid bonuses or additional payments for temporarily filling in for colleagues during sick leave or holidays. Moreover, the amount of money allocated for public utilities such as heating, electricity, telephony, stationery, etc. was reduced. On 31 December 2010, 32 courts were indebted to their employees²²⁷. A representative of the administrative court system believes that the state subsidies are not enough to make both ends meet and that by the end of 2011 the Supreme Administrative Court of Lithuania may run out of money to pay judges²²⁸. The law does not allow judges the possibility to take part in the approval of the state budget, i.e. the law does not provide for the possibility of the Judicial Council upon submission of preliminary budgets to the government to defend them when adopting the final state budget or when the Seimas deliberates or approves it.

Regardless of the financial difficulties, in 2010–2011 the remuneration of judges in Lithuania remained stable and went up slightly for most judges due to the additional payments for years serving the state²²⁹. In the first quarter of 2011, the average net salary was LTL 6,265 (USD 2,506) in the Supreme Court of Lithuania, LTL 6,087 (USD 2,484) in the Supreme Administrative Court, LTL 5,574 (USD 2,275) in the Regional and Regional Administrative Courts, and LTL 4,483 (USD 1,793) in the district courts²³⁰.

Remuneration of judges in comparison with the minimum wage²³¹ (LTL 678 (USD 271)) and the average wage (LTL 1,702 (USD 680))²³², is quite high, but an expert states²³³ that if we consider the growing workload of judges (e.g. in 2010 one district court judge heard about 76 cases²³⁴), the responsibility placed on judges and the remuneration paid to successful attorneys at law, which can be as high as LTL 15,000 (USD 6,000) per month and is three times more than remuneration of district and regional court judges and more than

²²⁶ Written Information given by Milda Grajauskaitė, Chief specialist at National Courts Administration, Analysis of Judicial Activities Division, 25 November, 2011.

²²⁷ National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, section 4 „Courts Funding“, P. 9. Internet access: http://www.teismai.lt/dokumentai/apzvalga_2010_88_psl.pdf.

²²⁸ Author's interview with the judge of the supreme Administrative Court of Lithuania, 27 september 2011.

²²⁹ Nacional Courts Administration, salaries of the judges 27 September 2011. Internet access: <http://www.teismai.lt/lt/teisejai0/teiseju-atlyginimai/>.

²³⁰ Ibid., Internet access: <http://www.teismai.lt/lt/teisejai0/teiseju-atlyginimai>

²³¹ Ministry of social security and Labour of the Republic of Lithuania, Remuneration for work, Internet access: <http://www.socmin.lt/index.php?1452431613>.

²³² Department of Statistics, Internet Access: <http://www.stat.gov.lt/lt/news/view/?id=6819>.

²³³ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

²³⁴ National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, P. 5.

the remuneration of judges of the Supreme Court of Lithuania, the current remuneration of judges is not motivational and is insufficient to absolutely ensure the independent and effective work of judges²³⁵. The considerably low remuneration of judges does not attract young lawyers with high qualifications to choose the profession of a judge²³⁶. A representative of the judicial system has the opinion that the remuneration of judges is insufficient and even critically low²³⁷. Another expert emphasises that the difference in the remuneration of judges in the highest and lowest positions should not be so sharp since all judges work hard and responsibly; therefore remuneration in courts of a particular instance should not differ considerably from remuneration in courts of other levels²³⁸.

Due to the lack of information, the public has the erroneous opinion that judges are paid a large amount of money²³⁹. Insufficient information enhances negative stereotypes and distrust in the court system²⁴⁰. Although the National Courts Administration publicly announces information about the remuneration of judges on its official website, only a small part of the public is likely to be aware of this institution and the public information it publishes.

According to the NCA, the pensions of former judges were reduced in 2010–2011 (in the third quarter of the year from LTL 901.38 (USD 360) to LTL 796.83 (USD 318)²⁴¹. According to the NCA, this reduction is related to a provision in the law stating that the state pension of judges cannot be more than 1.3 times the average wage in the previous quarter in the state as announced by the Department of Statistics. Since the average wage decreased, state pension of judges decreased as well²⁴².

Judges are eligible to develop their professional qualifications through participation in seminars organised by the NCA Training Centre²⁴³. The scope of the seminars organised by this centre in recent years does not reflect the need for training on drafting procedural court rulings, with an emphasis on their comprehensibility for laypeople, or on how to avoid a conflict of interest in the work of a judge. The need for such seminars has been noted by one expert, who emphasises that courts apparently enjoy the strict academic legal language, which is often very difficult for a layperson to understand and too little attention is paid to the clarification of the motives for the decisions passed²⁴⁴. The NCA is planning to fill this gap in 2012 by organising training for judges on drafting rulings in civil cases and formulating resolutions²⁴⁵.

In accordance with the law,²⁴⁶ the court administration has to be managed by the chancellor, but this position has not been established in all courts²⁴⁷. Most management

²³⁵ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

²³⁶ Ibid.

²³⁷ Author's interview with the judge of the supreme Administrative Court of Lithuania, 27 September 2011.

²³⁸ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²³⁹ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

²⁴⁰ Ibid.

²⁴¹ National Courts Administration, *State Pensions or Judges*. Internet Access: <http://www.teismai.lt/lt/teisejai0/teiseju-valstybines-pensijos>.

²⁴² Written Information given by Chief specialist at National Courts Administration, Analysis of Judicial Activities Division, 25 November, 2011.

²⁴³ Internet Access: <http://www.tmmc.lt/lt>. Resolution No. 949 Adopted by the Government of the Republic of Lithuania on 17th August, 2011, which transferred the rights and duties of the founder of the Training Centre (Ministry of Justice) to the National Courts Administration.

²⁴⁴ Author's interview with representative of the Human Rights Monitoring Institute, 27 September, 2011.

²⁴⁵ Written Information given by Chief specialist at National Courts Administration, Analysis of Judicial Activities Division, 25 November, 2011.

²⁴⁶ Law on Courts, Article 106, part 2 and article 128, part 1.

issues (such as recruitment and dismissal of employees and civil servants, management of certain administrative and financial activities) therefore have to be dealt with by the president of the court, and the work of the judge is compounded. At the moment, the law provides for the establishment of the position of court chancellor in each court from 1 January 2012, but it is unclear whether this provision will be implemented since in 2011 amendments to the law were submitted to the Seimas, which seeks to postpone the establishment of this position until 2013²⁴⁷. An expert emphasises that Lithuania in this respect stands behind the developed democratic states, where internal court administration is dealt with by professional managers (chancellors); meanwhile in Lithuania this institution is taking its first steps only²⁴⁹.

Judges can go abroad to improve their professional knowledge at international seminars or conferences. A representative of the judiciary says that courts have very limited budgets for this activity, however. Besides, older judges often have problems overcoming language barriers²⁵⁰.

Courts also have to cope with a lack of staff. Courts, especially district courts, lack judges and assistant judges. In 2010, there were eight vacant positions in district courts, two in regional courts, and two in regional administrative courts²⁵¹. Courts also need assistant judges. In 2010 there was a lack of 192 assistant judges in district courts, 34 in regional courts, and 8 in regional administrative courts²⁵². There is also a lack of session secretaries and a huge turnover of staff²⁵³. A representative of the judiciary states that the small amount of staff in courts is one of the major problems in the judicial system²⁵⁴, and when that problem is solved it will be easier to ensure the effective work of the courts²⁵⁵. Courts in Lithuania have installed LITEKO, an informational system that is used to publicise procedural rulings and for the internal administration of the work of the court.

3.1.3. Independence (law)

To what extent is the judiciary independent by law?

Score: 75/100

Guarantees of the independence of the courts and judges are entrenched in the Constitution, the Law on Courts, and other legal acts²⁵⁶. The state utilises an advanced procedure to appoint judges, and the role of the public has been enhanced by involving representatives from the public in the Selection Commission of Judges.

²⁴⁷ Chancellor position is established only in part of the biggest courts of the country: in Vilnius, Kaunas district courts, Vilnius administrative court, Lithuanian Court of Appeal, the Supreme Administrative Court and the Supreme Court of Lithuania. Chancellor Positions established at Klaipeda district court, but it is not busy.

Other courts don't have chancellor position. Written Information given by Milda Grajauskaitė, Chief specialist at National Courts Administration, Analysis of Judicial Activities Division, 25 November, 2011.

²⁴⁸ The Seimas of the Republic of Lithuania. "The proposed one-year postponement of Registrar's of the Court validation", 8 November 2011. Message VIR (the plenary). Internet Access: http://www3.lrs.lt/pls/inter/w5_show?p_r=4445&p_d=117347&p_k=1.

²⁴⁹ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²⁵⁰ Author's interview with judge of the supreme Administrative Court of Lithuania, 27 September 2011.

²⁵¹ National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, Information about the number of judges. P. 7.

²⁵² National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, section 3, Information about assistants to the judges, P. 7.

²⁵³ Consultation with Member of the advisory group, 25 November 2011.

²⁵⁴ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²⁵⁵ Ibid.

²⁵⁶ Guarantees of the independence of the courts and judges are widely discussed in the jurisprudence of the Constitutional Court of the Republic of Lithuania.

The law guarantees the stable activity of the Supreme Court of Lithuania (hereinafter SCL). The SCL is defined and entrenched in the Constitution and the Law on Courts. On exceptional occasions for a gross violation of the Constitution, breach of oath, or when it transpires that a crime has been committed, the president and justices of the Supreme Court may be removed from office by the Seimas according to the procedure for impeachment proceedings²⁵⁷. According to the Constitution, justices of the Supreme Court, as well as its president (who is chosen from among them), are appointed and dismissed by the Seimas upon the recommendation of the president of the republic. The judges of the Court of Appeals, as well as its president (who is chosen from among them), are appointed by the president of the Republic with the assent of the Seimas. The judges and presidents of local, regional, and specialised courts are appointed, and their places of work are changed, by the President of the Republic²⁵⁸. The Judicial Council advises the president of the republic on the appointment, promotion, and transfer of judges or their dismissal from office.

Judges in the Republic of Lithuania are dismissed from office according to the procedure established by law. Judges are dismissed when their behaviour discredits the name of the judge and when court judgements convicting them come into effect²⁵⁹.

Candidates to judicial office are appointed in accordance with the requirements and the procedure provided for by law²⁶⁰. Candidates have to pass an examination for judicial candidates. A person having doctor of social sciences degree is exempt from the examination. This exemption is criticized by one expert, who claims that people possessing a doctorate of social sciences in law should not be exempt from the examination since it is necessary to ensure the widest legal outlook possible rather than a narrow specialisation²⁶¹. The Selection Commission formed by the president helps select candidates from the list compiled by the NCA²⁶². A member of the Selection Commission²⁶³ and an officer from the STT (Special Investigation Service)²⁶⁴ believe that alongside professional requirements, the candidate's personal traits, such as resistance to stress and external pressure, should also be evaluated, and that the practice of other countries cognitive psychological tests could be applied²⁶⁵. In addition to professional requirements for applicants to the judges, the law provides for the requirement to be of good repute²⁶⁶. By law, a person is not considered to be of good repute if, for example, he was dismissed from the judge's, prosecutor's, lawyer's, notary's, bailiffs police and internal affairs employee's office or from the civil service for professional or career violations, if the period after the violations is shorter than 5 years²⁶⁷. It is questionable whether after five years after the person was dismissed from an office for a professional or career violations, he/she can automatically recover the loss of good repute.

The Selection Commission is composed of seven members who serve a three-year term. Three members of the Selection Commission have to be judges and the other four

²⁵⁷ Constitution of the Republic of Lithuania, Article 116.

²⁵⁸ Ibid. Article 112.

²⁵⁹ Ibid. Article 115, part 1, clauses 5 and 6.

²⁶⁰ Candidates for the positions of judges of local courts have to satisfy the requirements laid down by the Courts Act Section 51-52; candidates to the District Court judges – requirements of the Courts Act Article 66; candidates to the Court of Appeal and the Supreme Administrative Court judges – requirements of the Courts Act Article 67; candidates for the Lithuanian Supreme Court judges - the requirements of Judicial Code requirements Article 68.

²⁶¹ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²⁶² Law on Courts, Article 55.

²⁶³ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²⁶⁴ Head of the Administration Department, Special Investigation service, NIS study discussion with experts, 2 December 2011, Vilnius.

²⁶⁵ Interview with Henrikas Mickevičius, 27 september, 2011.

²⁶⁶ The Republic of Lithuania Law on Courts art. 51, part 1.

²⁶⁷ The Republic of Lithuania Law on Courts art. 52, part 2.

have to be representatives from the public. The members of the Judicial Council cannot be members of the commission. The Selection Commission carries out the selection orally²⁶⁸. When the selection of the candidates takes place, professional knowledge and skills, the capacity to apply theoretical knowledge and skills in practice, length of service as a judge, other quantitative and qualitative indicators of legal activity, observance of ethical requirements in professional and other activities, and the scientific and pedagogical work of every candidate is evaluated²⁶⁹. In addition, the opinion of the judges of the court where the judge works and where he is a candidate may be taken into account. Candidates selected by the Selection Commission are submitted to the president of the republic, who in turn submits the list to the Judicial Council for approval²⁷⁰. The candidates to a judicial office of the Supreme Court are selected and nominated by the president of the Supreme Court and then submitted to the president of the republic. This nomination is not binding on the president of the republic, however²⁷¹.

When a judge reaches the age of 65, his term of office expires²⁷². The law provides for strict limitations on the transfer of a judge while in office to other courts or appointment to a position in another court. The law establishes that a judge may be appointed to a court of a lower level or of a different jurisdiction only upon his consent²⁷³.

The law stipulates that while administering justice, judges may not be exposed to any political, economic, psychological or social pressure or any other unlawful influence that might affect their decisions²⁷⁴. Rallies, pickets, or any other actions of individuals or groups taking place at a distance closer than 75 meters from the court building or inside the court building and intended to influence a judge or the court are regarded as interference with a judge or the court²⁷⁵. Persons who, by act or omission, obstruct the course of justice by the court or exert unlawful influence on the course or outcome of a case can be held liable under the law²⁷⁶. No one is allowed to interfere with the activities of a judge or a court. Interference by institutions of state authority or governance, members of the Seimas or other officials, political parties, political or public organisations, or citizens is prohibited²⁷⁷. This prohibition is applicable to other judges working in the same court or a court of a higher instance in respect to the judge implementing justice²⁷⁸. Judges have immunity entrenched in the law. A judge may not be held criminally liable, arrested, or have his freedom otherwise restricted without the consent of the Seimas, or in the period between the sessions of the Seimas, without the consent of the president of the Republic of Lithuania²⁷⁹.

No one has the right to order a judge account for a decision rendered in a specific case²⁸⁰. Guarantees of the independence of the courts entrenched in the Constitution can be amended if the Seimas votes on these amendments twice²⁸¹. The Seimas has not sought to amend these guarantees yet.

²⁶⁸ Law on Courts, Article 55, part 6.

²⁶⁹ The Republic of Lithuania Law on Courts art. 55, part 7.

²⁷⁰ Ibid., Articles 56, 70, 71, 72. The President is not required to follow up the selected candidates to judicial row.

²⁷¹ Ibid., Article 73.

²⁷² Ibid., Article 57.

²⁷³ Ibid., Article 45, part 4.

²⁷⁴ Ibid., Article 3, part 3.

²⁷⁵ Ibid., Article 46, part 2.

²⁷⁶ Ibid., part 3.

²⁷⁷ Constitution of the Republic of Lithuania, Article 114, part 1.

²⁷⁸ Consultation with the member of the advisory group, 25 November 2011.

²⁷⁹ Constitution of the Republic of Lithuania, Article 114, part 2.

²⁸⁰ Law on Courts, Article 3, part 4.

²⁸¹ Constitution of the Republic of Lithuania, Article 148, parts 3,4.

To summarise the guarantees of the independence of judges as entrenched in the law, it is possible to claim that these guarantees ensure the institutional independence of judges and courts.

3.1.4. Independence (practice)

To what extent does the judiciary operate without interference from the government or other actors?

Score: 50/100

The independence of judges is ensured by their appointment in accordance with the requirements provided for by the law and dismissal on grounds provided for by the law²⁸². Several judicial institutions take part in the dismissal procedure for judges and evaluate their actions: the Commission for Ethics and Discipline, the Judicial Council, and the Judicial Court of Honour. When a judge contests his dismissal from judicial office he is entitled to appeal, within one month from the day of dismissal, to Vilnius Regional Court²⁸³. A justice of the Supreme Court and of the Court of Appeals may be removed from office by the Seimas in impeachment proceedings for a gross violation of the Constitution, a breach of the oath of office, or if it comes to light that the judge committed a criminal offence²⁸⁴.

It is not unusual for judges to be dismissed. In 2010 four judges (ou of 16 who were dismissed) were dismissed due to actions discrediting the name of the judge. In 2009 no judges were dismissed on these grounds²⁸⁵.

As already mentioned, judges cannot be dismissed because of the rulings they pass since they hear cases independently. The ruling of a judge can be appealed to a court of higher instance, but disciplinary proceedings cannot be started against a judge on the grounds of the point of law that he applied. A judge can be dismissed from office on the grounds of misconduct upon the initiation of disciplinary proceedings. After hearing the case, the Judicial Court of Honour can submit a proposal for dismissal from office to the president of the republic. The president is not obligated to consider this proposal, however.

In 2011 the Judicial Council passed a ruling²⁸⁶ under which a proposal to dismiss Judge N. V. from the Kaunas Regional Court was submitted to the president of the republic due to a highly publicised case, which in the public acquired the name of 'paedophilia case'. It was stated the judge publicly expressed disrespect and distrust in his colleagues and the courts, violating the code of conduct of a judge. The president of the republic did not consider the proposal for dismissal because she decided that the sanction to be imposed was not suitable²⁸⁷. After this decision, two judges of the Judicial Court of Honour voluntarily resigned from office in disapproval²⁸⁸.

The independence of judges and courts in practice is rated in different ways. The opinions of experts on this question differ as well. An elderly former judge thinks that

²⁸² Law on Courts, Article 90, part 1.

²⁸³ Ibid., Article 90, part 8.

²⁸⁴ Ibid., Article 91.

²⁸⁵ *National Courts Administration, Annual report 2009*. Internet access:

http://www.teismai.lt/dokumentai/bendroji_informacija/teismu%20veiklos%20apzvalga2009_aktuali.pdf.

²⁸⁶ Ruling of the Judicial Council, 18 April 2011, No. 21P-4.

²⁸⁷ „The President did not dismiss Venckienė from the office“, *Alfa.lt*, 21 April 2011, internet access: http://www.alfa.lt/straipsnis/11127659/Prezidente.Venckienes.is.pareigu.neatleido=2011-04-21_16-01/.

²⁸⁸ „After the decision of the President about N. Venckienė, two judges of the Judicial Court of Honour voluntarily resigned from the Office - Viktoras Kažys ir Stasys Gagys“, *BNS*, 29 April 2011. Internet access, <http://www.15min.lt/naujiena/aktualu/lietuva/po-prezidentes-sprendimo-del-neringos-venckienes-is-teiseju-garbes-teismo-pasitrauke-teisejai-viktoras-kazys-ir-stasys-gagys-56-148339#axzz1iZlxv3gq>.

most judges are still restrained by a Soviet mentality and do not feel internally free to pass independent rulings, regardless of the guarantees of independence entrenched in the law²⁸⁹. Another expert believes that the pillar of the independence of judges, which was formed under the judicial reform that started after Lithuania had regained its independence in 1990, has been damaged by external pressure in recent years²⁹⁰. In practice however, there are cases when courts, regardless of external pressure, have passed independent and daring rulings. For instance, on 7 May 2010 the Supreme Administrative Court of Lithuania passed a ruling that provided the opportunity to organise the first march of non-traditional sexual orientation in Lithuania, *Baltic Pride*, regardless of great pressure from Conservatives and the disapproval of members of the public²⁹¹. The ruling of the Constitutional Court of Lithuania passed on 28 September 2011 establishes that provisions of the conception of the state family policy adopted by the Seimas in 2008 contradict the Constitution²⁹². This court ruling was evaluated critically by the conservative public and disapproved of explicitly by some politicians²⁹³.

In the on-going highly publicised 'paedophilia case', the process of deciding on the living place of a girl exemplifies that some members of the Seimas and high officials express disrespect for the courts and try to influence court decisions²⁹⁴. Upon the request of members of the Seimas, the president of the republic requested the Judicial Council to evaluate the actions of the judge who had established the living place of the daughter of the claimant²⁹⁵. Some judges believe that this step discredits the state as a whole²⁹⁶. Due to the low degree of legal awareness among the public and lack of respect for and trust in courts²⁹⁷, people have gathered in crowds and are trying to implement citizens' justice in an open protest against the court ruling in the 'paedophilia case' to transfer the girl to her mother from her custodian, and these crowds are thus contributing to the noncompliance with the court

²⁸⁹ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

²⁹⁰ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

²⁹¹ "National Families and Parents Association issued an appeal for the "March for Equality"", Bernardinai.lt, 27 March 2010, <http://www.bernardinai.lt/straipsnis/2010-03-27-nacionaline-seimu-ir-tevu-asociacija-isplatinio-kreipimasi-del-eityniu-uz-lygybe/42590>; Eglė Digrytė. „Conservatives are being asked to cancel homosexual procession“, *Delfi.lt*, 28 April 2010. Internet Access: <http://www.delfi.lt/news/daily/lithuania/konservatoriu-prasoma-atsaukti-homoseksualu-eitynes.d?id=31615501>

²⁹² Constitutional Court of the Republic of Lithuania. Press release on 28th september, 2011.

²⁹³ BNS. "After the decision on the concept of family Adomėnas called The Constitutional Court junta", 29 September 2011. Internet access, http://www.alfa.lt/straipsnis/12562668/Po.sprendimo.del.seimos.koncepcijos.Adomenas.KT.pavadino.teisine.chunta=2011-09-29_10-10.

²⁹⁴ "The president on D. Kedys daughter's residence: the use of violence is intolerable", ELTA, 29 December 2011, <http://www.delfi.lt/news/daily/kedys/prezidente-apie-dkedzio-dukros-gyvenamaja-vieta-prievartos-naudojimas-netoleruotinas.d?id=53503507>; „I. Degutienė: teismo sprendimas dėl D.Kedžio dukros turi būti vykdomas, bet netraumuojant vaiko“, *Delfi.lt*, 1 January 2012, <http://www.delfi.lt/news/daily/kedys/idegutiene-teismo-sprendimas-del-dkedzio-dukros-turi-buti-vykdomas-bet-netraumuojant-vaiko.d?id=53612763>.

²⁹⁵ "The President asks the Judicial Council to evaluate the judge, who established the residence of D. Kedys daughter", ELTA, 29 December 2011, Internet Access: <http://www.delfi.lt/news/daily/kedys/prezidente-teisejuyarbos-praso-ivertinti-dkedzio-dukros-gyvenamaja-vieta-nustaciusi-teiseja.d?id=53503235>.

²⁹⁶ Right to Know ": what is the impact of failure to comply with the court decision on makes citizens, the judiciary and the entire legal system?" *Delfi.lt*, January 4, 2012 *Lrytas.lt*. Internet access: <http://www.lrytas.lt/13256796801324523160-teis%C4%97-%C5%BEinoti-koki%C4%85-%C4%AFtak%C4%85-teismo-sprendimas-nevykdymas-daro-pilie%C4%8Diams-teismams-ir-visai-teisinei-sistamai.htm>.

²⁹⁷ Survey of market and public opinion research company surveys *Baltic Surveys*, ordered by news agency ELTA in 2010, showed, that the population did not trust: the judiciary - 71 per cent. See. Seimas Resolution 16 June 2011. No. XI-1457, paragraph 9.2. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402151.

ruling²⁹⁸. The court ruling to transfer the girl to her mother has not been carried out even though the term has already expired²⁹⁹. The representative of the judicial system points out that in practice there are cases when politicians “are interested” in the development of cases³⁰⁰.

The question whether courts will remain independent of and resistant to external pressure from government officials, the media, and social groups depends mainly on the personal traits of each judge and his/her ability to resist external pressure, because all guarantees of the independence of their work are entrenched in the law.

The basis of the activity of the Supreme Court of Lithuania as laid down in the Constitution and the Law on Courts have remained stable and unchanged.

Governance

3.2.1. Transparency (law)

To what extent are there provisions in place to ensure that the public can obtain relevant information on the activities and decision-making processes of the judiciary?

Score: 100/100

When adjudicating cases, courts use the principle publicity, court rulings are publicly announced, and the public is informed of judicial practice. To ensure the independence of judges, the law specifies the mechanism for resignation/removal and judges have to declare their private interests and submit annual tax declarations of real property and income.

Court hearings are open to the public with exemptions provided for by law. A court hearing can be closed to the public only after the adoption of a reasoned decision. A closed court hearing may be held in order to protect the secrecy of the private or family life of a person or when a public hearing might disclose a State, official, professional or commercial secret.³⁰¹

Judges may not participate in the hearing of a case and must disqualify themselves if they are directly or indirectly interested in the disposition of the case or there are other circumstances providing reasons to doubt their impartiality³⁰². The disqualification of judges can be also initiated by the parties to the case. To ensure higher transparency of court hearings, the law provides for an electronic allocation of cases³⁰³. On 10 October 2008, the Judicial Council approved temporary rules for the allocation of cases via information technologies³⁰⁴. The rules were finally approved in 2011³⁰⁵.

²⁹⁸ Paulius Garkauskas, “L.Stankūnaitė were accepted with a prayer in Garliava“, *Delfi.lt*, 27 December 2011. Internet access: <http://www.delfi.lt/news/daily/kedys/lstankunaite-garliavoje-sutikta-malda.d?id=53402857>.

²⁹⁹ “The Court's ruling was not implemented – daughter of D. Kedys and L. Stankūnaitė stayed in Garliava on Friday“, 5 January 2012, *Lrytas.lt*. Internet access: <http://www.lrytas.lt/videonews/?id=13252512861323490617>.

³⁰⁰ “The candidate for President of the Supreme Administrative Court spoke about political pressure on the court.“ *Diena.lt*, 3 September, 2010. Internet access: <http://www.diena.lt.naujienos/lietuva/kandidatas-i-lvat-pirmininkus-prasneko-apie-politiku-spaudima-teismui-297075>.

³⁰¹ Code of Civil Procedure, article 9, Law on the proceedings of Administrative Cases, article 8, BPK 9 str.

³⁰² Law on the proceedings of Administrative Cases, article 47, part 1.

³⁰³ Law on Courts, Article 36, clause 10.

³⁰⁴ Judicial Council. Resolution 10 October 2008, No. 13P-178- (7.1.2) On the allocation of cases the use of information technology for temporary approval of the rules.

³⁰⁵ Judicial Council. Resolution 25 March October 2011, No. 13P-29-(7.1.2). Approval of the rules governing the allocation of cases to judges and judicial panels.

The procedure approved by the Judicial Council³⁰⁶ and the procedural rulings are announced on the NCA website. Procedural rulings of the Supreme Court of Lithuania and the Supreme Administrative Court of Lithuania are also announced on the websites of these courts. When it is technically possible in accordance with these rules, procedural rulings of the Court of Appeals of Lithuania, regional courts, and district administrative courts are published on the websites of those courts. Procedural rulings and other related information is published on the Internet via the courts' information system, LITEKO. The law states that all arguments on which the act is based should be set forth in the published final decision of the court³⁰⁷. Judicial officials have to enter court rulings into the LITEKO information system not later than within 5 working days after the entire procedural ruling has been drafted and comes into force and the decision to publish the procedural ruling on the Internet is adopted³⁰⁸. Rulings of the Constitutional Court are available on the website of the court, the Register of Legal Acts³⁰⁹, which is accessible to the public, and in *Valstybės žinios*³¹⁰.

Statistical data of the courts is announced in annual reports.

If court proceedings were open to the public, it is possible to become acquainted with the materials of the case in the court upon submission of a standard application form. The Constitutional Court of the Republic of Lithuania, the Supreme Court, and the Supreme Administrative Court of Lithuania issue information bulletins³¹¹.

In order to ensure that judges avoid conflict of private interest, they have to publicly declare their private interests³¹². These declarations are submitted to the Chief Official Ethics Commission (COEC) or are held by the court. Declarations of judges are publicly announced on the COEC website in accordance with the list of officials whose declarations have to be public as approved by the COEC³¹³. Besides, judges are obligated to fill in annual tax declarations of real property and income that have to be submitted to the State Tax Inspectorate³¹⁴.

Sessions of the Judicial Council, which is an executive institution ensuring the independence and autonomy of courts, are open to the public; agendas are announced in advance and are available on the Internet website of the NCA³¹⁵. Rulings adopted by the Judicial Council have to be announced on the Internet website of the NCA not later than within three days³¹⁶.

The Judicial Court of Honour hears disciplinary cases and petitions of judges against defamation publicly, except cases when a public hearing of the case might disclose a State, official, professional or commercial secret or the secrecy of the private life of a person.

³⁰⁶ Judicial Council. Resolution 9 September 2005, No. 13P-378. Procedure of courts judgement, rulings and orders publication online confirmation. See: The Judicial Council Resolution 25 March 2011, No. 13P-28-(7.1.2). With regard to procedures of courts judgement, rulings and orders publication online confirmation.

³⁰⁷ Law on Courts, Article 39, part 2.

³⁰⁸ Judicial Council. Resolution 9 September 2005, No. 13P-378. Procedure of courts judgement, rulings and orders publication online confirmation, paragraph 10.

³⁰⁹ The register of Legal Acts. Internet access: <http://tar.tic.lt/Default.aspx?Id=1>.

³¹⁰ Amendment of Law on Law of the Republic of Lithuania laws and other legal acts publication and of the entry into force, Article 3.

³¹¹ Law of the Republic of Lithuania on the proceedings of Administrative Cases, article 13; Law on Courts, article 27.

³¹² Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659, article 2.

³¹³ Chief Official Ethics Commission website. Internet access: www.vtek.lt.

³¹⁴ Law of the Republic of Lithuania on Declaration of the Property and Income of Residents, article 2. Žin., 2003, No. 123-5583.

³¹⁵ Law on Courts, article 121, part 8.

³¹⁶ Ibid., part 4.

In this case the Judicial Court of Honour announces only the parts of the rulings pertaining to the resolution³¹⁷. Information about the questions on the agenda of the Judicial Court of Honour is announced on the Internet website of the NCA not later than three days prior to the hearing. Information on the rulings adopted by the Judicial Court of Honour is announced on the Internet website of the NCA not later than 10 days after the hearing³¹⁸.

Rulings adopted by the Chief Official Ethics Commission in disciplinary cases that have entered into force are also announced by the NCA, except in cases when this might disclose a State, official or commercial secret or the secrecy of private life of a person³¹⁹.

Due to the importance of courts being open to the public, in 2010 the Judicial Council approved a plan to make courts open to the public³²⁰. This plan seeks to implement measures aimed to make communication with the public more active, disseminate information on the Internet, strengthen public relations, conduct target research, organise different events to present the activity of courts, and strengthen cooperation with non-governmental organisations, government institutions, the media, and educational institutions.

3.2.2. Transparency (practice)

To what extent does the public have access to judicial information and activities in practice?

Score: 50/100

Information on the institutions ensuring the autonomy of courts, commissions, courts, judges, and the selection process for judicial offices is announced on the Internet website of the NCA: www.teismai.lt. Users of this website can subscribe to NCA news free of charge. Although this trend is positive, the overall awareness of the public, as experts claim, remains low³²¹. Courts publish their annual reports on websites, but not all courts have their own websites.

Annual declarations filled in by judges are published in a special supplement to the publication *Valstybės žinios*³²².

Information on the agenda of courts is announced on the website of each court (not all of them) and on the general information system of courts in Lithuania, LITEKO³²³. The general court information system provides information on procedural rulings passed by courts: decisions, decrees, rulings, judgements, etc. The information system lacks selection criteria, however; for instance, it is not possible to find a court ruling according to a particular code or its provisions. At the same time, the information system INFOLEX, which charges users for the provision of information, provides such possibilities. In practice it is very difficult to find court rulings in the LITEKO system even after entering the specific number of the case. Residents have very limited possibilities to become acquainted with the rulings of courts of first instance. INFOLEX does not provide this possibility either. It's hard to find solutions on LITEKO judicial system, and even, for example, the introduction of a specific case number. Very often LITEKO gives the total number of procedural rulings of the court instead of the ruling which is being searched for. Due to the ineffective accessibility of

³¹⁷ Ibid., article 122, part 4.

³¹⁸ Ibid., article 122, part 5.

³¹⁹ Ibid., article 86, part 6.

³²⁰ Judicial Council. Resolution 17 December 2010, No. 13P-177 to (7.1.2). Resolution on the approval of the courts open to the public plan.

³²¹ Author's interviews with Henrikas Mickevičius, Vytautas Nekrošius.

³²² *Valstybės žinios*, announcements: <http://www.valstybes-zinios.lt/vpp3/lt/Docs.filesShow/2>.

³²³ LITEKO, Lithuanian Courts information system. Internet Access: <http://liteko.teismai.lt/tvarkarasciai>.

procedural rulings through LITEKO, lawyers usually opt for INFOLEX, but access to procedural rulings for the public remains limited. An expert criticises this situation and notes that the information system of courts of Lithuania is funded by the State, i.e. money that comes from taxpayers, and therefore a situation in which users have to pay another service provider when they pay for the maintenance of a similar state system is inherently defective³²⁴. According to the NCA, there are plans to improve LITEKO in the near future. A representative of the STT believes that with the goal of enhancing the transparency of courts LITEKO should also declare the relations of judges with attorneys; the judge who hears the case and the attorneys representing the parties should be declared in the information system because, as the representative believes, these relations very often go beyond neutral and professional communication³²⁵. It is notable that at the moment if a person suspects a judge of violating ethics requirements, he can petition the Commission for Ethics and Discipline.

There are no problems with the accessibility of information on the appointment, dismissal and transfer of judges since it is accessible to the public on the website of the NCA. Courts at the higher and supreme level have their own websites. The websites of regional courts of general jurisdiction provide information on district courts under the jurisdiction of the regional court. Out of five regional administrative courts, only the Panevėžys Regional Administrative Court does not have a website. The website of a court provides general information about the court; a report on the activity of the court; information on public procurements, payment, contacts, references, relevant legal acts; etc. Independent experts note that despite the information announced on the Internet there is a need for an effective educational campaign that would thoroughly inform the public about the possibility of getting information related to courts and judges³²⁶. This observation is relevant in relation to the fact that 59 % of residents of Lithuania had access to the Internet from home, according to the results of research done in 2010. Internet users are mainly people under 50 years of age who live in the major cities of Lithuania³²⁷. There is no research revealing how many residents of Lithuania were involved in court matters, but only a small percentage of residents involved in court matters is likely to have access to the Internet and be aware of how and where to find and use relevant information. In view of the TEO LT survey data, it must be held that efforts should be made to disseminate information about the courts and use other information tools, not just the Internet. that might benefit from the larger the population.

With the aim of ensuring the transparency of court hearings, court proceedings in Lithuania are recorded (stenographed), besides, they can be audio-recorded according to the procedure established by law.³²⁸ Parties involved in the proceedings and exercising their procedural rights may in accordance with the procedure laid down in procedural law make an audio recording of the court hearing³²⁹.

Transparency is also ensured by implementation of the aforementioned electronic allocation of cases in accordance with the procedure adopted by the Judicial Council. According to a representative of the NCA, under this procedure 95 % of cases are allocated automatically and 5 % manually³³⁰. An advisor to the prime minister claims that in

³²⁴ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

³²⁵ Author's interview with the Head of the Corruption Risk Division of the Special Investigation service, NIS study discussion with experts, 2 December 2011, Vilnius.

³²⁶ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011; Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

³²⁷ SIC representative survey carried out at the request of TEO LT „Residents about telecommunications“, *Teo.lt*, 2010. Internet access: <http://www.teo.lt/node/279>.

³²⁸ Law on Courts, article 38, part 3.

³²⁹ Law on Courts, article 38, part 4.

³³⁰ NIS deputy head of the Information Technology Division, NIS study discussion with experts, 2 December 2011, Vilnius.

judicial practice there have been cases that raised doubts about transparency of this system because some cases concerning corruption were heard by the same judge who had passed questionable rulings³³¹. The Special Investigation Service evaluates the system as 'functioning', however³³². Continuous analysis and oversight of the system is presumably necessary. Moreover, it is notable that if the parties to the proceedings have no access to the data on the course of proceedings and the documentation fixed in the system, there are still chances for abuse in the transparency of the allocation of cases³³³.

The transparency of the activity of courts is by all means ensured by the involvement of members of the public in the Selection Commission of judges and the Judicial Ethics and Discipline Commission. The court system could however be more transparent and open to the public if the institution of lay judges were established. According to research, most of the public approves of the establishment of such an institution³³⁴, but it lacks enough support from politicians and lawyers³³⁵. The formation of this institution would enable the public to take part in decision making. The involvement of representatives of the public in hearing certain cases and in the decision-making process would presumably increase the transparency of this process, and the trust of the public in the court system would grow³³⁶.

With the aim of reducing the level of exclusiveness of courts and lack of trust in the court system, in October 2011 a series of open door events, which also included the participation of schoolchildren, were held.

3.2.3. Accountability (law)

To what extent are there provisions in place to ensure that the judiciary has to report and be answerable for its actions?

Score: 75/100

To counterbalance the entrenched guarantees of judges laws provide for mechanisms of accountability of judges.

Judges are not liable for the damage caused to a party to the proceedings because of an unlawful or ungrounded decision. The damage is compensated by the State in the cases and in accordance with the procedure prescribed by law. However, property and

³³¹ Gintaras Kalinauskas, advisor to the Prime Minister, NIS study discussion with experts, 2 December 2011, Vilnius.

³³² Special investigation service, 10 June 2011, For the period 2009-2010. Findings of effectiveness of the national anti-corruption program for monitoring, implementation of 50 measures "Establishing clear and transparent procedures for the allocation of cases to judges using modern information technology," p. 28. Internet access: [http://www.stt.lt/documents/nkkp/NKKP-veiksmingumo-issvada-\(patikslinta\)-2011-06-10-4-01-2306.pdf](http://www.stt.lt/documents/nkkp/NKKP-veiksmingumo-issvada-(patikslinta)-2011-06-10-4-01-2306.pdf).

³³³ Seimas Resolution 16 June 2011, No. XI-1457, the National Anti-Corruption Programme 2009-2010, paragraph 9.2. "Works of judicial and law enforcement institutions". Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402151.

³³⁴ Algimantas Šindeikis, "Do councilors will increase confidence in the judiciary?", *Veidas.lt*, 21 October 2011. Internet access: <http://www.veidas.lt/ar-tarejai-padidins-pasitikėjima-teismais>.

³³⁵ "Offers not to consider amendments to the Constitution because of associate judges", *BNS*, 17 February 2011. Internet access: <http://www.delfi.lt/news/daily/law/siulo-kol-kas-nesvarstyti-konstitucijos-pataisu-del-teismo-tareju.d?id=42110325>; Non-partisan democratic movement, "Associate judges and corruption cases", 21 October 2011. Internet access: http://www.demokratija.eu/index.php?option=com_content&view=article&id=1075:medalinskas&catid=4:k-tema&Itemid=5, Alvydas Medalinskas, <http://www.lzinios.lt>.

³³⁶ Seimas of The Republic of Lithuania Resolution 16 June 2011, No. XI-1457, paragraph 9.2. Judicial and law enforcement institutions. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402151.

moral damage caused to an individual by a criminal act of the judge when administering justice and compensated by the State is recovered from the judge by recourse³³⁷.

A disciplinary action is brought against a judge by the Judicial Court of Honour for violations as provided by law - an action demeaning the judicial office, violation of other requirements of the Code of Ethics of Judges, non-compliance with the limitations on the work and political activities of judges provided by law³³⁸. The Judicial Court of Honour is an independent body of the autonomy of courts composed of nine representatives of courts of various instance³³⁹. A disciplinary action can be brought against a judge by the Judicial Ethics and Discipline Commission³⁴⁰. The Judicial Council, the Judicial Ethics and Discipline Commission and the Chairman of the court where a judge is employed or the Chairman of any court of a higher level or any person knowledgeable of the action provided for in the law has the right to make a motion for instituting a disciplinary action³⁴¹. The proposal to bring disciplinary proceedings against a judge must be motivated. The instituted disciplinary action is transferred to the Judicial Court of Honour³⁴², which can impose a disciplinary sanction³⁴³ and suggest the President of the Republic or the Seimas to dismiss the judge from office³⁴⁴ or suggest to the President of the Republic to apply to the Seimas to institute impeachment proceedings against the judge³⁴⁵. When the President of the Republic refuses to apply the measures imposed by the Judicial Court of Honour, the Judicial Court of Honour restarts the hearing of the disciplinary action and impose one of the disciplinary sanctions within its jurisdiction - censure, reprimand or severe reprimand³⁴⁶. A decision of the Judicial Court of Honour may, within ten days after its adoption, be appealed to the Supreme Court³⁴⁷.

The assessment of the activities of judges is performed by the Permanent Commission for the Assessment of Activities of Judges under the Judicial Council³⁴⁸. The first assessment of the activities of a judge takes place after the term of three years following his appointment to the judicial office. Thereafter the activities of the judge are assessed periodically every five years³⁴⁹. During the assessment of the activities of judges the judge's professional activities and personal qualities are assessed in a complex manner³⁵⁰. The extraordinary assessment of the judge's activities is carried out on the request of the judge himself or when the judge's operational weaknesses have been recurring³⁵¹. Members of the public have no right to initiate the extraordinary assessment of the activities of the judge they dislike. This right belongs only to the subjects provided by law - the Judicial Council, the chairmen of the courts, etc.³⁵² The judge, whose activities were subject to assessment is entitled to appeal against the results to the Judicial Council within one month of the day on

³³⁷ Law on Courts, article 47, part 7.

³³⁸ Ibid., article 83, part 1.

³³⁹ Nacional Courts Administration, Members of the Judicial Court of Honour. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-garbes-teismas-sudetis>.

³⁴⁰ Law on Courts, article 84, part 1.

³⁴¹ Ibid., article 84, part 4.

³⁴² Ibid., article 84, part 6.

³⁴³ Ibid., article 86, part 1, clause 6.

³⁴⁴ Ibid., article 86, part 2, clause 1.

³⁴⁵ Ibid., article 86, part 2, clause 2.

³⁴⁶ Ibid., article 87.

³⁴⁷ Ibid., article 86, part 4.

³⁴⁸ Law on Courts, article 91, part 4.

³⁴⁹ Ibid., article 91, part 2.

³⁵⁰ Ibid., article 91, part 1.

³⁵¹ Ibid., article 91, part 2.

³⁵² Ibid., article 91.

which he was acquainted with the assessment results³⁵³. The assessment results may become grounds for starting a new separate investigation regarding the possibility to start disciplinary proceedings against the judge, to dismiss the judge or remove him from office according to the procedure established by law³⁵⁴. As mentioned earlier, a judge from office for misconduct may be dismissed only by the President of the Republic of Lithuania. Judicial Court of Honour proposal to dismiss the judge from office is not mandatory for the President of the Republic of Lithuania. Therefore, in practice there are examples where the judicial decision was not acting as a judge remains in office even though his misbehaviour³⁵⁵.

For a gross violation of the Constitution, breach of oath, or when it transpires that a crime has been committed, the President and justices of the Supreme Court as well as the President and judges of the Court of Appeal may be removed from office by the Seimas according to the procedure for impeachment proceedings³⁵⁶.

3.2.4. Accountability (practice)

To what extent do members of the judiciary have to report and be answerable for their actions in practice?

Score: 50/100

One of the essential prerequisites of accountability of courts in the course of implementation of justice is the necessity to provide the public with the motives of the ruling in a case³⁵⁷. Experts state that this requirement is not always observed³⁵⁸. A representative of the judiciary believes³⁵⁹ that this is caused by huge workload of the judges, especially in district courts of first instance³⁶⁰. An expert who used to work as a judge thinks that this also might be caused by the judicial practice formed during the Soviet times³⁶¹. The expert believes that motives of the rulings as provided by the judge are often difficult to understand for the lay people due to the use of complicated academic legal language and a considerably low degree of legal awareness among the public, thus courts should strive to formulate motives as comprehensively as possible, and when it is impossible due to the nature of the case, judges should try to explain the motives of the decision more extensively to the parties during the oral delivery of the court ruling³⁶².

The judges disciplinary reply at the Judicial Court of Honour³⁶³. In 2010 the Judicial Court of Honour received 13 cases instigated by the Judicial Ethics and Discipline Commission³⁶⁴. Most disciplinary proceedings were instigated because of recklessness of

³⁵³ Ibid., article 91, part 2.

³⁵⁴ Ibid., article 91, part 1.

³⁵⁵ "The President did not dismiss Venckienė", *Alfa.lt*, 21 April 2011. Internet access: http://www.alfa.lt/straipsnis/11127659/Prezidente.Venckienes.is.pareigu.neatleido=2011-04-21_16-01/.

³⁵⁶ Constitution of the Republic of Lithuania, article 116.

³⁵⁷ Rules for the court taken decisions are made by the Code of Civil Procedure, Law on the Proceedings of Administrative Cases and the BSC.

³⁵⁸ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

³⁵⁹ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

³⁶⁰ According to data of National courts administration in 2010, a District Court judge examines average 75.86 cases and other procedural documents per month. National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, p. 5.

³⁶¹ Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

³⁶² Ibid.

³⁶³ Law on Courts, article 83, part 1.

³⁶⁴ National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, Work of The Judicial Court of Honour, 2010, P. 80.

judges in the performance of their duties, i.e. violations of law when hearing particular cases. Some violations were related to failure to hear the case within the prescribed time limit due to the huge workload of the judges, etc. The Judicial Court of Honour ruled in 3 cases to impose a reprimand, in 1 case – to impose a severe reprimand, in 4 cases – to merely hear the disciplinary case, and in 3 cases – to dismiss a disciplinary action³⁶⁵.

The assessment system of judges and public announcement of results on the Internet website of the NCA are likely to have disciplinary effect on judges, which could be enhanced even more with via more efficient information dissemination.

Accountability of judges to the public could be enhanced by a more active involvement of non-governmental organisations in the process of monitoring, impartial assessment and pointing to faults in the work of courts. At present, non-governmental organisations carry out these activities. Non-governmental organisations could publicly announce the results of monitoring of the work of courts, organise discussions with representatives of the judiciary and other professionals.

Courts are accountable to the public through the annual reports on their activity and announcement thereof on the Internet websites of courts. The problems of limited information accessibility of the public due to the lack of awareness or Internet access have been discussed above and are relevant to the question under consideration.

3.2.5. Integrity mechanism (law)

To what extent are there mechanisms in place to ensure the integrity of members of the judiciary?

Score: 75/100

In the course of their action judges are guided by the Code of Ethics of Judges adopted in 2006, which provides for the following principles: respect for man, loyalty to the state, justice and impartiality, independence, confidentiality, transparency and publicity, honesty and disinterestedness, decency, exemplariness, responsibility, solidarity, and development of professional qualification³⁶⁶.

Violations of the Code of Ethics of Judges and question of instigating disciplinary proceedings are heard by the Judicial Ethics and Discipline Commission. Two members of the Commission are appointed by the President of the Republic, one candidate – by the Chairman of the Seimas, four candidates – by the Judicial Council. The President of the Republic and Chairman of the Seimas appoint members of the Commission from the public. After the decision to initiate disciplinary proceedings is made, the further hearing of the case is transferred to the Judicial Court of Honour. The judge against whom the disciplinary proceedings have been instigated is entitled to be acquainted with the content of the instigation of the disciplinary action, to present explanation in written and oral form to the Judicial Ethics and Discipline Commission, to provide evidence of significant circumstances, to take part in the sitting of the Commission when the question of instigating a disciplinary action against him is heard, to be informed about the decision of the Commission and get its copy³⁶⁷.

With the aim of ensuring ethical activity of judges the law provides that judges may not participate in political activities or hold any other office, except scientific,

³⁶⁵ Ibid.

³⁶⁶ Code of Ethics of Judges, art. 5.

³⁶⁷ The Rules of the Judicial Ethics and Discipline Commission, p. 42.

educational or creative activities³⁶⁸. Judges may not participate in the activities of political parties and other political organisations³⁶⁹, may not accept gifts or services related to the official duties of the judge, Judges have to declare their annual income and private interests³⁷⁰.

After the term of office expires and the judge retires (currently the retirement age for men is 62.5, for women – 60³⁷¹) the activities of the former judge in the private or public sector are not limited by law, however, according to Law on Civil Servants, judges can work in the public sector for a limited term until they become 65³⁷².

3.2.6. Integrity mechanism (practice)

To what extent is the integrity of members of the judiciary ensured in practice?

Score: 75/100

The Judicial Ethics and Discipline Commission investigates complaints on unethical conduct of judges. In comparison with the previous year the Commission receives more and more complaints of this type. For example, in 2009 the Commission received 50 complaints, in 2010 - 227³⁷³. Most complaints are dismissed on grounds of nonconformity with the competence of the Commission when claimants complain about the ruling adopted by the judge instead of the conduct of the judge. The National Courts Administration states that in 2009 the public tried to get used to the new system (possibility to apply to the Commission) and in 2010 started using it in practice³⁷⁴.

Due to the new possibility for the public to apply to the Judicial Ethics and Discipline Commission, the number of disciplinary actions instigated by the Commission increased. In 2010 Commission instigated 14 disciplinary actions; meanwhile in 2009 only 4 actions were instigated. In 2010 disciplinary actions against judges were instigated for obvious mistakes in application of law, failure to meet procedural terms, failure to fulfill the requirement to avoid conflict of public and personal interest, failure to ensure the principle of impartiality, provision of legal aid to other persons, inappropriate or inadequate internal supervision of courts, impoliteness, disrespect, unethical conduct in respect to other persons. Decisions of the Judicial Ethics and Discipline Commission are publicly announced on the Internet website of the National Courts Administration³⁷⁵.

The NCA states that disciplinary procedures applied by the Judicial Ethics and Discipline Commission, including disciplinary actions, are sufficient to discipline judges. Afterwards judges draw appropriate conclusions and the aims of disciplinary measures are generally achieved³⁷⁶. Experts believe that the Code of Ethics of Judges is comprehensive and one of

³⁶⁸ Constitution of the Republic of Lithuania, article 113.

³⁶⁹ Ibid.

³⁷⁰ On the declaration of private interests in the implementation of the Lithuanian public and private interests in the public service harmonization law. See: Website of the Chief Official Ethics Commission. Internet access: <http://www.vtek.lt>.

³⁷¹ SODRA. Internet access: <http://www.sodra.lt/index.php?cid=336>;

³⁷² Law on Civil service, article 9, part 1, p. 3. Žin., 1999, No. 66-2130 (with later amendments and additions).

³⁷³ National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010, paragraph 9, "Judicial self-institutional activity", P.79.

³⁷⁴ Ibid.

³⁷⁵ The National Courts Administration, *Decisions by the Judicial Ethics and Discipline Commission*. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-etikos-ir-drausmes-komisija/tedk-sprendimai>.

³⁷⁶ National Courts Administration. *Report of Activities of Courts and Institutions of Self-governance of Courts of 2010*, 9.4. Judicial Court of Honour activity in 2010, P. 81.

the most advanced codes in Europe³⁷⁷. However, it should be noted that trainings of public and private interest, other topical ethical issues for judges are not held regularly.

Role

3.3.1. Executive oversight

To what extent does the judiciary provide effective oversight of the executive?

Score: 75/100

The oversight of the Executive is carried out by the Constitutional Court of the Republic of Lithuania and administrative courts. The Constitutional Court examines whether decrees and legal acts of the President of the Republic of Lithuania and the government are in conformity with the Constitution. The Constitutional Court of the Republic of Lithuania 2010-2011 acknowledged that some legislative provisions or norms are contrary to the Constitution or the laws on ten occasions. On six occasions certain provisions were contrary to the Constitution or laws³⁷⁸.

Administrative courts decide cases relating to lawfulness of legal acts passed and actions performed by the entities of public administration or failure to act and other issues provided by the law³⁷⁹. When Courts of general jurisdiction are hearing civil cases, they may decide on the legality of an administrative act, too. From 2006 to 2010 the number of administrative cases and cases of violation of administrative law heard by regional administrative courts decreased from 20.123 to 10.836. According to the data of the Supreme Administrative Court of Lithuania in 2009 the average workload of a judge increased by more than 33 %. Increased workload and lack of resources have negative effect on the efficient work of judges. In 2009 one judge of the Supreme Administrative Court of Lithuania, as the presiding officer of the judicial panel (or individually, when the law provides for this) on average heard 600 administrative cases (in 2008 – 443 administrative cases), in addition, the same judge as a justice of the judicial panel participated in hearings of 1.154 administrative cases (in 2008 -873 administrative cases)³⁸⁰. About 27 % of rulings passed by regional administrative courts were appealed to the Supreme Administrative Court of Lithuania in 2009³⁸¹.

The impartiality of the judicial administrative proceedings are evaluated controversially. An expert opinion shared by the majority of practicing lawyers states that courts are not absolutely impartial when solving disputes between private individuals and state institutions and have a tendency to pass decisions favourable to the state institutions³⁸². The Chairman of the Supreme Administrative Court disagrees with this opinion and points out that the number of lost cases in administrative courts is higher than in courts of general jurisdiction due to the specific nature of cases heard in administrative courts as representatives of state institutions understand these specific questions much better. A

³⁷⁷ Author's interview with judge of the supreme Administrative Court of Lithuania, 27 September 2011; Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

³⁷⁸ The Constitutional Court of the Republic of Lithuania. Statistical data on the Constitutional Court received and examined requests and inquiries. 15 November 1993-2011 m.. Internet access: http://www.lrkt.lt/Stat_bendra.html.

³⁷⁹ Law on Administrative Proceedings, art. 15, part 1.

³⁸⁰ Supreme Administrative Court of Lithuania, *Judges workload*. Internet access: <http://www.lvat.lt/veikla/statistika.aspx>.

³⁸¹ Ibid.

³⁸² Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

representative of the judiciary³⁸³ claims that in practice there are no problems with implementation of the adopted decisions.

3.3.2. Corruption prosecution

To what extent is the judiciary committed to fighting corruption through prosecution and other activities?

Score: 50/100

Residents of Lithuania consider courts to be the most corrupt institutions of the state³⁸⁴. According to the research on corruption conducted in 2010, 34 % of residents admitted to giving a bribe to courts, among other nine identified institutions. In residents' opinion the level of corruption in the state is increasing³⁸⁵. Distrust in courts is increasing as well³⁸⁶. Actions of some attorneys add to the increasing distrust in courts when they offer mediation on a favourable court ruling and take money from the client to pass it to the judge, but in practice appropriate the money without any mediation³⁸⁷.

The time and expedition of the proceedings are also important from the point of view of anticorruption. The amendment to the Criminal Procedure Code of the Republic of Lithuania adopted by the Seimas on 21 September 2010 (Žin., 2010, No. 113-5742) made considerable changes in acceleration of pre-trial proceedings; however, processes of pre-trial and trial proceedings are not automatized, thus cases are investigated and heard too slowly and statically, which is corruption-friendly – there are more possibilities to suspend the proceedings when they are delayed³⁸⁸. According to the first half-year report of the Special Investigation Service of 2010 the overall number of cases increased, all statistical indicators increased, thus the number of the dismissed pre-trial proceedings in comparison with the same period in 2009 is 3 times higher³⁸⁹.

It is notable that Lithuania has assumed international obligations to secure reporters within the framework of fight against corruption for whistleblower protection in accordance with article 33 of the United Nations Convention against Corruption (“Whistleblower Protection”)³⁹⁰ article 9 of the Civil Law Convention on Corruption (“Personal protection”)³⁹¹; however, current legal regulations are not effective enough. In order to implement international obligations of Lithuania, to encourage reports and investigations of unlawful and unethical conduct, and to make security of public interest more effective it is necessary to examine and evaluate practical efficiency of legal norms which regulate security of reporters to ensure efficient application of this mechanism³⁹². A representative of the Public Procurement Office notes that courts do not always impose sanctions as provided by law or impose only minimum fines for criminal actions in public

³⁸³ Ibid.

³⁸⁴ Transparency International Lithuanian Chapter, “Lithuania is the leader in bribery in the European Union“ 9 December 2010. Internet access: http://www.transparency.lt/new/index.php?option=com_content&task=view&id=11041&Itemid=25.

³⁸⁵ Ibid.

³⁸⁶ Ibid.

³⁸⁷ Member of Advisory Group, 25 November 2011.

³⁸⁸ The Lithuanian national anti-corruption program for 2011-2014. 9.2. “Judicial and law enforcement institutions“.

³⁸⁹ Ibid.

³⁹⁰ United Nations Convention against Corruption (“Whistleblower Protection“). Žin., 2006, No. 136-5145.

³⁹¹ Civil Law Convention on Corruption (“Personal protection“). Žin., 2006, No. 126-5733.

³⁹² The Lithuanian national anti-corruption program for 2011-2014. 9.2. “Judicial and law enforcement institutions“.

procurement; it is notable that the cost of investigation of a corruption case is about LTL 76,000; meanwhile the average fine imposed by courts is only LTL 14,000³⁹³.

According to the NCA in 2009-2010 the number of the investigated cases concerning bribery, corrupt practices and abuse slightly increased³⁹⁴. In 2009 27 cases concerning corrupt practices were received, 25 of them were investigated; cases concerning mediation in corrupt practices – 5/4; bribery – 323/324, abuse – 82/65. In 2010 courts of first instance received 33 cases concerning corrupt practices, 31 of which were investigated; cases concerning mediation in corrupt practices – 5/7; bribery – 357/353; abuse – 78/85³⁹⁵.

Research on scale of corruption in the judicial activity is not carried out. Legal representative of the Academy notes that at present the creation of a joint mechanism of state institutions' control do not provide an effective oversight of the judiciary corruption, therefore, because of the lack of data it is difficult to determine the overall level of corruption in the courts³⁹⁶.

³⁹³ Director of Public Procurement Office, NIS study discussion with experts, 2 December 2011, Vilnius

³⁹⁴ National Courts Administration, statistics of Courts, Internet Access: <http://www.teismai.lt/lt/teismai/teismai-statistika>.

³⁹⁵ Ibid.

³⁹⁶ Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.

4. Public Sector

Eglė Kavoliūnaitė-Ragauskienė

Summary

Although existing laws establish the principles of public sector transparency, accountability to the public, impartiality and other similar principles, practice demonstrates that the public sector is insufficiently transparent, it constantly undergoes political interference in all possible forms, starting with the placement of persons favourable for the ruling party into managerial positions and ending with pressure put on employees to ensure that compromising information is not made public. It is practically impossible to obtain information about the political interference in the public sector from the persons working in it. The principle of loyalty established by the Law on Civil Service³⁹⁷ (hereinafter – LCS) is commonly perceived not as a requirement of loyalty to the state but rather to the system in which the employee works. This principle is very persistent among civil servants in Lithuania and one of the key factors contributing to such perception is their fear of being humiliated or losing a position. Based on the information obtained from confidential conversations with civil servants it seems that they are forced not to reveal the information about the pressure put on them. This is proven by the fact that civil servants (who wished not to disclose their names and work positions) who have faced the problem of civil servant dismissal, refuse commenting on how often civil servants are sacked due to political reasons under cover of the provisions of LCS³⁹⁸. Therefore the major problem with respect to public sector transparency and independence from the political power is the discrepancy between the reality and the legal requirements.

Public sector Total pillar score: 65/100			
	Indicator	Law	Practice
Capacity 67/100	Resources	-	75
	Independence	75	50
Governance 63/100	Transparency	75	50
	Accountability	75	25
	Integrity mechanisms	75	75
Role 67/100	Public education	75	
	Cooperate with public institutions, CSOs and private agencies in preventing/addressing corruption	75	
	Reduce corruption risks by safeguarding integrity in public	50	

³⁹⁷ Law on Civil Service (with later amendments and additions). Žin., , 2002, No. 45-1708.

³⁹⁸ One interviewee, when asked unofficially stated „We have to balance on the edge: we see certain things, but we have to support a contrary interest“.

	procurement	
--	-------------	--

Structure and organization

Public sector workers account for almost one-third of all Lithuanian employees³⁹⁹. People in the public sector work either as civil servants holding positions in state and governmental institutions or as budgetary workers.

Civil servants in Lithuania constitute approximately 13 per cent of all the persons working in the public sector: at the beginning of 2010 there were 54,945 civil servants⁴⁰⁰ working in the civil service. LCS establishes two main types of civil servant positions: civil servants of political (personal) confidence⁴⁰¹ and career civil servants⁴⁰². The law also distinguishes public managers⁴⁰³.

Whereas no special requirements are applied to persons working in the public sector under employment contract, in certain cases stated in the law, the laws of the adjustment of public and private interests are also applied to some non civil servant workers.

This study focuses on civil servants and other people, who work under an employment contract and who are subject to special requirements, without going into the regulations for other public sector workers, who are not subject to special requirements.

Capacity

4.1.1. Resources (practice)

To what extent does the public sector have adequate resources to effectively carry out its duties?

Score: 75/100

The amount of the fixed salary paid to civil servants is calculated by applying fixed salary coefficient which is estimated for the positions of different categories in the appendix of LCS. Basic amounts of the fixed salary are determined and regulated by the annually adopted law⁴⁰⁴. The coefficients and the basic monthly wage of the fixed salaries of budgetary institution organisation workers are determined by Government resolutions⁴⁰⁵. The expenditure for the salaries of persons working in the public sector are calculated and fixed in the annual law on confirmation of financial indexes of the state budget and the municipal budgets. As a result, there is no actual danger not to meet the requirements for the payment of

³⁹⁹ In the fourth quarter of 2008 there were 1 507 100 persons working in Lithuania in total, 434 200 out of them were employed in the public sector. Statistic data of the Department of Statistics near the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/default.asp?w=1280>.

⁴⁰⁰ Public Service Department of the Lithuanian Ministry of Interior website, *The number of people, People who have the status of civil servants*. Internet access: <http://www.vtd.lt/index.php?1471208505>.

⁴⁰¹ Law on Civil Service, article 2, paragraph 7.

⁴⁰² Ibid., article 2, paragraph 5.

⁴⁰³ Ibid., article 13.

⁴⁰⁴ For example, Law on Basic Size of Official Salary of State Politicians, Judges, State Officials and Civil Servants, valid for the year of 2011, No. 86-4514.

⁴⁰⁵ The Republic of Lithuania Government Resolution "On the budgetary institutions and organizations of workers labor payment improvement of the procedure". Žin., 1993, No. 28-655; the Republic of Lithuania Government Resolution "On approval of the basic monthly salary and the basic monthly wage". Žin., 2009, No. 100-4187.

wages in the public sector. The average salary of employees working in the public sector is higher than the average salary of all employees. For instance, in the first quarter of the year 2011, the average salary of public sector employees (gross) was 2,178.5 LTL (930 USD), whereas the average salary of private sector workers was 2,071.6 LTL (880 USD)⁴⁰⁶. However, not all of the actually acquired personal income is officially stated as part of the salary is paid as an undeclared ‘envelope wage’ and this is presumable more common in the private rather than the public sector⁴⁰⁷. According to a representative of the Civil Service Department (hereinafter - CSD), “in the public sector work pay of highly qualified servants is not competitive in comparison to the private sector”⁴⁰⁸. As the gap between the income in the private and public sector is increasing, there is a danger of a lesser possibility for the civil service system to renew⁴⁰⁹.

The efficiency of public services mainly depends on whether public funds are allocated transparently; however, this is one of the areas in which we can find inconsistencies in the sectors being funded. For example, the sector of health service is characteristic of less transparent funding practices, while other areas such as education are quite transparent in these activities⁴¹⁰. In any case, every person who is not satisfied with the quality of the services provided can appeal to the head of an entity providing the services⁴¹¹ and, in the case when they are not satisfied with the response, they can further appeal to court⁴¹².

On the whole, the major problem of the public sector is the fact that there are inappropriate conditions to attract qualified workers and the lack of the motivation of the employees, especially those with high qualifications.

4.1.2. Independence (Law)

To what extent is the independence of the public sector safeguarded by law?

Score: 75/100

The procedure for admission to a position of career civil servants regulated by LCS should prevent from political interference: with a few exceptions related to the previous position in the civil service, career civil servants are admitted by means of a competition (oral and written)⁴¹³. Although the legal stipulations of this procedure aim at ensuring impartiality, some tasks of the written part are prepared and all of the oral part of the competition is conducted by the institution admitting the employee. As a result, approximately 60 per cent of competition tasks are prepared by the admitting institution. In its turn, such situation allows pre-selecting a person in advance to be admitted the available position⁴¹⁴. Persons

⁴⁰⁶ Department of Statistics under the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/default.asp?w=1280>.

⁴⁰⁷ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴⁰⁸ Aistis Rusteika, a senior specialist in the Department of Service Conditions, Civil Service Department under the Ministry of Internal Affairs, “How we will improve social guarantees for the civil servants?”, The Topicalities of Civil Service, no., 16, July 2009.

⁴⁰⁹ Written answer to the submitted questions by Civil Service Department, 22 June 2011.

⁴¹⁰ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴¹¹ Law on Public Administration, article 17, paragraph 5. Žin., 2006, No. 77-2975.

⁴¹² Ibid.

⁴¹³ Law on Civil Service, article 11.

⁴¹⁴ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

working in the public sector under employment contract are admitted to the position on the grounds of the Labour Code⁴¹⁵, where one of the key principles laid out is the principle of the equality of labour law subjects irrespective of their subordination to political parties and public organisations⁴¹⁶. The provisions regulating admission to work do not provide for any specific regulations on the prevention of political interference. The provisions which regulate promotion at work of both persons working under employment contract and those working in the civil service do not include any prevention against impermissible influence. One of the key principles of the civil service of the Republic of Lithuania and of civil servants is political neutrality⁴¹⁷ and impartiality⁴¹⁸. Civil servants have the right to be members of political parties and outside office hours⁴¹⁹ participate in political activity⁴²⁰. Neither the requirement of political neutrality nor that of impartiality applies to the persons working under employment contract.

There is no one specific institution protecting public sector employees from the political pressure or unlawful dismissal from work. This is enforced by the Prosecution Service and regulated by the legal provisions of organising and directing pre-trial investigation⁴²¹ in as much as it is related with criminal activity. No laws regulate such lobbying actions as incorporating publicly-funded projects into the plans, programmes and budgets.

4.1.3. Independence (practice)

To what extent is the public sector free from external interference in its activities?

Score: 50/100

The category of the employees who must be replaced after a change of government are only civil servants of political (personal) confidence whose mandate (apart from other grounds) expires at the same time as the mandate of the state politician or collegial state authority, which has admitted a civil servant of political (personal) confidence to office⁴²². There are no studies examining whether the structure of career civil servants changes with the change of government.

However, to take a closer look at the amendments to LCS, it is easy to notice the clash between two political powers in changing the civil service system. The victory of the Conservative Party in the elections to the Seimas in the autumn of 2008 led to some changes in the civil service system. In March 2009 the highest post of career civil service, i.e. that of ministry secretaries and ministry state secretaries was eliminated. Instead, this office was replaced by the post of civil servants of political (personal) confidence, i.e. vice-ministers and career civil servants (ministry chancellors)⁴²³. This law was adopted despite the President's veto in which she had indicated that "such changes can have negative influence on the overtaking and continuity of ministries' activity as well as raise the level of the

⁴¹⁵ Labour Code of the Republic of Lithuania with later amendments and additions, no. 64-2569, 2002.

⁴¹⁶ Ibid., article 2, paragraph 1, point 4.

⁴¹⁷ Law on Civil Service, article 3, paragraph 1.

⁴¹⁸ Ibid., article 3, paragraph 2, point 5.

⁴¹⁹ An exception are those civil servants who are in charge of the office in the board of municipality.

⁴²⁰ Law on Civil Service, article 16, paragraph 1, point 7.

⁴²¹ Law on the Prosecutor's Office. Žin., 2003, No. 42-1919, 2003.

⁴²² Law on Civil Service, article 44, paragraph 1.

⁴²³ Law Amending the 26, 29, 31, 31(1), 32, 45 Articles of the Law on the Government. Žin., 2009, No. 29-1139.

politicisation of the civil service”⁴²⁴. Such change of public administration system, in particular the change of the highest ministry office posts is not a precedent. Having won the election to the Seimas in 2000, Social Democrats changed the then existing civil service system by introducing the posts of career civil servants, i.e. ministry secretary of state and ministry secretary. In reality this allowed the governing party to create favourable conditions to place politically biased persons into the public career system who would not have to be replaced with the change of political power. The Conservative Party, which won Seimas elections in 2008, only restored the system that had existed up to 2002, by abolishing career civil servant positions of ministry secretary of state and ministry secretary⁴²⁵.

In the procedure of arranging the competition to enter the civil service, a commission is formed of 5-7 members with the prerequisite that they do not have any direct or indirect interest in the results competition⁴²⁶. The heads of civil service institutions have high authority in admitting civil servants. The admission is executed on their behalf and they are the ones that form the above mentioned commission of civil service admission⁴²⁷. The grounds for dismissing civil servants from office are established in Article 44 of LCS, therefore heads of institutions have no authority to dismiss a civil servant from office at their own discretion. In the case of an unlawful dismissal from office, a former civil servant may apply to court⁴²⁸. In practice dismissals due to political reasons occur, however, they are formally presented as dismissals on the grounds of legal violations⁴²⁹.

In Lithuania there is no *ex officio* institution protecting public sector employees from the interference of political powers⁴³⁰. Broadly speaking, courts may be considered to have such functions and thus deemed equal to such an institution⁴³¹.

In short, public sector protection against the interference of the political powers is practically not ensured due to the following reasons: there is no institution responsible for it; no requirements of political neutrality are applied to budgetary institution employees working under employment contracts; in the process of admission of civil servants, the admitting institution has the decisive power in preparing admission competition tasks.

Governance

⁴²⁴ Decree of the President of the Republic of Lithuania on Returning the Law Amending Supplementing the 26, 29, 31, 31(1), 32, 45 Articles of the Law on Government Adopted by the Seimas of the Republic of Lithuania for the Seimas of the Republic of Lithuania for Repeated Considerations. Žin., 2009, No. 19-751, 2009.

⁴²⁵ Law Amending and Supplementing the 3, 22, 24, 26, 29, 30, 31, 32, 33, 37, 40, 41, 44, 45 Articles of the Law on Government, Amending and Supplementing the Title of the Chapter no. 10 and Supplementing the Law by 31(1), 44(1) Articles. Žin., 2002, No. 41-1527.

⁴²⁶ Resolution of the Government of the Republic of Lithuania On the Confirmation of the Description of the Procedures for Organization of Competition for the Positions of Civil Servants (with later amendments and additions), points 18-25, June 2002. Žin., 2006, No. 966, 24.

⁴²⁷ Law on Civil Service, article 10, Resolution of the Government of the Republic of Lithuania On the Confirmation of the Description of the Procedures for Organization of Competition for the Positions of Civil Servants, point 19.

⁴²⁸ Law on Civil Service, article 44, paragraph 7.

⁴²⁹ This information was provided by a civil servant who is defending state interest in the courts in cases related to dismissals from the civil service. The interviewee provided this information only on a condition of anonymity, which proves the presence of political pressure.

⁴³⁰ A written answer of Civil Service Department to the submitted questions, 22 June 2011, author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

⁴³¹ Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

4.2.1. Transparency (Law)

To what extent are there provisions in place to ensure transparency in financial, human resource and information management of the public sector?

Score: 75/100

Under the Law on Declaration of the Property and Income of Residents⁴³², all civil servants and persons working in the public sector, who hold administrative authority, have to file annual declarations of property and income to the State Tax Inspectorate. In the case of declaring false data or not submitting the declaration, persons can be punished by imprisonment for a term of up to 3 years⁴³³.

Persons working in the public sector are also obliged to submit annual declarations of conflict of interests to the Chief Official Ethics Commission (hereinafter - COEC)⁴³⁴. The data submitted can be audited by the head of the institution in which the employee works or by the persons accredited by the head; by COEC; by State Tax Inspectorate and by law enforcement institutions. A penalty of the dismissal from office may apply for violating the requirements of the Law on the Adjustment of Public and Private Interests in the Civil Service (hereinafter – LAPPICS). COEC can impose disciplinary sanctions for the offences committed by persons working under employment contract, when these offences are related to the conflict of public and private interests⁴³⁵. As stated by an expert, criminal liability for violating the declaration of the conflict of interest is not applied if it is not related to the declaration of profit, income or property⁴³⁶. Under LAPPICS, the data on private interests of the persons holding the highest positions in civil service is public and is published on COEC webpage⁴³⁷.

As established by the Law on Public Procurement⁴³⁸ (hereinafter – LPP), Public Procurement Office (hereinafter - PPO) is in charge of collecting, compiling and analysing information about prospective purchase and procurement that is underway, procurement contracts created and the results of contract implementation. This information, except for the confidential information, should be presented by PPO to state and municipal authorities, institutions and it should be announced publicly⁴³⁹.

Advertisements of the competitions for the available positions of career civil servants are published in the supplement “Information Notices” to the official gazette “Valstybės žinios”, on CSD website and the webpage of the admitting institution. There are no provisions regulating the procedure of recruiting persons to work under employment contracts.

⁴³² Law on Declaration of the Property and Income of Residents (with later amendments and additions). Žin., 2003. No. 123-5583.

⁴³³ Criminal Code of the Republic of Lithuania (with later amendments and additions), articles 2201 and 221. Žin., 2000, No. 89-2741.

⁴³⁴ Law on the Adjustment of Public and Private Interests in the Civil Service (with later amendments and additions), article 6. Žin., 2000, No. 181-431.

⁴³⁵ Law on the Chief Official Ethics Commission (with later amendments and additions), article 16. Žin., 2008, No. 81-3176.

⁴³⁶ Author's interview with the Head of Criminal Justice Research Department, the Institute of Law – senior scholar, July 12, 2011.

⁴³⁷ Law on the Adjustment of Public and Private Interests in the Civil Service (with later amendments and additions), article 10, paragraph 3, No. 18-431, 2000.

⁴³⁸ Law on Public Procurement. Žin., 2006, No. 4-102 (with later amendments and additions).

⁴³⁹ Ibid., 8, paragraph 2, point 5.

The control of public information is regulated by the Law on the Provision of Information to the Public⁴⁴⁰; there are no specific rules as to how the information of by the public sector should be published (different rules are applied in different cases).

There are laws stipulating specific requirements of transparency relating to the property and income of persons working in the public sector. An honest person has to follow numerous detailed requirements; however, despite the thorough legal regulation, a fraudulent person will always find gaps and, taking advantage of them, conceal the actual dishonest situation. On the other hand, the existing legal requirements have the effect of reducing the attractiveness of illegal wealth accumulation⁴⁴¹. In parallel, there are strict rules of transparency and impartiality in the process of civil servant admission, however they are insufficient in ensuring transparency in practice⁴⁴².

Although the law requires the declaration of income and interests, this information is not always in the public domain: it is provided only to COEC. Public information includes only data about individuals who are in top positions in the civil service.

4.2.2. Transparency (practice)

To what extent are the provisions on transparency in financial, human resource and information management in the public sector effectively implemented?

Score: 50/100

People have the possibility to get acquainted with the activity of public sector institutions, as state and municipal authority and institution must publicize the structure and contacts of the authority or institution; legal information, information on their activities, wages; public procurement, budget summary and services provided in the website⁴⁴³. Declarations of private interests of the persons serving in the positions established by LAPPICS are announced in COEC website⁴⁴⁴, and the record of Annual Property Declarations for Residents (Family) of highest public politicians and servants are published on the website of Official Gazette “Valstybės žinios”⁴⁴⁵. Detailed information on the on-going public procurement is published and constantly updated in the Central Portal of Public Procurement⁴⁴⁶ as well as the websites of state and municipal authorities and institutions.

⁴⁴⁰ Law on Provision of information to the Public (with later amendments and additions). Žin., 2006, No. 82-3254.

⁴⁴¹ Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

⁴⁴² Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴⁴³ Resolution of the Government of the Republic of Lithuania Resolution on Amending the Resolution of the Government of the Republic of Lithuania of 18 April 2003, no. 480 On the Approval of the Description of the General Requirements for the Websites of State and Municipal Institutions and Establishments (with later amendments and additions). Žin., 2009, No. 49-1959.

⁴⁴⁴ Website of the Chief Official Ethics Commission, *Declarations search*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=367&Itemid=35.

⁴⁴⁵ Website of “Valstybės žinios”, *Annual individual (family) income tax declaration data*. Extracts were printed in a special supplement of “Valstybės žinios”. Internet access: <http://www.valstybes-zinios.lt/vpp3/lt/Docs.filesShow/2>.

⁴⁴⁶ Information from Central Information System of Public Procurement, Internet access: <https://pirkimai.eviesiejipirkimai.lt/>.

Information about the competition for the available positions of career civil servants is also published on the websites of the contracting institutions and CSD⁴⁴⁷.

The requirements for the transparency of the activity and finances for persons working in the public sector (especially workers occupying top positions) are existent and effective. However, there are ways of circumventing these requirements too, for example, non-transparent finances can be recorded as obtained from the activity of an individual business entity, in favour of relatives; it can also be accumulated in foreign countries etc. The legal regulations for the transparency sector alone are insufficient to ensure transparency in practice⁴⁴⁸. Publicly available only data about senior positions in the civil service persons.

4.2.3. Accountability (Law)

To what extent are there provisions in place to ensure that public sector employees have to report and be answerable for their actions?

Score: 75/100

The regulation of accountability to the public of the public sector is minimal. No official state policy is exercised by the state in the area of protecting whistleblowers at the moment. The Law on Whistleblower Protection⁴⁴⁹ is being drafted, but it has not yet been adopted. The bill aims at the legal regulation of whistleblowers' protection and the promotion of disclosing information about the criminal acts of corruptive nature. At the moment a few state authorities such as Special Investigation Service (hereinafter – SIS)⁴⁵⁰, State Labour Inspectorate⁴⁵¹ and State Tax Inspectorate⁴⁵² have confidence telephone numbers or the so called “hot lines” on which persons can anonymously report violations occurring in different areas.

Under the provisions of LPP, complaints on Public procurement procedures can be submitted only by a supplier, i.e. LPP does not establish the right for any person to file a complaint regarding inappropriately implemented public procurement procedures.

As established by the Criminal Code⁴⁵³ criminal liability may incur for such acts as extortion of property, self-willed conduct, bribery, trading in influence, graft, abuse of office, acquisition, seizure and disclosure of an official secret. As stipulated in the law, criminal liability for such misconduct may apply to any persons working in public service⁴⁵⁴.

In the narrow interpretation, every institution is accountable to its incorporator or to the authority provided for in the law. There is no requirement for all public sector institutions to be accountable to the legislator.

⁴⁴⁷ Information of Civil Service Department, *Competitions in civil service*. Internet access: <http://www.vtd.lt/index.php?-485345967>.

⁴⁴⁸ Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

⁴⁴⁹ The bill for the Law on Whistleblower's protection. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382134&p_query=&p_tr2=.

⁴⁵⁰ Website of the Special Investigations Service, *Report about Corruption*. Internet access: <http://www.stt.lt/lt/praneskite-apie-korupcija/praneskite-apie-korupcija/>.

⁴⁵¹ Information from the website of State Labour Inspectorate of the Republic of Lithuania. Internet access: <http://www.vdi.lt/>.

⁴⁵² Information from the website of the State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania. Internet access: <http://www.vmi.lt/lt/?itemId=10240282>.

⁴⁵³ Criminal Code. Žin., 2000, No. 89-2741.

⁴⁵⁴ Ibid., art. 230.

In the broad sense, institutions responsible for transparency and for the accountability of public sector activity include SIS⁴⁵⁵, which is in charge of investigating criminal acts of corruptive nature, establishing and implementing measures of corruption prevention⁴⁵⁶. Financial Crime Investigation Service⁴⁵⁷ and Prosecution Service⁴⁵⁸.

There is no regulation of the acceptance and consideration of the complaints from anonymous persons. On the contrary, in accordance with the Law on Public Administration, complaints must be submitted in the written form and they have to be identifiable; without meeting this requirement, a complaint may remain unconsidered⁴⁵⁹.

The audit of the public sector is regulated by the Law on Internal Control and Internal Audit⁴⁶⁰ and the Law on the National Audit Office⁴⁶¹. Every institution and body of the public sector is obliged to perform the procedures of internal control and internal audit. National Audit Office is in charge of observing whether state property is legitimately and effectively controlled and used and of supervising the administration of the state budget.

In conclusion, legal acts do not provide for one authority which coordinates the accountability of public sector authorities and employees in the broad (accountability to the public) or narrow (accountability to the incorporator) meaning. As established by the law, the cases of misconduct in the professional duty incur office (disciplinary), administrative or criminal liability; whereas the cases of legal violations are investigated by different institutions.

4.2.4. Accountability (practice)

To what extent do public sector employees have to report and be answerable for their actions in practice?

Score: 25/100

As long as there is no existing law on whistleblower protection and the Law on Public Procurement⁴⁶² (hereinafter – LPP) grants the right to submit complaints to the court or PPO in the cases of inappropriate procedures of procurement only to suppliers, there is no point discussing the effectiveness of the state policy with respect to whistleblowers or the investigation of complaints submitted by residents.

Improper performance of office duties for the civil servants may lead to the disciplinary sanctions set out in LCS⁴⁶³, whereas other employees may be subject to other disciplinary sanctions provided for in the Labour Code⁴⁶⁴. There is no official statistics as to the number of such violations and the number of public sector employees who are actually punished for improper performance of their duties. However, CSD gathers information and provides statistics about punishment impositions upon civil servants. In accordance with this statistics, in 2009, 395 disciplinary sanctions were imposed (an average of 1 sanction upon 76

⁴⁵⁵ Law on the Special Investigations Service. Žin., 2000, No. 41-1162, 2000.

⁴⁵⁶ Ibid., art. 2, part 1

⁴⁵⁷ Law on Financial Crime Investigation Service. Žin., 2002, No. 33-1250.

⁴⁵⁸ Law on the Prosecutor's Office. Žin., 2003, No. 42-1919.

⁴⁵⁹ Law on Public Administration, article 23, paragraph 3. Žin., 2006, No. 77-2975, 2006.

⁴⁶⁰ Law on Internal Control and Internal Audit. Žin., 2002, No. 123-5540.

⁴⁶¹ Law on Amending the Law on state Control. Žin., 2001, No. 112-4070.

⁴⁶² Law on Public Procurement.

⁴⁶³ Law on Civil Service, article 29.

⁴⁶⁴ Labour Code, article 237.

civil servants), the greatest number of which were notices (216), and the least number of which were dismissals from office (9)⁴⁶⁵.

Commenting on the impartiality of the procedures of public procurement representatives of SIS and PPO emphasised that even though the members of the jury in public procurement must sign the declaration of impartiality, no liability for violating it is actually incurred, i.e. even if an administrative penalty is imposed on a person who has violated the declaration of impartiality, after a year has passed, he/she can again participate in the organisation of public procurement⁴⁶⁶. PPO, which is in charge of the control of public procurement procedures, currently has too little power to ensure effective implementation of its functions⁴⁶⁷.

4.2.5. Integrity mechanisms (law)

To what extent are there provisions in place to ensure the integrity of public sector employees?

Score: 75/100

As established by LAPPICS, all public sector employees must file the annual declaration of private interests in which they provide information on the legal entity the members of which they or their spouses (cohabitants, partners) are; individual activity carried out by them or by their spouses (cohabitants, partners); membership and functions in companies, institutions, associations or foundations, except for the membership in political parties or organisations; gifts received during the last calendar year from close persons, if the value of the gifts exceeds 6,500 LTL (2,770 USD); gifts received from other persons (except for close relatives), if the value of the gifts exceeds 650 LTL (227 USD); services provided by close relatives to them or their spouses (cohabitants, partners) free of charge or the expenses for services or other type of needs for them or their spouses (cohabitants, partners) paid for, if their value (price) exceeds 6,500 LTL (2,770 USD); services provided by other persons (except for close relatives) to them or their spouses (cohabitants, partners) free of charge or the expenses paid for, if their value (price) exceeds 650 LTL (277 USD); information about contracts transacted by them or their spouses (cohabitants, partners), if the value of the contract exceeds 3,600 LTL (1,060 USD); close relatives or other persons known to the person filling the declaration, who, in his/her opinion may be the cause of conflict of interest. Persons submitting the declaration must also provide other data or circumstances which, in their opinion, may cause conflict of interests⁴⁶⁸.

The regulation of the official ethics of civil servants is established in the Code of Conduct of Civil Servants approved by the Government resolution in 2002⁴⁶⁹. Civil servants are not allowed to hold other job positions (and receive other salaries) only in the cases when it results in the conflict of interests. LCS provides a comprehensive list of

⁴⁶⁵ Information from Report of Civil Service Department, 2009. Internet access: <http://www.vtd.lt/index.php?-173973716>.

⁴⁶⁶ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011; author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁴⁶⁷ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁴⁶⁸ Law on the Adjustment of Public and Private Interests in the Civil Service (with later amendments and additions), article 6.

⁴⁶⁹ The resolution of the Government of the Republic of Lithuania "On the Adoption of Rules on the Ethics of Civil Servants' Activities", (with later amendments and additions), No. 968. Žin., 24 June 2002, No. 65-2656.

activities incompatible with the office of a civil servant⁴⁷⁰. A person cannot be admitted to the office of a civil servant if his/her spouse or a close relative is related by direct subordination according to the offices held⁴⁷¹. A person dismissed from the office for grave violations is not allowed to enter civil service for a term of three years⁴⁷².

There is a requirement for a public service employee to notify the head of the institution of all new job proposals, where such proposals may cause the conflict of interests; a civil servant is also obliged to notify of the acceptance of a new employment offer⁴⁷³.

After official separation from the office in the civil service a person has no right, within a period of one year, to take up employment as head of a business entity or occupy other managerial positions, provided that during the period of the last two calendar years his/her duties were directly related to the supervision or control of the service, or if the person participated in the process of considering and accepting decisions favourable for the office to give state orders or financial support in the form of a competition or in other manner. Former civil servants are imposed certain restrictions for a period of one year to enter into contracts with the institution or seek individual privileges provided by the institution in which the person held office⁴⁷⁴, also to represent natural or legal persons in the institution in which he/she held office and in other institutions on the issues which had been assigned to his official functions⁴⁷⁵. Exemptions from the above mentioned limitations are established by COEC in each specific case⁴⁷⁶.

Criminal Code provisions impose liability for giving a bribe to a civil servant or a person equivalent thereto (Article 225 of the CC), for accepting a bribe (Article 227) and for trading in influence (Article 226).

As stipulated by LPP⁴⁷⁷, there is a legal requirement to submit the supplier's in the contract documents. In addition, the members and experts of the public procurement commission must sign the declaration of impartiality. There are some other conditions as anti-corruption measures as well, for example, the requirement to ensure equality of suppliers, application of the principle of indiscrimination etc⁴⁷⁸.

4.2.6. Integrity mechanisms (practice)

To what extent is the integrity of public sector employees ensured in practice?

Score: 75/100

Based on the information obtained from an expert, corruption in the field of the public sector is of the same level as corruption in all other fields, i.e., corruption in the public sector is neither higher nor lower than in any other sphere⁴⁷⁹. This is confirmed by the study of Global Corruption Barometer 2010, according to which people think, that the level of corruption in the public service is similar to the police and the business sector; but, according to the survey,

⁴⁷⁰ Law on Civil Service, article 17.

⁴⁷¹ Ibid., article 9, paragraph 3, point 3.

⁴⁷² Ibid., article 9, paragraph 4.

⁴⁷³ Law on the Adjustment of Public and Private Interests in the Civil Service, articles 16 and 17.

⁴⁷⁴ Law on the Adjustment of Public and Private Interests in the Civil Service, article 19.

⁴⁷⁵ Ibid., article 20.

⁴⁷⁶ Ibid., article 21.

⁴⁷⁷ Law on Public Procurement, article 24, paragraph 1, point 5.

⁴⁷⁸ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011

⁴⁷⁹ Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

political parties, parliament and the courts are more corrupt than public servants⁴⁸⁰. The existing codes of conduct and the policy of officially registering gifts, agreements made, and prohibition to work in the civil service after being dismissed are rather effective, however, at the same time they induce numerous bureaucratic obstacles for honest civil servants⁴⁸¹.

According to the LCS, civil servants are provided with two types of training: initial training and improvement of qualifications at the initiative of the public servant or a state or municipal institution or agency⁴⁸². An anonymous civil servant has disclosed that these types of training are implemented only formally and those civil servants who have many office tasks simply try to avoid taking part in them.

The values of the public sector are established in the Law on Public Administration, Law on the Adjustment of Public and Private Interests in the Civil Service and other legal acts. In other words, civil servants are constantly reminded of the requirement to follow the rules of the sector.

The anti-corruption requirement to submit the supplier's declaration in the procurement documents must be followed, otherwise the tender is rejected⁴⁸³. The supplier's declaration of impartiality is not obligatory only in low-price public procurement; however, according to a representative of the PPO, in reality there are very few cases when this declaration is not required⁴⁸⁴.

On the whole, integrity requirements are only established in legal documents but there are no studies carried out on the assessment of their actual effect.

5.3.1. Public education

To what extent does the public sector inform and educate the public on its role in fighting corruption?

Score: 75/100

As laid down in the Law on Prevention of Corruption, one of the major corruption prevention measures is education and information of the public⁴⁸⁵. In 2011 the Seimas approved a resolution of the implementation of the National Anti-Corruption Programme⁴⁸⁶ the aim of which is to integrate anti-corruptive education programmes to the curricula of History, Political Science, Ethics, and Religion subjects at school⁴⁸⁷. As one of the key institutions implementing corruption prevention activities, SIS provides information to the public via mass media and other ways about the society's rights and ways of reporting corruption; they also create and publish sound and video broadcasts of social advertising⁴⁸⁸. As stated by a

⁴⁸⁰ Transparency International, *Global Corruption Barometer 2010*. Internet access: http://www.transparency.org/policy_research/surveys_indices/gcb/2010/results.

⁴⁸¹ Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.

⁴⁸² Law on Civil Service, article 45, paragraph 1.

⁴⁸³ Law on Public Procurement, article 39, paragraph 2, point 2.

⁴⁸⁴ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁴⁸⁵ Resolution of the Seimas of the Republic of Lithuania, no. IX-711, 17 January 2002 On the Adoption of the National Anti-Corruption Programme, 10-355, 2002.

⁴⁸⁶ Lithuanian Republic National Anti-Corruption program for 2011-2014. Approved by Seimas of the Republic of Lithuania Resolution of January 2002, No. IX-711 (Seimas Resolution 16 June 2011, No. XI-1457 version). Žin., 28 June 2011, No. 77-3727.

⁴⁸⁷ Special Investigation Service of the Republic of Lithuania, *Anti-corruption public education and awareness*. Internet Access: <http://www.stt.lt/lt/menu/antikorupeinis-svietimas/>.

⁴⁸⁸ Ibid.

representative of SIS, “SIS conducts anti-corruptive education both to specific target groups (general education students, higher education students and the servants of state and municipality and other institutions) and the public at large”⁴⁸⁹. There is no systemised information as to the number of people that have participated in these trainings, however, it is possible to note that due to the reduced funding in public service in 2009 only 859 civil servants took part in professional ethics and corruption prevention trainings (to compare the data from 2008, the number was 2,518)⁴⁹⁰.

The representative of SIS has also indicated that “on the basis of the data from a sociological study “Corruption Map” conducted in 2007, merely 18 per cent of respondents were aware of which institutions could be addressed to report corruption. After the public awareness raising campaign called “By giving a bribe you commit a crime. If you face corruption – report it to SIS” carried out in 2008⁴⁹¹, the number of persons who had contacted SIS in order to report corruption increased by 29 per cent alongside with the remarkable rise in phone calls reporting potential corruption-related activities. According to the data of a survey conducted in the fourth quarter of 2008 (right after the implementation of the campaign) 37 per cent of the respondents claimed they knew what bodies to address to report corruption”⁴⁹².

In conclusion, the chief public sector institution conducting anti-corruption education constantly implements corruption prevention activities and, based on the studies carried out, their effect is noticeable. However, the scope of anti-corruptive education implementation depends on the financing that the institutions receive which was reduced in 2009.

4.3.2. Cooperate with public institutions, CSOs and private agencies in preventing/ addressing corruption

To what extent does the public sector work with public watchdog agencies, business and civil society on anti-corruption initiatives?

Score: 75/100

SIS cooperates with the Council of Lithuanian Youth Organisations and individual youth organisations, joint projects are undertaken together with the universities of Vilnius, Mykolas Romeris and Šiauliai. In collaboration with the Lithuanian Journalists’ Union and the National Association of Journalists Creators SIS annually holds the journalist contest “Media against Corruption”. This collaboration is present at the initiative of SIS and they consider it as a very efficient measure⁴⁹³.

As stated by a representative of SIS, in general the initiatives to work jointly are both promoted by SIS and business entities. Most commonly, businesses refer to SIS in the cases when they face corruption issues themselves or when they witness obvious loopholes and have suggestion on how they could be improved⁴⁹⁴.

⁴⁸⁹ Author’s interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴⁹⁰ Report of Civil Service Department, 2009. Internet access: <http://www.vtd.lt/index.php?-173973716>.

⁴⁹¹ Author’s interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴⁹² Author’s interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁴⁹³ Ibid.

⁴⁹⁴ Ibid.

Cooperation with the non-governmental sector (except for youth organisations) is not wide-ranging (with the exception of the collaboration with the Transparency International Lithuania)⁴⁹⁵.

VTD does not have data relating to the cooperation between civil service and other institutions with the business or non-governmental sector⁴⁹⁶.

4.3.3. Reduce Corruption Risks by Safeguarding Integrity in Public Procurement

To what extent is there an effective framework in place to safeguard integrity in public procurement procedures, including meaningful sanctions for improper conduct by both suppliers and public officials, and review and complaint mechanisms?

Score: 50/100

The main (international) public procurement contracts may be awarded by means of the following procedures: open procedure, restricted procedure, competitive dialogue procedure and the negotiated procedure with or without publication of a contract notice⁴⁹⁷. In individual cases regulated by the law and applied to contracts for specific types of services or contracts the value of which is below a specific sum, the so-called simplified procurement procedure is applied⁴⁹⁸ (in practice such procurement activities constitute the greatest part of all public procurement, for instance, in 2010 they accounted for 84.7 per cent of all public procurement contracts⁴⁹⁹). The largest part of public procurement activities take place by means of open procedure (international public procurement) or the simplified procurement procedure with publication of a contract notice both with respect to the of public procurement value (it constitutes 81.1 per cent of all public procurement contracts) and the number of public procurement contracts (62 per cent of all public procurement contracts)⁵⁰⁰.

In order to ensure objectivity in selecting the supplier, the law establishes certain criteria as anti-corruptive measures. First, there are public procurement principles in the law which require the purchasing authority to ensure in the course of performance of procurement procedures and award of contracts compliance with the principles of equal treatment, non-discrimination, mutual recognition, proportionality and transparency⁵⁰¹. In addition, the law sets out specific requirements such as a provision that the minimum requirements for the qualification of candidates or suppliers may not have the restrictive effect on competition⁵⁰²; the commission must sign the declaration of impartiality; in the description of the object of purchase technical specifications cannot refer to a specific make or source, or a particular process or to trade marks, patents, types or a specific origin or production with the effect of favouring or eliminating certain undertakings or certain products⁵⁰³. However, a representative of SIS has emphasised that one of the key areas

⁴⁹⁵ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011; author's interview with the representative of Non-Governmental Organizations' Information and Support Center, 5 May 2011.

⁴⁹⁶ A written answer of Civil Service Department to the submitted questions, 22 June 2011.

⁴⁹⁷ Law on Public Procurement, article 42.

⁴⁹⁸ Ibid., article 84.

⁴⁹⁹ Activity report Public Procurement Office of 2010. Internet access: http://www.vpt.lt/admin/uploaded/2011/vp/VP_Ataskaita_2011-04-19.pdf.

⁵⁰⁰ Ibid.

⁵⁰¹ Law on Public Procurement, article 3, part 1.

⁵⁰² Ibid., articles 32 and 69.

⁵⁰³ Law on Public Procurement, article 25, part 8.

where corruption in public procurement does take place is the unlawful formulation of the conditions targeted at specific suppliers and other specific types of procurement⁵⁰⁴.

Some of contract documents in public procurement are formulated on the basis of a standard form to be filled (for example, the declaration of impartiality, the statement of confidentiality, etc) that are approved by the head of PPO in the guidelines⁵⁰⁵ and which are most commonly used.

The supplier may indicate to the public procurement commission as to which of the provided information is of confidential nature⁵⁰⁶.

Although one of the functions of the Public Procurement Office is to assess the results of public procurement, in reality it remains disregarded. As explained by a representative of PPO, this happens due to the lack of human resources and financing. There are plans for the future to expand the scope of PPO activity and to increase the number of staff positions in it⁵⁰⁷. Currently the function of assessing the results of public procurement contract performance is carried out by a person authorised by the purchasing body who in fact may in reality be incompetent (or lacking in interest) to decide on the suitability of contract performance. In fact this is a very vulnerable area for corruption⁵⁰⁸.

PPO decisions must be taken independently and impartially and the Office is liable for its decisions⁵⁰⁹.

The majority of PPO employees are public servants therefore all the aforementioned requirements of impartiality and independence also applied to them. There are no specific requirements stipulated in the law for PPO employees in relation to the different stages of public procurement procedures.

The Law on Public Procurement does not establish a requirement that different persons should carry out different tasks such as the formulation of procurement conditions, the implementation of assessment and ensuring the control of these procedures. These tasks are delegated to the same body, i.e. public procurement commission⁵¹⁰. At the moment PPO is preparing the recommendations on the internal control of contracting authorities in accordance to which responsible persons should be appointed to carry out specific functions in public procurement procedures and this should be regulated by the law⁵¹¹.

In practice, public procurement participants comply with the requirement to send explanations of the contract documents to all the suppliers upon the request of a supplier/(s) or at the initiative of the contracting authority itself⁵¹².

There is no requirement that the results of public procurement should be published. The information on the results of public procurement procedures is provided to the interested candidates and participants⁵¹³. However, the contracting authority is obliged to submit reports

⁵⁰⁴ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁵⁰⁵ Decree of the director of Public Procurement Service, no. 1S-181, 31 December 2010. *Žin.*, 2011, No. 5-190.

⁵⁰⁶ Law on Public Procurement, article 6.

⁵⁰⁷ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁵⁰⁸ Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.

⁵⁰⁹ Law on Public Procurement, article 8, paragraph 4.

⁵¹⁰ *Ibid.*, article 16.

⁵¹¹ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁵¹² Law on Public Procurement, article 27; Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁵¹³ Law on Public Procurement, article 41, paragraph 1.

(in writing) on the procurement procedures⁵¹⁴; Public Procurement Office is required to publish the information about public procurement, both intended and in process, as well as about the awarded public contracts and the contract performance results⁵¹⁵. Such information is provided in the form of separate information notices⁵¹⁶.

The law provides for the authority of the central portal of public procurement which is in charge of publishing the information on public procurement on the internet⁵¹⁷⁵¹⁸.

As regulated by the Law on Public Procurement, suppliers have the right to file a complaint about the actions or decisions of the contracting authority⁵¹⁹ and either apply to court or complain to the contracting authority itself. PPO has limited capacities to consider the claims about the violations made. For instance, during the first quarter of 2011, around 220 complaints were submitted to the PPO while only 49 of them were considered having assessed the extent of their risk (to compare, about 2,330 public procurement cases took place over this period of time (not including low-value contracts))⁵²⁰.

Furthermore, the law does not ensure public control mechanisms in public procurement since the public does not even have the right to complain about the decisions made by the purchasing authority; this right is only granted to the suppliers⁵²¹.

The heads of purchasing authorities, members of the public procurement commission can be subject to administrative liability if they commit public procurement violations⁵²² and they may be subject to the penalties of 500 – 2,500 LTL (210 – 1,050 USD). If such actions are performed repeatedly, a court shall impose a penalty of 2,500 – 5,000 LTL (1,050 – 2,083 USD) and remove liable persons from office. Public procurement violations due to which a person is prosecuted under criminal law (Criminal Code does not stipulate the violation of public procurement as a specific criminal act, however, by means of violating these rules, a person may commit other criminals acts such as abuse of office, graft, bribery, bribery of an intermediary, trading in influence, self-willed conduct, forgery of a document, etc) may impose much stricter penalties (imprisonment) together with the deprivation of public rights⁵²³. To conclude, the key institution supervising public procurement lacks human resources and financing which prevents it from efficiently implementing the functions delegated to it. As a result, at the moment the integrity of public procurement procedures is not ensured.

⁵¹⁴ Ibid., article 19.

⁵¹⁵ Ibid., article 8, paragraph 2, point 5.

⁵¹⁶ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁵¹⁷ Law on Public Procurement, article 2, point 4.

⁵¹⁸ Information from Central Information System of Public Procurement. Internet access: <https://pirkimai.eviesiejipirkimai.lt/login.asp?B=PPO&target=&timeout=>.

⁵¹⁹ Law on Public Procurement, article 93.

⁵²⁰ Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.

⁵²¹ Law on Public Procurement, chapter V.

⁵²² Law on Administrative Violations. Žin., 1985, No. 1-1.

⁵²³ Criminal Code, article 44.

5. Law Enforcement Agencies

Dr. Rima Ažubalytė

Summary

The legal environment for the activities for law enforcement agencies in Lithuania is adequate, however, different performance quality in separate chains of the law enforcement system, ineffective operation of integrity rules, public distrust, and rivalry for skilled employees reduce the capacity of law enforcement agencies to operate effectively.

All legal preconditions exist to ensure objective independence of law enforcement agencies, however, in general the independence of the law enforcement officials is exposed to the risk of pressure both from politicians and the media, as well as from the public. The accountability of agencies is regulated adequately, but in fact it takes place only *pro forma*, since resources are insufficient for the permanent monitoring of the asset declarations' system. The codes of ethics are in place, however, the effectiveness of the infrastructure of ethics is inadequate as a result of ambiguous regulations on the declaration of interests, indefinite relationship between infringements of ethics and malfeasance, missing accurate procedures.

Law Enforcement Agencies Total Pillar Score: 73/100			
	Indicator	Law	Practice
Capacity 75/100	Resources	-	75
	Independence	100	50
Governance 75/100	Transparency	100	75
	Accountability	75	75
	Integrity mechanisms	75	50
Role 50/100	Corruption prosecution	50	

Structure and organization

Liability for criminal offences in Lithuania is provided for by the Criminal Code (hereinafter – CC)⁵²⁴ and their investigation procedure is defined by the Code of Criminal Procedure (hereinafter CCP)⁵²⁵. Criminal offences which are attributed to corruption offences by the international instruments and the doctrine of law as well as all other offences related to

⁵²⁴ Criminal Code of the Republic of Lithuania. Žin., 2000. No. 89 – 2741 (with later amendments and additions).

⁵²⁵ Code of Criminal Procedure of the Republic of Lithuania. Žin, 2002, No. 37-1341 (with later amendments and additions).

corruption or its preconditions that can be investigated by different law enforcement agencies in Lithuania are laid down in Chapter XXXIII “Crimes and Misdemeanours against Civil Service and Public Interest” of the Lithuanian Criminal Code⁵²⁶.

Law enforcement agencies include more than ten institutions, but since this section of the study focuses on prosecution of corruption offences, the investigation of such offences is carried out only by the prosecution service and those law enforcement agencies which have in their organisational structure specialised units dedicated for prosecution of corruption, i.e. the Special Investigation Service and the police.

The prosecution service is the main body responsible for investigation and prosecution of criminal offences.⁵²⁷ The police⁵²⁸, apart from other functions assigned to it, is a pre-trial investigation institution that investigates more than 90 per cent of all criminal acts⁵²⁹, including corruption-related offences. The Special Investigation Service (hereinafter – SIS)⁵³⁰ is a specialised law enforcement agency tasked with, *inter alia*, the investigation of corruption offences. The prosecutor organises and leads the pre-trial investigation, which is usually carried out by investigators of the police, the SIS and other law enforcement agencies⁵³¹.

The staff of such law enforcement agencies consists of officials, other civil servants and employees – this predetermines differences in their legal status, functions and salaries⁵³². This section of the study covers only officials who carry out functions related to the prosecution of criminal offences.

Capacity

Resources (practice)

To what extent do law enforcement agencies have adequate levels of financial resources, staffing, and infrastructure to operate effectively in practice?

Score: 75/100

In 2011 the prosecutor's office allocations amounted to 94,511,000 LT (USD 36,072,900), of which around 64 per cent were labour salaries⁵³³. Budget, regardless of the financial impact of the recession, is relatively stable, for instance in 2010, prosecutor's office allocations

⁵²⁶ Abuse of office is not always corruption-related offenses.

⁵²⁷ The Constitution of the Republic of Lithuania. The Supreme Council of the Republic of Lithuania and *Valstybės Žinios*. 1992 No. 31; Article 118; Lithuania Code of Criminal Procedure; The Republic of Lithuania Law on the Prosecutor's Office. *Žin.*, 2003, No. 42-1919. Next - the Republic of Lithuania Law on the Prosecutor's Office (with later amendments and additions).

⁵²⁸ The Republic of Lithuania Law on Police Activities. *Žin.*, 2000, No. 90-2777 (with later amendments and additions).

⁵²⁹ In 2010 and 2011 the number of crimes investigated by police agencies is growing (Police Department under the Ministry of the Interior, the Police Department under the Ministry of the Interior in 2011 Annual Report 7, Internet access: <http://www.policija.lt/index.php?id=2875>; A certificate about police bodies and crime during the year 2010. Vilnius, 2011 22. Internet access: <http://www.policija.com/index.php?id=2875>).

⁵³⁰ Special Investigation Service of the Republic of Lithuania Law. *Žin.*, 2000, No. 41-1162 (with later amendments and additions).

⁵³¹ Code of Criminal procedure, articles 164, 165

⁵³² The status of Prosecutors is regulated by the Republic of Lithuania Law on the Prosecutor's Office, the status of SIS and police officers is regulated by special laws, and to a certain extent, by the Republic of Lithuania Law on Public Service. *Žin.*, 1999, No. 66-2130, Article 4.

⁵³³ The Lithuanian prosecutor's office report in 2011, 74. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53358.

amounted to 102 050 200 LTL (41 868 500 USD)⁵³⁴; in 2009 was LTL 109 416 900 (USD 45 752 414).⁵³⁵ The prosecution service of the Republic of Lithuania consists of the Prosecutor General's Office and territorial prosecutor's offices.⁵³⁶ Prosecutor's Office approved 1,518 posts, of which 886 prosecutors⁵³⁷. Prosecutor working wages (gross) in 2011 was from 4409 LTL (1 683 USD) in district prosecutor's office⁵³⁸ to 7566 LTL (2888 USD) in Prosecutor General's Office (with the exception of the The Prosecutor General and his deputies⁵³⁹) Prosecutors consideration is sufficiently competitive⁵⁴⁰, because workers' salaries average (gross) in the fourth quarter of 2011 was 2,175 LTL (830 USD)⁵⁴¹.

There is an Organised Crime and Corruption Investigation Department (hereinafter – the OCCID) in the Prosecutor General's Office and five OCCID Divisions in Regional Prosecutor's Offices with about 60 prosecutors employed. These units have capacity of carrying out pre-trial investigation themselves; they organise pre-trial investigations conducted by the Organised Crime Investigation Unit of the Criminal Police and the pre-trial investigation units of the SIS⁵⁴². However, as a result of the lack of prosecutors, their assistants and the technical resources necessary to investigate such cases, prosecutors mostly organise investigations rather than carry them out themselves⁵⁴³.

STT recieved LTL18 745 000⁵⁴⁴ from the state budget in 2011. (7 154 580USD), LTL 17 115 000 (USD 6 532 442)from the state budget of Lithuania were allocated to the SIS in 2010⁵⁴⁵, LTL 21 355 000 (USD 8 929 542) – in 2009⁵⁴⁶.The staff of the SIS was formed of 230 employees in 2010. The salaries of specialists of the SIS are from

⁵³⁴ Law of the Republic of Lithuania, the 2011 State Budget and Municipal Budgets Financial Indicators. Žin., 2010, No. 151-7712.

⁵³⁵ Prosecutor's Office of the Republic of Lithuania, the Lithuanian prosecutor's office in 2009 Report. Internet access: <http://www.prokuraturos.lt/Veikla/Ataskaitos/tabid/413/Default.aspx>.

⁵³⁶ The ongoing structural reform of the prosecutor's office, during which the district prosecutor's office will become a structural part of the district prosecutor's Office. According to The Prosecutor General, this reform will allow to use financial and human resources more efficient (*The Lithuanian prosecutor's office in 2011 report*, 68). See. The provisions of the Republic of Lithuania 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20,21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52 substitutions and amendments, supplement with 34 (1), 39 (1) articles and regocnition of 38 article as invalid. Žin., 2011 No. 91-4333.

⁵³⁷ *The Lithuanian prosecutor's office in 2011 report*, 67.

⁵³⁸ The Lithuanian Prosecutor's Office, *General prosecutors, civil servants and employees working under an employment contract that required average (nominee) monthly wages (with bonuses and premiums)*. Internet access: [http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/ tabid / 407 / Default.aspx](http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/tabid/407/Default.aspx).

⁵³⁹ The Lithuanian Prosecutor's Office, *Distric prosecutors, civil servants and employees working under an employment contract that required average (nominee) monthly wages (with bonuses and premiums)*. Internet access: <http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/ tabid / 407 / Default.aspx>.

⁵⁴⁰ Author's interview with the prosecutor working in the Lithuanian Prosecutor General's Office Organized Crime and Corruption Investigation Department, who also worked as an Ethics Commissioner, 1 July 2011. (hereinafter -an interview with the prosecutor).

⁵⁴¹ Lithuanian Department of Statistics under the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/default.asp?w=1280>.

⁵⁴² Prosecutor's Office of the Republic of Lithuania, *Organized crime and corruption*. Internet access: <http://www.prokuraturos.lt/nbspnbspOrganizuotasnusikalstamumas/tabid/298/Default.aspx>.

⁵⁴³ Author's interview with the prosecutor, 1 July 2011. On the reform of the prosecution and the prosecution limited budget, competitions for the prosecutor's position cannot be organized (although the unfilled posts are) so to the civil service (*The Lithuanian prosecutor's office in 2011 report*, 66).

⁵⁴⁴ Lithuanian Special Investigation Service Annual Report of 2011, 7. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53639.

⁵⁴⁵ Special Investigation Service of the Republic of Lithuania, the Lithuanian Special Investigation Service Annual Report of 2010. No. N-16, 28 February 2011. 6. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/STT_2010_m_veiklos_ataskaita_03-07.pdf.

⁵⁴⁶ Lithuanian Special Investigation Service Annual Report of 2009, 7. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/2009_ataskaita_suparasu.doc.pdf

LTL 2 900 (USD 1 190 – junior specialist) to LTL 4 900 (USD 2 010 – senior specialist)⁵⁴⁷. According to the SIS, the employees are highly skilled and it is becoming more and more difficult to compete for employees.⁵⁴⁸

The allocations approved to the police in 2011 amounted to LTL 644 421 000⁵⁴⁹ (USD 245 962 213), 2010 amounted to LTL 632 486 000 (USD 259 492 000), in 2009 – LTL 699 300 000 (USD 292 410 620).⁵⁵⁰

For the purposes of pre-trial investigation, the system of the interior has the positions of the chief investigator, senior investigator and investigator. The Criminal Police Bureau has Corruption Control Board within its structure.⁵⁵¹ The structure of County Police Headquarters includes Organised Crime Investigation Divisions, which also investigate corruption-related offences. The salary of an investigator (gross) is from LTL 2 500 (USD 955) in county police offices⁵⁵² to LTL 3 900 (USD 1 489) in the Police Department⁵⁵³.

The age analysis of the police staff shows that the influx of young officers in the police is too low⁵⁵⁴. A drastic decrease in the number of police officers with less than 10 years in the length of service is determined by the fact that, having higher education, they acquire experience in the police and look for better paid jobs.⁵⁵⁵

The National Audit Office has identified that territorial police offices where most pre-trial investigations are carried out (about 90%) also have the highest number of lowest-category positions of investigators.⁵⁵⁶ In order to motivate investigators, is it necessary to distribute the categories of positions adequately, as well as increase their salaries.⁵⁵⁷ Another issue is the regulation of education of police investigators. Higher university education in law is required for prosecutors, higher university education – for SIS investigators; police officers, however, are required by the law to have education not lower than higher non-university or post secondary education⁵⁵⁸. Persons who have no special education and are willing to work as investigators have to complete inception training courses⁵⁵⁹.

⁵⁴⁷ Special Investigation Service of the Republic of Lithuania, *Information about salaries*. Internet access: <http://www.stt.lt/lt/menu/stt-veikla/informacija-apie-darbo-uzmokesti/-informacija/>.

⁵⁴⁸ Lithuanian Special Investigation Service Annual Report of 2009, 6.

⁵⁴⁹ The Police Department under the Ministry of the Interior Activity Report in 2011, 2.

⁵⁵⁰ The Police Department under the Lithuanian Ministry of Interior, *Certificate of police bodies and crime during 2010*. Vilnius, 2011, 9. Internet access: <http://www.policija.lt/index.php?id=2875>.

⁵⁵¹ The Police Department under the Lithuanian Ministry of Interior. Internet access: <http://www.policija.lt/index.php?id=7441&ou=3053>.

⁵⁵² Klaipėda County Police Headquarters, *Wages*. Internet access: http://klaipeda.policija.lt/index.php?option=com_content&view=article&id=1019&Itemid=50&lang=lt;

Panevėžys County Police Headquarters, *Panevėžys County DAC average wages*. Internet access: http://www.panevezys.policija.lt/index.php?option=com_content&view=article&id=1644&Itemid=166.

⁵⁵³ The Police Department under the Lithuanian Ministry of Interior, *Wages*. Internet access: <http://www.policija.lt/index.php?id=2924>.

⁵⁵⁴ *Certificate of police bodies and crime during 2010*, 6; *Police Annual Report to the public in 2011*, 6. Internet access: <http://www.policija.lt/index.php?id=2875>.

⁵⁵⁵ Ibid. P. 7.

⁵⁵⁶ The Republic of Lithuania State Control. *State audit report. Statutory domestic services management*. January 2011. No. VA-P-40-3-2, Vilnius, 15. Internet access: http://www.vkontrole.comauditas_ataskaitos.php?type=v.

⁵⁵⁷ *Certificate of police bodies and crime during 2010*, 8-9. Lack of human and material resources in the chain of investigators is specified as one of the most common reasons of inefficient investigating. See R. Jurka. *Criminal Procedure optimization and caching options and techniques*. Vilnius: the Institute of Law, the 2005.

⁵⁵⁸ Law on Public Service, article 7, part 3.

⁵⁵⁹ Lithuanian Statute of Internal Service, articles 16, 21. Žin., 2003, No. 42-1927 (with later amendments and additions).

Although the budgets and salaries of all law enforcement agencies were decreased in 2010 and police officers were even compelled to take unpaid leave⁵⁶⁰, 2011 the law enforcement system continued discharging its functions. The situation is more complicated in the police system. Resources for Prosecution Service and Special Investigation Service are adequate, however they have to be increased in pursuit of activity efficiency, and resources for the police are too low⁵⁶¹ and impede duly performance of the pre-trial investigation function.

In conclusion, an increase in funding of the prosecution service, the SIS and the police, in particular in the area of technological resources, coupled with effective institutional governance is necessary in order to ensure successful performance.

Education requirements, professional development and increased salaries are necessary for police investigators, because their work is decisive for the quality of pre-trial investigation⁵⁶².

Independence (law)

To what extent are law enforcement agencies independent by law?

Score: 100/100

The Prosecutor General⁵⁶³ and the Director of the Special Investigation Service⁵⁶⁴ are appointed and removed from office by the President of the Republic with approval of the Seimas. The Police Commissioner General is appointed by the President of the Republic at the proposal of the Minister of the Interior and on the recommendation of the Government. The Police Commissioner General is subordinate to the Minister of the Interior and accountable to the President of the Republic⁵⁶⁵. All these heads are appointed for a five-year term of office, not exceeding two terms of office.

Since 2012, the rotation of chief prosecutors⁵⁶⁶ and heads of SIS units⁵⁶⁷ has been introduced. In the cases provided for by laws, rotation also applies to police officers⁵⁶⁸.

Heads and officials of law enforcement agencies are subject to age limits, requirements for education, specific years of service and impeccable reputation⁵⁶⁹,

⁵⁶⁰ While police agencies financial stability in 2010 has been maintained, but only because of borrowing money and releasing officers for an unpaid leave. The Police Department under the Ministry of the Interior. *Certificate of police bodies and crime during 2010*, 9; *The Police Department under the Ministry of the Interior activity report in 2011*, 2.

⁵⁶¹ The Police Department under the Ministry of the Interior Activity Report in 2011, 2.

⁵⁶² That position is also shared by the experts who have been doing the interview: public prosecutor and Doctor of law, university professor who performs research in the field of criminal justice, 1 July 2011 (hereinafter - the author's interview with a scientist). Lack of human and material resources in the chain of investigators is specified as one of the most common reasons of inefficient investigating. See. Criminal process optimization and caching options and techniques. Vilnius: the Institute of Law, the 2005.

⁵⁶³ Law of amendment of article 18 of the Constitution of the Republic of Lithuania. *Žin.*, 2003, No. 32-1316.

⁵⁶⁴ The Lithuanian Special Investigation Service Act, article 11.

⁵⁶⁵ The Republic of Lithuania Law on Police Activities, article 12.

⁵⁶⁶ The law of supplement and amendment of The Law on the Prosecution Service of the Republic of Lithuania articles 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20, 21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52, supplementing the law with articles 34 (1), 39 (1) and acknowledge article 38 as invalid. *Žin.*, 2011, No. 91-4333.

⁵⁶⁷ The law of supplement and amendment of The Lithuanian Special Investigation Service Statute articles 2, 8, 10, 11, 13, 32. *Žin.*, 2011, No. 68-3222.

⁵⁶⁸ The Lithuanian Special Investigation Service Statute, article 16 (1).

prohibition of direct subordination between officials who are close by blood or marriage.⁵⁷⁰ Officials are recruited, promoted, moved to another position and removed from office according to the procedure prescribed by laws, following specific criteria⁵⁷¹.

When performing his/her functions, the prosecutor shall be independent and shall obey only the law (Article 118 of the Constitution). The laws prohibit State, municipal institutions and agencies, their officials and employees, political parties and politicians, public organisations and media, other natural and legal persons from assigning any tasks to the prosecutor's office and prosecutors or from imposing any obligations that are not prescribed by law or in any other way interfere with the activities of prosecutors⁵⁷², as well as with the activities of the SIS.⁵⁷³ There is also an approach that meetings and other campaigns taking place inside the prosecutor's office and the SIS or at a distance closer than 25 metres should be prohibited⁵⁷⁴.

Persons and institutions, believing that a criminal offence has been committed, have the right to report to the prosecutor's office or pre-trial investigation agency. Only a prosecutor or a pre-trial investigation officer, however, has powers to decide as to the commencement of an investigation⁵⁷⁵. When commencing and conducting prosecution, the prosecutor is required to take decisions taking into consideration factual circumstances and the requirements of the law. Fundamental decisions in pre-trial investigation may be taken only by the prosecutor⁵⁷⁶. The prosecutor, after consideration of the public interest, may suggest terminating the pre-trial investigation on discretionary grounds (Article 212, paras. 3-9 of the Code of Criminal Procedure), however, the pre-trial investigation is terminated by an order of the investigating judge (Article 214, para. 2 of the Code of Criminal Procedure).

Officials are not personally liable for the damage caused by their actions during criminal proceedings. The budget of the state provides for annual allocations to compensate for damage resulting from unlawful actions of pre-trial investigation officials, prosecutors, judges or the court.⁵⁷⁷ The damage, which has been compensated by the state, can be recovered from a specific officer who has inflicted such damage only if it is ascertained that the officer acted intentionally⁵⁷⁸, however, it cannot exceed 9 average salaries⁵⁷⁹.

⁵⁶⁹ Law on the Prosecution Service of the Republic of Lithuania, articles 22, 25; The Lithuanian Special Investigation Service Statute, article 2. Žin., 2003, No. 38-1656 (with later amendments and additions); Law on Public Service, article 3-1.

⁵⁷⁰ Law on the Prosecution Service of the Republic of Lithuania, article 25; Law on Public Service, article 9.

⁵⁷¹ Prosecutors are appointed by the Prosecutor General, on the basis of the Selection board provision which, according to the qualification requirements, exam results, that are evaluated by the Candidates examination commission, decides applicant's suitability to occupy positions (Lithuanian Republic Public Prosecutor's Office articles 10, 26). The aspiring prosecutor on the basis of the Evaluation Commission concludes, is recorded in the list of prosecutors pursuing the career, with their agreement (Lithuanian Republic Public Prosecutor's Office article 34). Every 5 years, prosecutors certification is conducted. The Lithuanian Special Investigation Service Statute articles 8, 10; Law of approval of Lithuanian Office of Internal Statute articles 15, 16, 16-1.

⁵⁷² Law on the Prosecution Service of the Republic of Lithuania, article 11.

⁵⁷³ The Lithuanian Special Investigation Service Act, article 16.

⁵⁷⁴ Law on the Prosecution Service of the Republic of Lithuania, article 11; The Lithuanian Special Investigation Service Act, article 11.

⁵⁷⁵ Code of Criminal Procedure, articles 166, 167, 168, 171, 172.

⁵⁷⁶ Code of Criminal Procedure, articles 166, 167, 168, 169, 170, 171.

⁵⁷⁷ Law of the Republic of Lithuania of the damage caused by the authorities' illegal actions, wages and representation in state. Žin., 2002, No. 56-2228, article 2.

⁵⁷⁸ The Supreme Court's practice in this regard is consistent: making decision on the article 6.272 paragraph 4, it is necessary to set the fact of officers' intentional actions. Ruling of the Lithuanian Supreme Court Civil Division of the panel of judges io 21 February, 2011 civil case the Lithuanian Prosecutor General's Office. J. L., case No. 3K-3-62 /2011.

⁵⁷⁹ Law of the Republic of Lithuania of the damage caused by the authorities' illegal actions, wages and representation in state. Žin., 2002, No. 56-2228, article 5.

Independence (practice)

To what extent are law enforcement agencies independent in practice?

Score: 50/100

The appointment of the Prosecutor General is rather politicised. On the one hand, the appointment procedure of the Prosecutor General entails looking for a compromise between the President and the Parliament. On the other hand, there are permanent discussions in Lithuania regarding the prosecution service – should it remain independent or become part of the judiciary or the executive power⁵⁸⁰. The procedure for appointing the Prosecutor General⁵⁸¹, which has been changed several times, casts reasonable doubts that the authorities seek influencing the prosecution service. None of the five Prosecutor Generals have completed their full term of office in Lithuania so far⁵⁸². That leads to discussions if the Prosecutor General is independent. The predominant approach is that the legal preconditions for independence exist, however, its practical implementation depends on the political and legal culture, on the support of the President and the Seimas, etc.⁵⁸³, which sometimes has not been in place.

Information about career opportunities of prosecutors is available on the website of the prosecutor's office⁵⁸⁴. In 2010, 32 candidates were recruited in the prosecution service.⁵⁸⁵ Although there is "movement" of prosecutors within the prosecution service, new provisions on the selection and career of prosecutors could make this process more transparent⁵⁸⁶: the amendments to the Law envisage that apart from four prosecutors, the commissions for the selection of prosecutors, senior prosecutors and for their attestation will each involve three persons of impeccable reputation to be proposed by the President of the Republic, the Chairperson of the Seimas and the Prime Minister⁵⁸⁷.

⁵⁸⁰ Decision of the Board of the Seimas 15 January 2010, No. SV-S-534 "On the formation of the working group to determine the Prosecutor's office of the Republic of Lithuania's legal situation and place of the public authorities in the system" by 30 June 2011 the working group has to examine Prosecutor's Office of the Republic of Lithuania and the change of the legal status of government authorities in the system, <...> and to prepare projects for the supplement and amendment of law acts, including the Constitution of the Republic of Lithuania.

⁵⁸¹ 1991 Law on the Prosecutor's Office stated that the Lithuanian Prosecutor General is appointed and dismissed by the Supreme Council of the Republic of Lithuania, for which he is responsible and accountable. See: Prosecutor's Office of the Republic of Lithuania Law. Žin., 1991, No. 17-454; 1995. Law on the Prosecutor's Office stated that the Prosecutor General is appointed for 7 years term and dismissed by the President of the Republic of Lithuania. See: Žin., 1994-10-19, No. 81-1514. The Constitutional Court has held that a law, which amends the procedure for the appointment of a prosecutor and becomes a reason to dismiss the Prosecutor General, contradicts the constitution. Resolution of Lithuanian Constitutional Court, 24 January 2003.

⁵⁸² D. Donauskaitė D. "Law enforcement is kicking", *Atgimimas.lt*, 12 February 2011. Internet access: <http://www.atgimimas.lt/Aktualijos/2010-metai-vasario/Teisesaugininkai-spardosi>

⁵⁸³ Ibid.

⁵⁸⁴ Prosecution Service of the Republic of Lithuania. *Information for contenders to prosecutors*. Internet access: <http://www.prokuraturos.lt/Pri%C4%97mimas%C4%AFtarnyb%C4%85/Prokuroru/tabid/95/Default.aspx>.

⁵⁸⁵ The Lithuanian prosecutor's office report in 2010, p. 89.

⁵⁸⁶ Author's interview with the prosecutor, 1 July 2011.

⁵⁸⁷ The law of supplement and amendment of Law on the Prosecution Service of the Republic of Lithuania articles 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20, 21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52, supplementing the law with articles 34 (1), 39 (1) and acknowledge article 38 as invalid. Žin., 2011, No. 91-4333, article 10.

Competitions to the positions of investigators are announced on the websites of the Special Investigation Service⁵⁸⁸ and the Police Department.⁵⁸⁹

In terms of interference with specific investigations, a distinction should be made between the impact of parties to the proceedings and the public, the media and politicians.

Interference with the activities of a judge, prosecutor or pre-trial investigation officer is considered criminal and can lead to imprisonment for a term of up to two years; interference using coercion – to imprisonment for up to four years (Article 231 of the Criminal Code). Persons who commit other criminal offences against officials while the latter perform their official functions are prosecuted for such offences⁵⁹⁰, although there are not many proceedings of this type.

Activities of the public, the media and politicians are often on the verge between the freedom of speech and the influence on the officer who investigates a specific case.

The Seimas often forms interim investigation commissions⁵⁹¹ for the solution of issues related to law enforcement. Although the Constitutional Court has stated that the interim investigation commission of the Seimas cannot interfere with the independence of prosecutors⁵⁹², the commissions formed recently cast doubts about whether they investigate the opportunities for improving law enforcement performance or interfere with the investigation of high profile cases⁵⁹³. Experts consider that interference with law enforcement is clearly exerted by parliamentary investigations which are designated for the analysis of specific cases⁵⁹⁴. Usually parliamentary investigations take place before completion of criminal proceedings: it has negative impact on the judicial prospects of the proceedings and their conformity to the Human Rights Convention. This way, individual politicians who make

⁵⁸⁸ Prosecution Service of the Republic of Lithuania. *Classified Ads*. Internet access: <http://www.stt.lt/lt/menu/konkursai-i-valstybes-tarnyba/skelbimai/>.

⁵⁸⁹ Police Department under the Ministry of the Interior. *The selection of the statutory civil servants*. Internet access: <http://www.policija.lt/index.php?id=3708>.

⁵⁹⁰ Vilnius District Prosecutor's Office completed the investigation and transferred the criminal case because of the threat to kill or impair health (Article 145 of the Criminal Code. 1.) and insulting a public servant (Article 290 of the Criminal Code.) to Vilnius City 1st District Court <..> According to prosecutors, the accused K. Š. in February made a phone call into the working cell phone to General prosecutor J. L. who was responsible for pre-trial investigation, also sent a threatening and abusive short (SMS) message to the victim with words degrading the authority, honor and dignity of a public official. K. Š. threatened to kill the prosecutor or impair his health. Internet access: <http://www.prokuraturos.lt/Naujienos/Prane%C5%A1imaispaudai/tabid/71/ItemID/4042/D>.

⁵⁹¹ The statute of the Seimas of the Republic of Lithuania. Žin. 1994, No. 15-249.

⁵⁹² Ruling of Lithuanian Constitutional Court 13 March 2004; Ruling of Lithuanian Constitutional Court 4 April 2006.

⁵⁹³ Ruling of the Seimas of the Republic of Lithuania, 21 January 2010, No. XI-671. Žin., 2010, No. 12-562; Ruling of the Seimas of the Republic of Lithuania, 22 October 2009, No. XI-452. Žin., 2009, No. 129-5589. "Family Law Department concluded that [...] Project of Provisional investigation Commission of Kaunas District Court Judge J. Furmanavičius and V. Naruševičienė murder may be in conflict with the Constitution, because some questions formulated by V. Kurpuveso may interfere with the ongoing pre-trial investigation." ("The Seimas do not hurry to conclude commission to investigate the events in Kaunas.") *Diena.lt*, 15 October 2009. Internet access: <http://www.diena.lt/naujienos/lietuva/seimas-neskuba-sudarineti-komisijos-kauno-ivykiams-tirti-243262>; Report on legality of Seimas provisional investigation commission, Interior Minister Juozas Bernatoniš publicly brought accusations on Police Commissioner General Vytautas Grigaravičius and his dismissal and certification investigate. IXP-2540 Internet Access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=209953&p_query=&p_tr2; Ruling of the Seimas of the Republic of Lithuania. Žin., 2010, No. 58-2834; Ruling of the Seimas of the Republic of Lithuania. Žin., 2006, No. 107-4051.

⁵⁹⁴ Author's interview with the prosecutor, 1 July 2011; author's interview with a scientist, 1 July 2011.

public assessment of pending cases⁵⁹⁵ or are interested in a specific case create pressure on law enforcement officials⁵⁹⁶. The instances disclosed when the Prime Minister's advisers inquire into specific cases⁵⁹⁷ also cannot be tolerated. In 2010 Parliament attempted to initiate an inquest concerning Prime Minister's adviser's visit to the Financial Crime Investigation Service inquiring about ongoing investigation regarding the attempt to illegally receive 22,5 mil. LTL of EU financial assistance.⁵⁹⁸

The media discloses private details of officials involved in high profile cases. Protest campaigns taking place close to the buildings of the prosecutor's office in breach of the rules prescribed for by laws⁵⁹⁹ should also be considered a form of unlawful impact on prosecutors⁶⁰⁰, although no charges for unlawful acts are usually made against participants in such campaigns.

It also happens in practice that suspected (accused) persons bring proceedings at court under the private accusation procedure requesting to hold the officials investigating their case guilty of defamation or insult. The courts should follow the approach in such proceedings that the information contained in the case-file should not be considered a breach of the presumption of innocence⁶⁰¹ or, *a fortiori*, a criminal offence. There is no pre-trial investigation undertaken in private accusation proceedings and if a complaint meets the requirements, legal proceedings are instituted and the official becomes the accused. The official against whom criminal charges have been lodged is usually suspended from office. It is proposed to form such case law: after receiving a complaint and founding, that the charge relates to the prosecutor or the SIS officer's judicial investigations, the court should not examine it, if do not have permission of a competent authority (BSC 3-2 Str.), because a special subject is provided by special laws, whose authorization is required in order to bring the allegations (charges) to these officials⁶⁰². Parties to such proceedings also assert claims against the official who discharges his/her functions in criminal proceedings for compensation of damages under the civil procedure. Such cases, although they are not very frequent, make prosecutors or pre-trial investigation officials very vulnerable.⁶⁰³

⁵⁹⁵ The European Court of Human Rights. *Butkevičius versus Lithuania* paragraph 53 (Case No. 48297/99). Internet access: http://www.tm.lt/dok/Butkevicius_pries_Lietuva_spr.pdf.

⁵⁹⁶ Ruling of the Seimas of the Republic of Lithuania "On findings of the Seimas Provisional investigation commission to investigate and determine the circumstances of death of J. Abramavičius". 5 December 2007 No. X-1350. Žin., 11 December, No. 130-5260.

⁵⁹⁷ Stanišauskas G., "Prime Minister's advisers wander in the jungle of laws". *Valstietis.lt*, 30 April 2010. Internet access: <http://www.valstietis.lt/ezwebin/print/?node=255180>.

⁵⁹⁸ Balsytė L., "Kubilius' advisors behavior - under the magnifying glass of the Seimas". *15min.lt*, 30 April 2010. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/kubiliaus-patareju-elgesys-po-padidinamuoju-seimo-stiklu-56-95241>.

⁵⁹⁹ R. Mikalčiūtė, Ivaškevičius A., "Supporter of D. Kedys protest at the country's public prosecutors". *15min.lt*, 9 October 2009. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/prie-salies-prokuraturu-protestavo-drasiaus-kedzio-remėjai-atnaujinta-20.57-val.-nuotraukos-video-56-59599>;

"Parents accused of illegal arbitrary benefits increasing, organized the protest to the General Prosecutor's". *15min.lt*, 6 January 2010. Internet access: <http://www.bernardinai.lt/straipsnis/2010-01-06-neteisetu-pasalpu-pasididinimu-kaltinami-tevai-nese-protesto-karstus-prie-generalines-prokuraturos/38025/comments/1/asc>; Račas A., "Coffins to the prosecutor's office: Kubilius social policy funerals". Internet access: <http://racas.lt/karsteliai-prie-prokuraturos-a-kubiliaus-socialines-politikos-laidotuves/>.

⁶⁰⁰ Author's interview with the prosecutor, 1 July 2011; author's interview with a scientist, 1 July 2011.

⁶⁰¹ The European Court of Human Rights. *Daktaras versus Lithuania*, paragraph 41-45 (Case No.42095/98). Internet access: http://www.tm.lt/dok/Daktaras_pries_Lietuva_spr.pdf; par. 41-45; The European Court of Human Rights. *Butkevičius versus Lithuania* paragraph 52 (Case No. 48297/99). Internet access: http://www.tm.lt/dok/Butkevicius_pries_Lietuva_spr.pdf.

⁶⁰² Law on the Prosecution Service of the Republic of Lithuania, article 12, part 3; The Lithuanian Special Investigation Service Act, article 17, part 1.

⁶⁰³ Author's interview with the prosecutor, 1 July 2015.

Governance

Transparency (law)

To what extent are there provisions in place to ensure that the public can access the relevant information on law enforcement agency activities?

Score: 100/100

The laws make a distinction between several forms of information provision: informing about the agency, informing about officials and providing information to the public about the case.

The Prosecutor General is accountable for the performance of the prosecution service to the President and the Seimas⁶⁰⁴; as of 2012, information will also be provided to the Government. The parliamentary supervision over the activities of the Special Investigation Service is carried out by the Seimas⁶⁰⁵.

The Police Commissioner General, once in six months, presents information to the public about activities of the police on the website of the Police Department⁶⁰⁶. He is accountable for his performance to the President of the Republic and the Minister of the Interior⁶⁰⁷.

Prosecutors and law enforcement officials must complete annual property and income declarations, which are submitted to the State Tax Inspectorate⁶⁰⁸. Provision of false data or failure to submit a declaration gives rise to criminal liability – imprisonment up to three years⁶⁰⁹. Prosecutors and other officials are obliged to submit annual declarations on the conflicts of interest⁶¹⁰. This declaration is filed with the Chief Official Ethics Commission or stored in the relevant agency. A breach of the requirements of the Law on the Adjustment of Public and Private Interests in the Civil Service may be considered a severe malfeasance and lead to sanctions – removal from office.

Access to a criminal case-file during pre-trial investigation is regulated by the Code of Criminal Procedure and the relevant procedure is defined by Orders of the Prosecutor General⁶¹¹. Article 177 of the Code of Criminal Procedure stipulates that the data of pre-trial investigation is not subject to disclosure. Such data may be made public before the case hearing at court only with the authorisation of the prosecutor and only to the extent allowed. Public disclosure of data about minor suspects and victims is prohibited.

Victims, suspects, their representatives and defence counsel are allowed to have access to the case-file, as well as make copies of or extracts from the case-file. Where the prosecutor believes that the access will be detrimental to the success of the investigation, he/she may pass a reasoned decision prohibiting access to the case-file. Such decision may be appealed to the investigating judge (Article 181, para. 1 of the Code of Criminal Procedure). Upon decision to refer the case-file to the court, the prosecutor should notify the parties to the proceedings that they have the right of access to the pre-trial investigation file (Article 218,

⁶⁰⁴ Law on the Prosecution Service of the Republic of Lithuania, article 4.

⁶⁰⁵ The Lithuanian Special Investigation Service Act, article 22.

⁶⁰⁶ The Republic of Lithuania Law on Police Activities, article 6.

⁶⁰⁷ Ibid., article 12.

⁶⁰⁸ Law of the Republic of Lithuania of the property and income declaration. Žin., 2003, No. 123-5583; article 2.

⁶⁰⁹ Criminal Code, articles 220 and 221.

⁶¹⁰ Law of public and private interests in the civil service. Žin., 2000, No. 18-431, article 6.

⁶¹¹ Order of the Prosecutor General of the Republic of Lithuania 10 February 2011, No. I-48. „Approval of recommendations of pre-trial data release“. Order of Attorney of the Republic of Lithuania 18 April 2003, No. I-58, „Approval of the beginning of the pre-trial procedures for the registration and recommendations.“

para. 1 of the Code of Criminal Procedure), except as otherwise provided by law, e.g., personal data of classified witnesses.

Transparency (practice)

To what extent is there transparency in the activities and decision-making processes of law enforcement agencies in practice?

Score: 75/100

Annual performance reports of the Prosecutor General and of the Special Investigation Service are submitted to the Seimas; they are available to the public on the websites of the relevant law enforcement agencies⁶¹². Performance reports of the police are accessible on the website of the Police Department⁶¹³. Findings of the National Audit Office regarding the performance and financial audits of law enforcement agencies are also publicly available⁶¹⁴.

Annual performance reports of the agencies are considered by committees of the Seimas in the parliamentary scrutiny thereof and findings are submitted to the Seimas.⁶¹⁵

Private interest declarations of the head of the prosecution service, the Special Investigation Service and of the police, their deputies and heads of their structural units are available to the public on the website of the Chief Official Ethics Commission (COEC)⁶¹⁶; their property declarations are also published⁶¹⁷.

Declarations of other officials are stored in their agencies. The COEC notes that this measure of institutional control may be inadequate, because as a result of high workloads responsible specialists only check formally if the declarations have been filled out correctly and do not analyse their content.⁶¹⁸ Control often takes place when potential infringements come to light⁶¹⁹. On the other hand, due to the ambiguity of the rules for declaring private and

⁶¹² Prosecution Service of the Republic of Lithuania, *Financial statements*. Internet access: <http://www.prokuraturos.lt/Veikla/Ataskaitos/tabid/413/Default.aspx>; The Lithuanian Special Investigation Service, *Results of the performance*. Internet access: <http://www.stt.lt/lt/menu/stt-veikla/veiklos-rezultatai/>.

⁶¹³ Police Department under the Ministry of Interior, *Results of the performance*. Internet access: <http://www.policija.lt/index.php?id=2875>.

⁶¹⁴ Audits of performance. Internet access: http://www.vkontrole.lt/auditas_ataskaitos.php?tipas=v; Financial audits. Internet access: http://www.vkontrole.lt/auditas_ataskaitos.php?tipas=f (website of National Audit Office of Lithuania).

⁶¹⁵ The statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249. The Seimas Committee considers the report of the SIS, carries parliamentary control and makes proposals to improve the operations of the SIS (Decision of Lithuanian Seimas National Security and Defence Committee on the Special Investigation Service Activity Report of 2010. 1 June 2011. No. SPR-104-6. Internet Access: http://www3.lrs.lt/pls/inter/w5_show?p_r=7745&p_k=1.

⁶¹⁶ Chief Official Ethics Commission, *Search of declarations*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=453&Itemid=49. COEC indicates that it received 5365 declarations from 4,175 people in 2011. Declarations alignment and visibility duration becomes a problematic sphere because of lack of COEC human resources. Consequently, it becomes inefficient because, there is no continuous monitoring of declarations of data. It is currently being introduced electronic interest declaration system. See: Chief Official Ethics Commission, the Chief Official Ethics Commission Annual Report for 2011. 27. Internet Access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53213.

⁶¹⁷ Law of the Republic of Lithuania of the property and income declaration of law. Žin, 2003, No. 123-5583. 10 straipsnis. The law states that the declaration shall be published in the special annex of *Valstybės Žinios*.

⁶¹⁸ *The Chief Official Ethics Commission Annual Report for 2010*, p. 27.

⁶¹⁹ The Prosecutor General D. Valys asked for the official verification, which aim was to determine whether all of the prosecutors of General Prosecutor's Office from 2009 to May in 2011 declared private interests properly Lithuanian Republic Public Prosecutor's Office, "Lithuanian Republic Public Prosecutor's Office carried out an inspection of the declaration of private interests." Press

public interests, sometimes the officials who, for example, fail to declare their transactions in due time get sanctioned while those who do not declare do not “lose” anything because there is no real control.⁶²⁰

In the absence of the universal declaration and monitoring system, without allocating resources to ensure the control over the declaration of property, income and interests of officials, this system remains ineffective.

In fact, pre-trial investigation data are often released in the media without the authorisation of a prosecutor⁶²¹ and Article 247 of the Criminal Code provides for liability for the disclosure of such data only to persons who have been involved in or followed a specific procedural action and have been warned with written acknowledgement about the prohibition to release the data of pre-trial investigation without prosecutor’s authorisation. Thus, other persons, as well as providers of public information and journalists who disclose the pre-trial information data cannot be punished, if there are no elements of criminal offence stipulated by the Criminal Code.⁶²² In 2010, for example, data of minor parties to criminal proceedings were released in public in 43 cases (34 in 2009).⁶²³ Unlawful “leakage” of private life information to the media where lists of telephone calls are published and procedural documents are disclosed⁶²⁴ is possible through unlawful conduct by officials – the investigation of such cases, however, is seldom successful and does not increase trust in law enforcement.

Data about apparent crime events can be made public by relevant officials without the prosecutor’s authorisation⁶²⁵, however, if officials disregard the procedure of notifying about

release	20	June	2011.	Internet	Access:
http://www.prokuraturos.lt/Naujiena/tabid/104/ItemID/4088/Default.aspx .					

⁶²⁰ Author’s interview with a prosecutor, 1 July 2011.

⁶²¹ “Vilnius District Prosecutor's Office launched an investigation on the <...> publication <...> Preliminary investigation started because of the pre-trial data release without the prosecutor's permission (Criminal Code article 247) and because of the potential abuse of office of a public servant or an equivalent person (Criminal Code article 228, part 2). According to the chief prosecutor of the Vilnius Region <...> statements of publication are misleading, untrue, even more - they are assessed as pressure on the investigating officers to divert them to investigate only certain versions. The chief prosecutor ... once again turn to the media and asks for understanding and patience – do not complicate to the course of the investigation, do not raise misleading versions <...>”. Internet access: [Http://www.prokuraturos.lt/Naujiena/tabid/104/Itemid/4098/Default.aspx](http://www.prokuraturos.lt/Naujiena/tabid/104/Itemid/4098/Default.aspx).

⁶²² Ruling of Lithuanian Supreme Court in a criminal case No. 2K-649/2005. Journalists' Ethics Inspector indicates that “ public information producers and journalists whose articles combine source of information confidentiality and impunity for investigating data dissemination principles have excellent knowledge of the “golden rule“. Inspector of Journalist Ethics Annual Report of 2010. Internet access:

http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=395776&p_query=&p_tr2=

⁶²³ Inspector of Journalist Ethics Annual Report of 2011. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=395776&p_query=&p_tr2=; Inspector of Journalist Ethics Annual Report of 2010.

⁶²⁴ Human Rights Monitoring Institute, *The limitation of the private life of electronic communications for the investigation of criminal offenses: the problems and possible solutions*. Internet Access: http://www.hrmi.lt/Uploaded/PDF%20dokai/Priv_gyvenimo_ribojimas_el_rysiu_srityje_tiriant_nus20050227_web.pdf.

⁶²⁵ Order of the Lithuanian Prosecutor General of the Republic 10 February n 2011, No. I-48. “On approval of recommendations of data release during pre-trial investigation“, p. 14. Internet access: <http://www.prokuraturos.lt/Teisin%C4%97informacija/Rekomendacijos/tabid/166/Default.aspx>.

cases and the media misinterprets data about investigations⁶²⁶, this can subsequently lead to difficulties during the judicial case hearing⁶²⁷.

In principle, the suspects, victims⁶²⁸, their representatives and defence counsel get access to the case material and can make its copies.

With the view of ensuring the secrecy of pre-trial investigation, integrity-based response is necessary both to the abuse of information disclosure by officials and to the attempts of the mass media or politicians to manipulate it.

Accountability (law)

To what extent are there provisions in place to ensure that law enforcement agencies have to report and be answerable for their actions?

Score: 75/100

Any person who believes that his/her rights have been breached may submit an application to the prosecutor's office or other law enforcement agency and request prosecution; criminal offences may be reported by any persons, not necessarily victims.

Individuals may also report infringements of law and offences to the police electronically⁶²⁹; reports about corruption may be reported by visiting the SIS, by e-mail, fax or telephone.⁶³⁰ Individuals aware of any criminal offence committed by a law enforcement officer may contact any law enforcement agency, most often, the Special Investigation Service. There is no special regulation of the investigation of such cases – the Code of Criminal Procedure is applied. The victim and witness anonymity could be maintained during criminal procedure, i.e. personal data are not disclosed to the defense. Anonymity could be maintained in case of real danger to life, health, freedom or property of the victim, witness or their family members either relatives as well to their service, business or other legal interests and when his/her testimony is important to the criminal procedure.⁶³¹ There is no special protection of whistleblowers and this may hamper the effective investigation of criminal offenses.

The applicant is informed whether the investigation has been commenced. Upon receipt of a reasoned decision to refuse to open the investigation, the applicant may appeal against it. The Code of Criminal Procedure stipulates that all decisions taken in the proceedings shall be reasoned, in particular, where the prosecutor is allowed to exercise discretion.

⁶²⁶ "The prosecutor's office do not further comment murder of S. Novikovas case." Klaipeda.diena.lt, 23 June 2011. Internet access: <http://klaipeda.diena.lt/naujienos/kriminalai/prokuratūra-s-novikovo-nuzudymo-file-continue-not-comment-360223>.

⁶²⁷ In such cases, questions about prejudices, breach of the presumption of innocence, impact on the court are raised.

⁶²⁸ Generalization of the target checks on Criminal Procedure Code, that establishes the right for victims (victims of crime) to defend their interests during the investigation No. 7.7-13, 13 March 2008. 7. Internet access: <http://www.prokuraturos.com/nbspnbspkiteisminiotyrimokontrol%4%97/ITapibendrinimai2008m/tabid/401/Default.aspx>.

⁶²⁹ Reports to the police. Internet Access: <https://www.epolicija.lt/report-anonymous>

⁶³⁰ Prosecution Service of the Republic of Lithuania. SIS activities. Internet access: <http://www.stt.lt/lt/menu/stt-veikla/>.

⁶³¹ Code of Criminal Procedure, articles 198-204.

Complaints about human rights infringed by law enforcement officials in the area of public administration may be addressed to the Seimas' Ombudsman⁶³².

Neither prosecutors nor other law enforcement officials have immunity against prosecution. However, in order to ensure the independence of prosecutors, the Law on the Prosecutor's Office provides that an investigation into a criminal act committed by the Prosecutor General may be initiated only by the President of the Republic, upon removing him from office with the consent of the Seimas; pre-trial investigation into a criminal act committed by a Deputy Prosecutor General may be launched only by the Prosecutor General upon notifying the President of the Republic thereof; pre-trial investigation into a criminal act committed by a prosecutor may be launched only by the Prosecutor General.⁶³³ Pre-trial investigation where a SIS officer is the suspect may be initiated only by the Prosecutor General and his deputy.⁶³⁴ There are also some specific provisions on the application of procedural coercive measures on prosecutors and SIS officials.⁶³⁵

Accountability (practice)

To what extent do law enforcement agencies have to report and be answerable for their actions in practice?

Score: 75/100

Law enforcement agencies provide public performance reports⁶³⁶, providing statistical and analytical information about the outcome of their activity, funding and human resources.

Applicants are informed about final decisions in the pre-trial proceedings⁶³⁷ and they often appeal against such decisions, sometimes even repeatedly⁶³⁸ although the victim studies show that the number of victims of crimes do not report them because they do not believe that their rights will be defended. Upon ascertaining that the prosecutor has discontinued an investigation groundlessly, a higher prosecutor resumes the investigation *ex officio*.

In 2011, 9 police officers were sentenced for bribery; 10 police officers and one prosecutor were tried for office abuse.⁶³⁹

In 2011 disciplinary sanctions were imposed on 21 prosecutor (2010 – 20; 2009 – 28)⁶⁴⁰. The SIS does not disclose information about disciplinary liability in public. Checks of

⁶³² Law on the Seimas Ombudsmen. Žin., 2004, No. 170-6238; article 12. The complaint may be submitted electronically. Internet access: <http://www.lrski.lt/index.php?n=304&l=LT>

⁶³³ The Law on the Prosecution Service of the Republic of Lithuania., article 12.

⁶³⁴ The Lithuanian Special Investigation Service Act, article 17.

⁶³⁵ Law on the Prosecution Service of the Republic of Lithuania, article 12; The Lithuanian Special Investigation Service Act, article 17.

⁶³⁶ Prosecution Service of the Republic of Lithuania, *The financial statements*. Internet access: [http://www.prokuraturos.lt/Activities/Finances% 4% 97sataskaitos / tabid / 413 / Default.aspx](http://www.prokuraturos.lt/Activities/Finances%204%2097sataskaitos/tabid/413/Default.aspx); The Lithuanian Special Investigation Service, *Results of performance*. Internet Access: <http://www.stt.lt/lt/menu/stt-veikla/veiklos-rezultatai/>; The Republic of Lithuania Police Department under the Lithuanian Ministry of Interior, *Activity reports*. Internet Access: <http://www.policija.lt/index.php?id=2875>.

⁶³⁷ Conclusion of targeted checks on the Criminal Procedure Code, that establishes the victims (victims of crime) right to defend their interests during the investigation, 8-9.

⁶³⁸ Prosecutor General's Office acknowledged that the death of V. P. was an accident, but a court order resumed pre-trial investigation. "SSD is obliged to re-examine Pociūnienė's request for compensation", *Bernardinai.lt*, 2011. June 16. Internet access: <http://www.bernardinai.lt/straipsnis/2011-06-06-vsd-ipareigotas-is-naujo-nagrineti-l-pociunienesprasyma-del-kompensacijos/64036>.

⁶³⁹ Prosecution Service of the Republic of Lithuania Annual report of 2010, p. 30, 33.

⁶⁴⁰ Ibid., p. 70.

units and officers in the police are rather intensive, officers are subject to disciplinary liability⁶⁴¹; police cars are equipped with video cameras⁶⁴². These measures, however, mostly aim at the prevention of “minor bribery”. As of this year, the Immunity Board should start functioning and co-operation with the tax inspectorate is being intensified⁶⁴³ – it will enable the control of “more serious” infringements of law.

Integrity mechanisms (law)

To what extent is the integrity of law enforcement agencies ensured by law?

Score: 75/100

Prosecutors, SIS and police officers must follow the codes of ethics⁶⁴⁴.

Until 2012 breaches of the Code of Ethics of Prosecutors were investigated by the Prosecutors' Ethics Commission, which consists of prosecutors. In 2012 the Seimas has expressed its consent to the proposal that the Ethics Commission should include four prosecutors and three persons of impeccable reputation to be suggested by the President of the Republic, the Chairperson of the Seimas and the Prime Minister⁶⁴⁵.

The Official Ethics Commission of the Police is formed by the Commissioner General; the composition of the commission is not regulated⁶⁴⁶ and at present it consists of police officers and representatives of universities, journalists and advocates⁶⁴⁷.

Prosecutors, SIS and police officers are not allowed to take part in political activities⁶⁴⁸; they are prohibited from being engaged in any other job or receiving any other remuneration, except for research, teaching or creative work with their manager's consent⁶⁴⁹

⁶⁴¹ Certificate of police bodies and crime during 2010, 8.

⁶⁴² Ibid., p. 10.

⁶⁴³ Website of the National Professional Association of Officers, “ The Commissioner-General informed Minister of the Interior on results of the police's fight against corruption. 7 April 2011. Internet access: <http://www.pareigunai.lt/index.php?page=naujienos&id=1036>

⁶⁴⁴ Order of the Lithuanian Prosecutor General 30 April 2004, No. I-68. “Approval of Lithuanian prosecutors Code of Ethics for prosecutors and ethics commission's regulations. Internet access: http://www.vtek.lt/index.php?option=com_content&view=article&id=350 (hereinafter – prosecutors Code of Ethics); The Lithuanian Special Investigation Service officers' Code of Conduct. Approved by the order of the Lithuanian Special Investigation Service Director 12 December 2005. No. 2-232. Internet Access: http://www.stt.lt/files/73_doc_file_1_180442.pdf; The code of ethics of Lithuanian police officials approved by the order of the Lithuanian General Police Commissioner 16 July 2004. No. V-347. Žin., 2004, No. 113-4257.

⁶⁴⁵ The law of supplement and amendment of Law on the Prosecution Service of the Republic of Lithuania articles 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20, 21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52, supplementing the law with articles 34 (1), 39 (1) and acknowledge article 38 as invalid. Žin., 2011, No. 91-4333, article 10.

⁶⁴⁶ Order of Lithuanian General Police Commissioner 16 June 2005, No. 5-V-365. "On the Order of Lithuanian General Police Commissioner No. V-78 "On the Police Department under the Ministry of Interior Official Ethics Commission, approval of provisions' amendments. Internet access: www.policija.lt/get.php?f.5166.

⁶⁴⁷ The Police Department under the Ministry of Interior, *Official Ethics Commission*. Internet access: <http://www.policija.lt/index.php?id=7513>

⁶⁴⁸ The Law on the Prosecution Service of the Republic of Lithuania, article 21; The Lithuanian Special Investigation Service Act, article 15; The Republic of Lithuania Law on Police Activities, article 4; Lithuanian Statute of Internal Service, article 24.

⁶⁴⁹ The Law on the Prosecution Service of the Republic of Lithuania, article 29; The Lithuanian Special Investigation Service Act, article 15; Lithuanian Statute of Internal Service, article 24.

and unless such other job (remuneration) is related to the activities of the service⁶⁵⁰. Officials cannot accept gifts or services in relation to their duties⁶⁵¹.

If the Commission identifies that a prosecutor has breached the provisions of the Code of Ethics, it may apply the sanctions prescribed in the Code⁶⁵², and in case any other infringements are identified in the prosecutor's activities, it may recommend to the Prosecutor General to carry out an official inspection⁶⁵³, which can lead to official sanctions.⁶⁵⁴

If the requirements of the Code of Ethics are breached by an employee of the Special Investigation Service, an official inspection⁶⁵⁵ is undertaken and sanctions can be imposed⁶⁵⁶.

Police officers are subject to moral and, upon the decision of competent officers, to official liability for a breach of the provisions of the Code of Ethics⁶⁵⁷.

The system for property, income and interest declarations of officials is described under the transparency indicator of this chapter.⁶⁵⁸

Only the Law on the Prosecution Service of the Republic of Lithuania defines the composition of the Ethics Commission, lists penalties of the prosecutor ethics Code, specifies the "jurisdiction" between subjects of ethics and duty infringements. Ethics Code of SIS employees and police officers specifies the conception of unethical conduct, but there is the lack of infringement setting procedures and clear consequences, as well as ethical and other infringement delimitation⁶⁵⁹.

In order to ensure a transparent ethical infrastructure, it is necessary to delimit ethical misconduct of the SIS and police officers and other officials, establish clear ethical infringement proceedings and provide penalties.

Integrity mechanisms (practice)

To what extent is the integrity of members of law enforcement agencies ensured in practice?

Score: 50/100

⁶⁵⁰ The Lithuanian Special Investigation Service Act, article 15

⁶⁵¹ The Lithuanian Special Investigation Service Act, article 15; Prosecutors Code of Ethics, p. 5.9.2.

⁶⁵² If the Commission finds that the prosecutor, in the course of official duties, ignores the ethical principles or violates the provisions of the Code, such sanctions may be applied: recognition of misbehaviour, the obligation to put an end an unethical behavior, an apology, warning, decision (details) publication, proposal for compensation for moral damages. Prosecutors Code of Ethics, p. 17.

⁶⁵³ Prosecutors Code of Ethics, p. 18.

⁶⁵⁴ The Prosecutor for wrongdoing, misconduct or behaviour that degrades the name of the prosecutor, can be punished by the following disciplinary sanctions: notes; reprimand; qualifying demotion; demotion; removal from office (Law of **Prosecution Service of the Republic of Lithuania, article 40**).

⁶⁵⁵ The Lithuanian Special Investigation Service officers Code of Conduct.

⁶⁵⁶ For misconduct, the following officers may be punished by such sanctions: warning; reprimand; severe reprimand; demotion; separation from service (the Lithuanian Special Investigation Service Statute, article 17).

⁶⁵⁷ Lithuanian police code of ethics.

⁶⁵⁸ About the property, income and interests declaration of officials. See: Law of the Republic of Lithuania of Declaration of Assets, article 2; Law of the Republic of Lithuania public and private interests in the Public Service, article 6.

⁶⁵⁹ Lithuanian police code of ethics; The Code of Conduct of the Lithuanian Special Investigation Service Officials.

In general, several breaches of the Code of Ethics of Prosecutors are investigated per year, nevertheless, recognition of the prosecutor's conduct as unethical has a rather "strong" effect, in the opinion of the expert.⁶⁶⁰ Normally, potential infringements are referred for investigation by the heads of the institution, however, from 2012, not only chief prosecutors and parties to the proceedings, but also other persons will be able to contact the Prosecutors' Ethics Commission regarding unethical behaviour of prosecutors⁶⁶¹. Currently, the Ethics Commission is often contacted about the procedural conduct of prosecutors in criminal proceedings⁶⁶², therefore, such complaints are dismissed. The same trend is also noted by the Ombudsman of the Seimas – more than half of the complaints are unfounded or related to the procedural activities of officials⁶⁶³.

The training of prosecutors is mostly related to professional development, however, several hours are spent on the issues of ethics⁶⁶⁴; the programmes of professional development of police officers do not reflect the topics of ethics⁶⁶⁵; the SIS does not inform about the training of its employees in public, although the material of anti-corruption training of civil servants is offered on its website⁶⁶⁶.

Overall reports about the numbers of breaches of ethics, their nature and investigation should not be published. This complicates the assessment of the actual situation and results in its low ratings. It is recommended to publish the necessary information about violations of ethics, also the reaction to them, as the courts do⁶⁶⁷.

Role

Corruption prosecution

To what extent do law enforcement agencies detect and investigate corruption cases in the country?

Score: 50/100

In 2011, 779 523 criminal offences were registered in the country⁶⁶⁸ (2010 – 77 734⁶⁶⁹). The number of applications regarding corruption-related criminal offences in 2011 was 732 pre-trial investigations⁶⁷⁰ (2010 – respectively 1 022 and 715⁶⁷¹).

⁶⁶⁰ Author's interview with the prosecutor, who also was a member of the Prosecutors Ethics Commission, 1 July 2011.

⁶⁶¹ The law of supplement and amendment of Law on the Prosecution Service of the Republic of Lithuania articles 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20, 21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52, supplementing the law with articles 34 (1), 39 (1) and acknowledge article 38 as invalid. Žin., 2011, No. 91-4333.

⁶⁶² Author's interview with the prosecutor, who also was a member of the Prosecutors Ethics Commission, 1 July 2011.

⁶⁶³ Lithuanian Seimas Ombudsmen's Annual Report of 2010, 6. Internet access: <http://www.lrski.lt/files/402.pdf>.

⁶⁶⁴ The Lithuanian Special Investigation Service, Prosecutor's education system. Training program or prosecutors for 2012 (program code - ST). Internet Access: <http://www.prokuraturos.lt/Veikla/Mokymai/tabid/173/Default.aspx>.

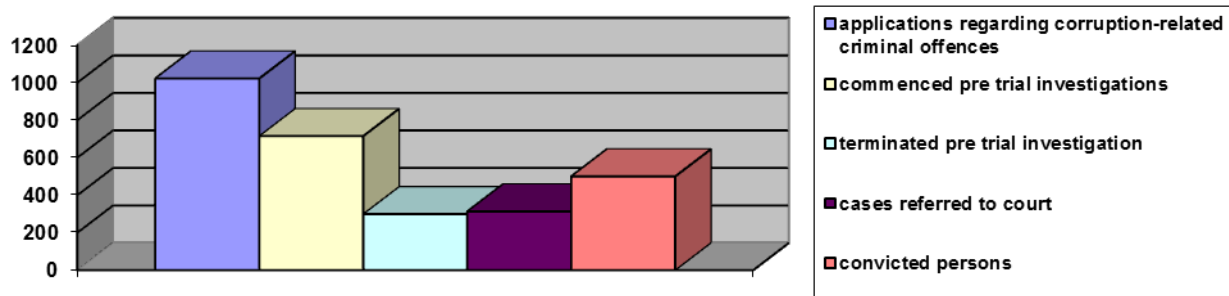
⁶⁶⁵ Lithuanian police school. Internet access: http://www.lpm.policija.com/en/training/kvalifikacijos_tobulinimas.

⁶⁶⁶ The Lithuanian Special Investigation Service, *Educational material*. Internet access: <http://www.stt.lt/lt/menu/antikorupcinis-svietimas/mokomoji-medziaga/>

⁶⁶⁷ Decisions of Judicial Ethics and Discipline Commission. Internet access: <http://www.teismai.com/en/self-court/court-self-judges-and-ethics-commission-discipline/tedk-solutions/>.

⁶⁶⁸ The Prosecution Service of the Republic of Lithuania Annual report for 2011, 11.

In 2011, 447 criminal cases were referred to court on the charges of bribe taking, trading in influence, abuse of office and bribe giving (2010 – 413; 2009 – 374), 568 persons were accused (2010 – 550; 2009 – 446).⁶⁷²



According to the Prosecutor General's Office, most effective investigations of criminal corruption offences are carried out by the SIS, because they normally conduct intelligence investigations and pre-trial investigation usually is being instigated once the person is caught *in flagrante*. Territorial police offices commence pre-trial investigations only upon receipt of an application from a person about commission of the criminal offence, therefore, the collection of information becomes more difficult.⁶⁷³

In 2011, the SIS identified 473 criminal offences (2010 – 615; 2009 – 424⁶⁷⁴), opened 81 pre-trial investigation (2010 – 88⁶⁷⁵), lodged charges against 216 persons (2010 – 312⁶⁷⁶), and completed 45 investigations (2010 – 56⁶⁷⁷).⁶⁷⁸

In 2011, the Lithuanian courts accused 450 persons in cases for corruption offences (2010 – 388)⁶⁷⁹. 71 persons were convicted and 9 persons were acquitted in 2011 in criminal cases where pre-trial investigation was performed by the SIS.⁶⁸⁰

⁶⁶⁹ Information prepared according to forms 3T-BITE BITE and EC-based analysis of the police bodies activity statistics.

⁶⁷⁰ The Prosecution Service of the Republic of Lithuania Annual report for 2011, 11.

⁶⁷¹ The Prosecution Service of the Republic of Lithuania Annual report for 2010, 27.

⁶⁷² The Prosecution Service of the Republic of Lithuania Annual report for 2011, 30; The Prosecution Service of the Republic of Lithuania Annual report for 2010, 27.

⁶⁷³ The Prosecution Service of the Republic of Lithuania Annual report for 2010, 28.

⁶⁷⁴ The Lithuanian Special Investigation Service, The Lithuanian Special Investigation Service Annual report for 2010. 28 February 2011, No. N-16, 2011. Internet access:

http://www.stt.lt/documents/planavimo_dokumenatai/STT_2010_m_veiklos_ataskaita_03-07.pdf.

⁶⁷⁵ Ibid., 8.

⁶⁷⁶ Ibid., 10.

⁶⁷⁷ Ibid.

⁶⁷⁸ The Lithuanian Special Investigation Service Annual report for 2011, 10, 14, 15.

⁶⁷⁹ The Prosecution Service of the Republic of Lithuania Annual report for 2011, 31.

⁶⁸⁰ The Lithuanian Special Investigation Service Annual report for 2011, 17, 18.

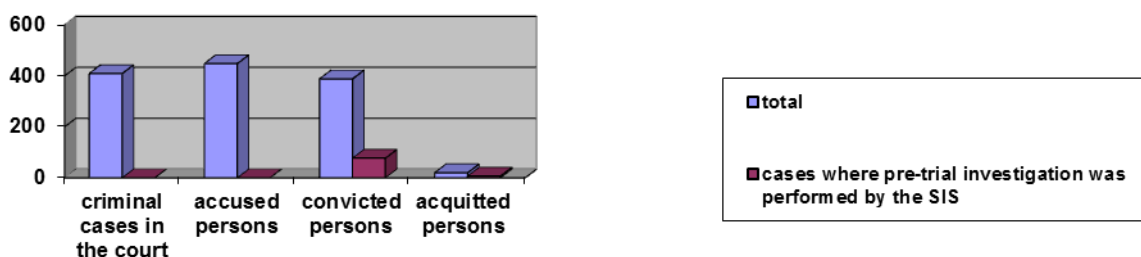


Chart: Data on corruption-related offenses 2010 – 2011

	Prie-trial investigations	Cases were referred to courts	Accused persons
2010	715	413	388
2011	732	447	450

The source: The Prosecution Service of the Republic of Lithuania Annual report for 2011⁶⁸¹

Approximately 84% of the accused committed to trial originated in the cases investigated by police investigators led by prosecutors. Despite these ratios, the SIS often carries out investigations that are cost intensive and do not lead to successful outcomes as a result of potential abuse of office, missing elements of corruption, etc.⁶⁸²; “public relations campaigns” can be noticed where information about arrests and notices of suspicion is publicised, although often the cases do not reach the court.

Corruption offences may be disclosed on the basis of provisions of the Law on Operational Activities⁶⁸³ and investigated following the Code of Criminal Procedure. A prosecutor, together with investigators of the police and the SIS, is in the position to collect data and submit the case to the court. A specific notice should be made of covert procedural coercive measures, which can be ordered by the court. The Code of Criminal Procedure provides that certain covert procedural coercive measures can be applied only in the investigation of grave offences, serious offences and offences of medium severity. Although trading in influence (Article 226, para. 1 of the Criminal Code) and bribe giving (Article 227, para. 1 of the Criminal Code) are considered minor offences⁶⁸⁴, their investigations can employ monitoring of the information transmitted by means of electronic communications (Article 154 of the Code of Criminal Procedure), actions of covert pre-trial investigation officials (Article 158 of the Code of Criminal Procedure) and crime simulation actions (Article 159 of the Code of Criminal Procedure).

In the application of these investigative actions, it is necessary to have knowledge of the doctrine of provocation developed by the European Court of Human Rights: for such evidence to be admissible at court, it is only possible “to join” the continuing criminal acts. The issue whether the officials who implemented the criminal act simulation

⁶⁸¹ The Prosecution Service of the Republic of Lithuania Annual report for 2011, 31.

⁶⁸² Author's interview with the scientist, 1 July in 2011. See: President of the Republic of Lithuania Dalia Grybauskaitė's Annual report. 7 June 2011. Internet access:

http://www.prezidentas.lt/lt/prezidento_veikla/metinis_pranesimas/2011_m.html; “The President: SIS should not engage only small things.” *BN, Diena.lt*, 2011. 9 June. Internet Access: <http://www.diena.lt/> News / Lithuania / President-STT-should not-engage-only-detail-357441.

⁶⁸³ The Law of the Republic of Lithuania Operational Activities.Žin., 2002, No. 65-2633.9 Operational investigation can be carried out when there is information about corruption-related offenses.

⁶⁸⁴ A minor crime is a premeditated crime for which the criminal law provides a maximum punishment, that does not exceed three years in prison (the Lithuanian Criminal Code, Article 11).

model did not provoke the criminal act, has been dealt with in a number of cases related to corruption⁶⁸⁵ and some proceedings have been held unfair.

Officials who investigate corruption-related offences have wide-ranging possibilities of data collection. The attention should be drawn to the aspiration of the SIS to expand the possibilities of application of covert investigation techniques even more⁶⁸⁶.

It is necessary to streamline the functions of pre-trial agencies competent to investigate corruption offences and set the real link between qualification, work load and salary of officials. In that case it would be possible to assess the performance effectiveness of the police and the SIS in investigating corruption offences.

The system of statistics must be improved: data about criminal offences provided by the prosecution service, the SIS and the police should be comparable; the issue of attributing offences to corruption offences in IT systems should be resolved.

⁶⁸⁵ The European Court of Human Rights, *Lenkauskienė versus Lithuania* (case No. 6788/02). Internet Access: http://www.tm.lt/dok/LENKAUSKIEN_nutarimas_2005.pdf, The European Court of Human Rights, *Malininas versus Lithuania* (Case No. 10071/04). Internet access: http://www.tm.lt/dok/Malininas_2008_spr_NEGALUTINIS.pdf, the European Court of Human Rights, *Miliniene versus Lithuania*, dec., No. 74355/01, 24 June 2008. Internet Access: http://en.tm.lt/dok/Miliniene_v_Lithuania_JUDG.pdf.

⁶⁸⁶ SIS has submitted a proposal to allow to follow the lawyers. The law has not been adopted (the Republic of Lithuania Law, article 46, paragraph 3, project of the amendment. No. 1791-01. Submitted by the Special Investigation Service. Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=4905&p_query=p_tr2=&=&=&p_fix=p_org&p_gov=n=n); A. Kuznecovaitė, “The Bar Council”: SIS wants to make lawyers as information collectors“. *Diena.lt*, 14 April 2010. Internet Access: <http://www.diena.lt/naujienos/lietuva/advokatu-taryba-stt-nori-advokatus-padaryti-informacijos-rinkejais-272724>.

6. Central Electoral Commission (CEC)

Neringa Mickevičiūtė

Summary

The Central Electoral Commission of the Republic of Lithuania (CEC) is a permanently functioning state institution as stipulated in the Constitution of the Republic of Lithuania, which in accordance to the procedure established by the laws launches and organises the Elections to the Seimas of the Republic of Lithuania, the European Parliament, Municipal Councils and the Presidential Elections as well as referendums. The CEC publishes law implementing guidelines binding to all institutions and civil servants. The CEC controls the financial activity of all the political parties, the funding of political campaigns, carries out the monitoring of all the political campaigns. Even though the CEC's work is not subject to a lot of public criticism, some institutional and performance drawbacks are noticeable, such as, the lack of human resources, analytical capacities (division), insufficiency of information accessible to the public on the work of CEC, and quite often the delay in information on the election results. Even though the standards of transparency and accountability should be strengthened, one may say that in general, this institution properly implements its duties.

Central Electoral Commission Total pillar score: 70/100			
	Indicator	Law	Practice
Capacity 75/100	Resources	-	75
	Independence	75	75
Governance 71/100	Transparency	100	75
	Accountability	75	50
	Integrity	75	50
Role 63/100	Campaign regulation	50	
	Election administration	75	

Structure and Organisation

The CEC is established for a four year term by the Seimas of the Republic of Lithuania which also has the power to change its composition⁶⁸⁷. The Commission is established anew before the general Elections to the Seimas. The CEC has the Commission Chairman and the Commission members – six persons with university education in law (three of them are decided by drawing lots from the candidates nominated by the Minister of Justice, the other three are also decided by drawing lots from the candidates nominated by the Lithuanian Bar Association) as well as the candidates nominated by the parties that won the seats in the multi-member constituency. In all cases, the persons appointed to the CEC of the Lithuanian Minister of Justice and Law Society nominees should make up more than half of the members. The composition of the CEC is approved by the Seimas resolution. The CEC in accordance to the procedure established by the laws establishes the election commissions of the constituencies, cities, districts as well as the referendum commissions and controls their activity.

Capacity

6.1.1. Resources (practice)

To what extent does the electoral management body (EMB) have adequate resources to achieve its goals in practice?

Score: 75/100

The Law on the Central Electoral Commission (LCEC) stipulates that this budgetary institution is funded from the state budget funds.

Chart: State budget appropriations to the CEC in 2009, 2010 and 2011

Year	Elections	Budget appropriations to the CEC, in thousands of LTL
2009	Presidential Elections, Elections to the European Parliament, new Elections to the Seimas (in two constituencies)	37 979 From this amount to salaries – 1 459 Allocations for political parties – 17 000
2010	-	2 179 From this amount to salaries - 1 048 Allocations for political parties – 5 498
2011	Elections to Municipal Councils, new Elections to the Parliament (in two constituencies)	24 677 From this amount to salaries - 1 076 From this amount to allocations to political parties – 5 498

Sources: Law of 2009 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2008-12-30, No. 149-6020), Law of 2010 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2009-12-24, No. 152-6822), Law of 2011 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2010-12-23, No. 151-7712).

⁶⁸⁷ Constitution of the Republic of Lithuania, article 67, clause 13. Žin., 1992, No. 33-1014.

Once the state budget of the coming year is being drafted, the law each year provides for the overall amount of appropriations to the CEC, the amount allocated to the salaries from the overall amount. In 2009 and 2010 allocations for political parties were provided as a separate line, CEC has calculated the amount of money to political parties. Money was transferred by The Ministry of Finance. However, in 2011 budget from the overall CEC received amount the funds were allocated to political parties for the first time in advance⁶⁸⁸, so one could clearly plan the institutional expenditure (including the salaries) and appropriations meant to compensate for the expenditures of political campaigns. So, the CEC expenditures are planned annually by increasing them depending on the planned elections and transferred on a regular basis. However, it is not clear how the need for the unplanned funding could be met, for example, when the by-elections or referendums have to be organised⁶⁸⁹.

As for the amounts allocated to salaries, the difference is very insignificant in them every year, even though the workload of the CEC Secretariat during the year of elections differs greatly from the year when no elections are organised⁶⁹⁰. Even though during the election year additional employees are being hired,⁶⁹¹ the workload of the permanent members of the Secretariat as well as the Commission members becomes more intense. Even though the laws provide for additional salary, in practise when the additional pay was allocated for extra work, the violations were observed.⁶⁹² Also, during 2008 there were cases of non-compliance and incorrect salary calculation to the members of the CEC established; whereas the National Audit Office commented that the CEC does not carry out the sufficient control on the use of state funds allocated to the constituency election commissions.⁶⁹³ In 2011 stricter payroll procedures were set, time sheets were introduced and payroll was started to provide by electronic means⁶⁹⁴.

It should be mentioned that the funding with regard to the ongoing CEC work is minimal, increased funding would contribute to the professional development of the employees, improvement of technical skills and monitoring capacities, expanding the work to drafting of administrative protocols, representation in courts.⁶⁹⁵

The demand for staff, in some CEC divisions, for example, Control Division of Political Party and Political Campaign Funding, is higher than the number of people employed.⁶⁹⁶ Also, an external expert pointed out that the CEC lacks Analytical Division that would process the election material, help to analyse the work of the CEC, point out the areas

⁶⁸⁸ The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns.

⁶⁸⁹ To organize the referendum on the decommissioning of the Ignalina nuclear power plant extension on 12 October 2008, was allocated 500 000 LTL from the Lithuanian Republic Government Reserve (the Lithuanian Government 10 September 2008, Resolution No. 896 "On Allocation of Funds". Žin., 2008 No. 107-4101). If not used in various reserves, changes should be made in a common procedure.

⁶⁹⁰ Interview with Lina Petronienė, Head of Funding of political parties and political campaigns, and control of funding division of CEC, 4 May, 2011.

⁶⁹¹ They are paid according to a different order: Ruling of the Government of the Republic of Lithuania, No. 2010-11-10. 916 "On the salary for the work in the Seimas of the Republic of Lithuania, European Parliament, committees of municipal council elections and referendum".

⁶⁹² National Audit Office of Lithuania. Finance Audit Report. „On results of financial (regularity) audit conducted in the Central Electoral Commission of the Republic of Lithuania“, 4 May 2009. No. FA-P-10-7-27, P. 6. Internet access: http://vkontrole.lt/naujienos_pranesimas.php?1244.

⁶⁹³ Ibid., P. 8.

⁶⁹⁴ By the decision of CEC May 2011, No. Sp-300 approved by "The Working Time sheets of regional and district election commissions completion and submission of Procedure" 10 May 2011. Internet Access: http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_l?p_id=398488.

⁶⁹⁵ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

⁶⁹⁶ Author's interview with Lina Petronienė, Head of Funding of political parties and political campaigns, and control of funding division of CEC, 4 May, 2011.

for improvement, would analyse the foreign experience and provide recommendations on the optimisation of the election process.⁶⁹⁷ On the other hand, insufficient human resources often mean that the interim material on the election results is provided rarer but in bigger chunks which may alter significantly the list of the leaders and cause discontent among the candidates and the electorate. This influences more critical assessment of the CEC performance.⁶⁹⁸

One may also wonder about the additionally hired employees for the elections and their qualification. Since their work is mostly mechanical (for ex., drafting of files, sorting of documents, verification of signatures), so once properly trained, the issue of staff could be solved.⁶⁹⁹ The Secretariat specialists with long work experience may support and pass on the institutional experience. It was observed that it is of key importance to improve continually the competence of the permanent staff⁷⁰⁰ and technical capacities. Even though the data processing system is being computerised, the data flows during the elections are huge; therefore the work remains very intense.⁷⁰¹ It is of particular importance to focus on the security⁷⁰² and continuous update⁷⁰³ of the data on the CEC information system. Also, the CEC transfers the documents that should be stored for a long time and permanently to the Lithuanian Central State Archive, whereas the short lived documents are stored in the CEC premises.

Since the CEC Secretariat members are civil servants, they are recruited in accordance with the Law on Civil Service of the Republic of Lithuania; there may also be special requirements for carrying out special functions.⁷⁰⁴ The CEC staff like all civil servants is ensured with all general career and professional development opportunities, if there are opportunities they are provided with special training.

Additionally hired employees are not civil servants; they are mostly recruited for a definite duration. The CEC members are state officials,⁷⁰⁵ more than half of them must have university law education, and others are nominated by the political parties.

In 2009 the CEC moved from the building of the Seimas to new more spacious premises but they still can use the premises of the Seimas. The CEC has sufficient technical resources to perform the functions.⁷⁰⁶

To summarise, the CEC has sufficient, with some exceptions, financial and technical capacities to implement its objectives, however, human resources may be expended to the extent that the information provision to the society was more expedient, the Analytical Division could be established, the competencies of staff, especially that of the temporary one,

⁶⁹⁷ Author's interview with prof. dr. Algis Krupavičius, Director of Kaunas University of Technology, Policy and Public Administration, 12 July 2011.

⁶⁹⁸ Ibid.

⁶⁹⁹ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

⁷⁰⁰ Especially in view of the frequent regulatory changes over the past decade and the changing political campaigning rules.

⁷⁰¹ CEC – the third organisation in Lithuania by declaring the data.

⁷⁰² The same was said by National Audit Office of Lithuania in its report: Performance Audit Reports. "Central Electoral Commission Information system Control", 29 December 2009. No. IA-P-900-3-5, internet access: http://www.CEC.lt/dynamic/files/1364/CEC_is_kontrole.pdf.

⁷⁰³ Author's interview with prof. dr. Algis Krupavičius, 12 July 2011.

⁷⁰⁴ Law on Equal Treatment (actual redaction 5 July 2008), article 7, a clear duty of the employer to apply the same selection criteria for admission to the civil service (the Republic of Lithuania Law on Equal Opportunities. Žin., 2003, no. 114-5115).

⁷⁰⁵ They are subject to special compensation for work order (according to Law on the Republic of Lithuania of politicians and state officials wages (Law on the Republic of Lithuania of politicians and state officials wages. Official Gazette, 2000, No. 75-2271)), complaints of alleged inappropriate behavior may examine the Chief Official ethics Commission.

⁷⁰⁶ Author's interview with Zenonas Vaigauskas, 4 May 2011.

could be strengthened with the aim to ensure quality performance of the CEC functions provided in the Law.

6.1.2. Independence (law)

To what extent is the electoral management body independent by law?

Score: 75/100

The CEC is a state institution provided for in the Constitution, its legal status, tasks, commitments, work principles, the procedure of its establishment, work organisation and funding are approved by a separate law. Article 4 of the Law on the Central Electoral Commission stipulates the main working principles of the institution: legality, independence, collegiality, openness and impartiality. The principle of independence is especially emphasized in the Law: no state institution or official may provide binding instructions on the decision making procedure that falls within the CEC competence, it is also forbidden to interfere with the work of the Commission when organising or at the time of elections or referendum. Any attempts to impact the work of the CEC must be reported immediately by the Chairman or member of the CEC to the Seimas and has to be made public in the media.⁷⁰⁷ On the other hand, Ruling of the Constitutional Court 30 June 1994 held: “The Central Election Commission is formed by the Seimas authority (Constitution of the Republic of Lithuania, article 67, paragraph 13), so there is a certain Seimas control law that institution, to the extent it is not in conflict with the provisions on the powers of the State. First of all, it is based on article 61 of the Constitution of the Republic of Lithuania, the first part of the provision, which is enshrined in a form of parliamentary control as a member of Seimas right of inquiry. Second, some Seimas’ opportunities to control are expressed on article 67 paragraph 13 of the Parliament and enable the Seimas to change the composition of the Central Election Commission.”⁷⁰⁸

The CEC governance structure is stipulated in the Law: the Commission consists of the Chairmen and the members that are vested with the highest state institution authority to organise and carry out elections and referendums, its work is based on the collegiate principle and the meetings; it also has the Secretariat as an administrative (work organisation) body. On the one hand, the Law clearly stipulates and distinguishes between the functions and purpose of the Commission and its Secretariat, on the other – the Law provides that the CEC Chairmen organises and is in charge of the work of the Commission and its Secretariat. The Commission Chairman is appointed by the Seimas upon the proposal of the Seimas Speaker for the permanent work of the Commission, i.e. till the next general Seimas Elections, the Chairman has to organise and be in charge of the continuous work of the Secretariat.⁷⁰⁹ Current CEC Chairman said that the CEC re-election provisions and the

⁷⁰⁷ Law on the Central Electoral Committee. Žin., 2002, No. 68-2774, Article 5.

⁷⁰⁸ Ruling of Lithuanian Constitutional Court 30 June in 1994 on “Order of the Seimas of the Republic of Lithuania 23 March 1993 on “some of the Committee members' abandonment of the Seimas of the Republic of Lithuania Law on Elections, when Lithuanian Supreme Court cancelled the unlawful resolutions of the Central Electoral Commission“ with the Constitution of the Republic of Lithuania.“ Žin., 1994, No. 51-979.

⁷⁰⁹ Law on the Central Electoral Commission, 2009, article 7, part 8: „<...>The duties of the Commission Chairman shall not be compatible with any other duties in state institutions, agencies, as well as with work in business, commercial and other private enterprises or agencies. He may not receive any other payment except the salary fixed for him for the work in the Central Electoral Commission and the payment for creative activities as well as the payment for pedagogical and scientific activities. Payments made to the Commission Chairman for creative activities shall comprise royalties for the works of art and the performance thereof, for articles and books, for the material for radio and television programmes.”

traditionally established terms for preparing for the elections mean that the new CEC starts its work during the preparatory works for the Elections to the Seimas, which in the case of the Chairman mean quite a short period of time to prepare as he/she is entrusted with the management of the appropriations, the Commission and Secretariat work organisation, etc.⁷¹⁰ It should be noted that the Law does not provide with a limit of times for one person to become the Chairman of the Commission.⁷¹¹ The external expert pointed out that one may wonder whether there is a need to limit the number of terms, rotations of a Chairman as the law provides for the biggest opportunity to influence the work of the CEC via the Chairman.⁷¹²

The grounds for the termination of the Chairman or the Commission are clearly stipulated in the Law (Article 10) and lay down objective circumstances, such as death, in the case of legal incompetence, loss of nationality, the cases of non-confidence; it establishes a simple majority of the Seimas Members to remove the Chairman from the Office. The issue of removal of the Secretariat members as they are civil servants is dealt with in the Law on Civil Service.

As for the CEC impartiality, the composition of the CEC itself that includes almost half of the members from the candidates of political parties, demonstrates that it has chosen to represent the stakeholders and not to aim for the independence from them. However, the Chief Official Ethics Commission in its decisions of 11 December 2008 pointed out the problem of partiality of the CEC members, which are nominated by the political parties, when dealing with the CEC issues. This problem may be solved only by changing the procedure of the CEC formation⁷¹³. On the other hand, the CEC Chairman noted that such a composition enables the parties (coalitions) to expect equal treatment and no preference giving to any party.⁷¹⁴ Other experts considers participation of parties in the work of commission as an important manifestation of their institutionalization, but notes that it may be a situation where, for instance, the decision of the CEC will be made by political parties, in accordance with their interests⁷¹⁵.

So, the CEC independence from other institutions is clearly stipulated in the Law that provides for the ban to interfere into the work of the Commission, even though the process of the Commission formation questions the balance between independence and representation. Dual position of the Commission Chairman as a member of the Commission and head of the Commission Secretariat does not separate but rather merge political and administrative CEC powers and unlimited term - both of the President and of the members - may give rise to bias.

6.1.3. Independence (practice)

To what extent does the electoral management body function independently in practice?

Score: 75/100

⁷¹⁰ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

⁷¹¹ Current Chairman of the Commission is working in this institution since 1992.

⁷¹² Author's interview with prof. dr. Algis Krupavičius, 12 July 2011.

⁷¹³ While according to the Public and Private Interests in the Public Service Law, members of the CEC have a duty to stay away or CEC chairman must exclude them from making decisions that might lead to a conflict of interest, also when reasonable doubts may arise or whether it is possible to ensure a balance between fairness and balanced representation of political parties in the CEC.

⁷¹⁴ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

⁷¹⁵ E. Masnevaite, "Political parties and political campaign financing, the legal regulation in Lithuania." Doctoral dissertation, Vilnius University, 2010, 128-130.

The CEC and its work in general are trusted among the public and politicians. According to the external expert, even though the majority of the problems are caused due to the fact that the election results are not provided in an expedient manner, the CEC's work in public is not very much debated and the prevailing opinion is that the Commission's work is satisfactory or rather good.⁷¹⁶ On the other hand, not only during the analysed period but throughout the entire CEC work period one could not find a single public survey on the CEC.

International experts assessed the work of the CEC positively, for example, they mentioned proper election organisation capacities and the fact that the CEC work is done in a professional manner. They did not recommend sending the Election monitoring mission during the 2009 Presidential Elections.⁷¹⁷ Nevertheless, the CEC often receives criticism, especially from the side of the politicians as regards the delay in information on the day of elections,⁷¹⁸ also a lot of discontent is caused by the amendments to the laws just before the elections,⁷¹⁹ and sometimes the CEC is criticized for its work in general.⁷²⁰ Before the elections there were possible cases of interference into the CEC's work or pressure,⁷²¹ however, the CEC has never been subject to non-confidence formally. It is also important that the number of election cases in courts has increased. In 2003 the Supreme Administrative Court of Lithuania (SACL) received and dealt with 6 cases after the 2002 Elections to Municipal Councils, in 2007 there were 41 cases, in 2011 – 52, which is 27 % more than during the previous Elections to Municipal Councils.⁷²² The increased number of cases does not necessarily demonstrate the possible increase in violations but as the SACL Chairman pointed out it is a case in point that the electorate is becoming more active and aware of its rights and procedures as well as the ways to defend its rights.⁷²³ The fact that after 2011 Elections to Municipal Councils the SACL addressed the Constitutional Court as regards 4 cases, demonstrates that the problems do not necessarily lie in the work of CEC but rather legal regulation. So, even being criticized, the CEC work is perceived as quite sufficient.

In recent years the issue of the CEC member replacement was raised only due to objective reasons,⁷²⁴ there were no cases violating the work principles of the Commission or abuse or improper activity of the CEC member.

So, there are no clear cases of partiality in the CEC's work, and even though it is sometimes criticized (for example, because of an ineffective control of political party funding), the CEC is mostly perceived as working in line with the requirements. There were

⁷¹⁶ Author's interview with prof. dr. Algis Krupavičius, 12 July 2011.

⁷¹⁷ OSCE/ODIHR Needs Assessment Mission Report, 6 - 9 April 2009. Internet access: <http://www.osce.org/odihr/elections/lithuania/36870>.

⁷¹⁸ "From the parliamentarians lips - criticism of the CEC Chairman Z.Vaigauskas." *Balsas.lt*, 12 June 2008. Internet access: <http://www.balsas.lt/naujiena/200316/is-parlamentaru-lupu-kritika-vrk-pirmininkui-z-vaigauskui/rubrika:naujienos-lietuva>.

⁷¹⁹ Z. Vaigauskas, the message at conference "Lessons of elections: what kind of democracy we want?" (transcription). Vilnius: The Seimas of the Republic of Lithuania, 20 May 2011.

⁷²⁰ Legislative changes may also have negative effects on the work of the CEC as well as the situation of political parties or candidates.

⁷²¹ One of the more interesting cases – then the Chairman of the Parliament opinion publicized before 2009 Presidential elections, on what decision CEC should take for registration of a candidate. CEC members argued that they did not feel any pressure that somehow affected their decision. More: "The presidential candidate, the Seimas Chairman interferes in the work of the CEC - a member of the commission." *15min.lt*, 12 March 2009. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/i-prezidentus-kandidatuojantis-seimo-pirmininkas-kisasi-i-vrk-darba-komisijos-narys-56-32144>.

⁷²² R. Piličiauskas, the message at conference "Lessons of elections: what kind of democracy we want?" (transcription). Vilnius: The Seimas of the Republic of Lithuania, 20 May 2011.

⁷²³ Ibid.

⁷²⁴ For example, the new party (coalition) in a multi-member constituency received votes or a party (coalition), who had members at the Commission did not receive votes.

attempts to impact the CEC decisions but there are no grounds to suspect serious pressure exercised over the institution.

6.2.1. Transparency (law)

To what extent are there provisions in place to ensure that the public can obtain relevant information on the activities and decision-making processes of the EMB?

Score: 100/100

The Law on the CEC provides with a duty to work publicly; its tasks are stipulated in detail (such as processing and publishing of information related to the work of the Commission) as well as the authority (the right to obtain necessary information and make binding decisions with regard to it). The established requirements for making the information public are also provided in other Laws on Elections,⁷²⁵ which ensure sufficient amount of accessible information.

The Law on Funding of, and Control over Funding of, Political Parties and Political Campaigns⁷²⁶ (hereinafter referred to as Law on FCFPPPC) provides with the requirements for the CEC to make public the statements of funding of political party campaigns submitted by the parties, as well as audit opinions, there are conditions to get acquainted with the collections and annexes of such statements.

Also, the CEC meetings and voting is public⁷²⁷, there is a duty to publicly announce the agendas when important issues to be dealt are planned, for ex., the dates of elections, establishment of county borders, final election and referendum results, etc.⁷²⁸

So, the legal basis is coherent, it enables the society to obtain information on the CEC's work, decisions and the decision making procedure.

6.2.2. Transparency (practice)

To what extent are reports and decisions of the electoral management body made public in practice?

Score: 75/100

The CEC's website (www.vrk.lt) is quite comprehensive; it provides information on almost all the aspects of the Commission's work, legal information is also quite detailed. Nevertheless, the website is not updated regularly and there is no sufficient information on the CEC's work: such information as the CEC regulations, planning documents and the rules of internal procedures were not accessible at the time of analysis.⁷²⁹ Moreover, it is not easy

⁷²⁵ Law on Elections to the Seimas. Žin., 1996, No. 62-1467; 2000, No. 59-1760; Law on Presidential Elections. Žin., 1993, No. 2-29; Law on Elections to the European Parliament. Žin., 2003, No. 115-5192; Law on Elections to Municipal Councils. Žin., 1994, No. 53-996; Law on Referendum. Žin., 2002, No. 64-2570.

⁷²⁶ Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns. Žin., 2004, No. 135-4894, Article 25.

⁷²⁷ Since the start of 2012, amendments of article 11 of the Law on the Central Electoral Committee came into force and all meetings were started to be displayed on the website of the CEC. This should ensure greater access to information.

⁷²⁸ Law on the Central Electoral Committee, 2009, article 11.

Website of the Central Election Commission. Internet access: <http://www.vrk.lt/lt/veikla/nuostatai/>; <http://www.vrk.lt/lt/veikla/planavimo-dokumentai/>; <http://www.vrk.lt/lt/veikla/vidaus-tvarkostaisykles/>. Last checked 25 July 2011. CEC regulation was available only through the Seimas database (The Central Electoral Commission of the Republic of Lithuania Regulations of the Central Electoral Commission. **Internet access:**

to browse the website because of the classification of information, the order of grouping and the amount of information.

Regular information is provided during the elections. Before and after the elections press conferences are organised, the Chairmen of the Commission is willing to communicate with the media, but in between the elections such practise is not regular.

The CEC also has a phone number for the voters (tel. 1855). One can receive information as well as report any violations to the Law on Elections. The report of the service demonstrates⁷³⁰ intense use of the number by the inhabitants; however, one may notice a few things: the number is only active before and during the elections (other times you can apply the general CEC phones) and it is not free of charge.

As regards the information dissemination to the regions, one may notice that during all the recent elections there were complaints about the non receipt of the voters certificate which is delivered together with the information on the candidates, sometimes the accessibility to information was not ensured, especially for those voters who have less opportunities to use other channels (eg., the Internet).. The external expert pointed out that it would be useful to carry out a survey and assess which and how much of information reaches the voters, what has not been done so far.⁷³¹

One may say that information accessibility in practise may be improved by making it faster, clearer and the receipt of information – simpler.

6.2.3. Accountability (law)

To what extent are there provisions in place to ensure that the EMB has to report and be answerable for its actions?

Score: 75/100

The Law on the CEC defines the CEC as an independent institution able to adopt institution binding decisions, whose members may draft administrative violation protocols, whereas the impact on the institution is strictly prohibited. The CEC decisions may be appealed against; they may be changed or annulled by the CEC or the court. Election cases are dealt with by the SACL that may also terminate the case and address the Constitutional Court for the conclusion whether the Election laws were violated during the Presidential or Elections to the Seimas (Art.105 of the Constitution). The SACL may also ask to investigate whether the Law on Elections provisions are in line with the Constitution.

The appeal against the election decisions of the CEC, for example, election results, is subject to the special terms established by the Election laws⁷³². The decisions by the court are final with regard to the fact that election processes are irreversible and fast. The issue of terms for the appeals is not being discussed⁷³³. The appeals of the CEC decisions not

[http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=192740&p_query = & p_tr2 =](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=192740&p_query=&p_tr2=)), but later posted on the website of the CEC.

⁷³⁰ Website of the Central Electoral Commission, *Report on the information service “1855 - voter information” 2011 during the Republic of Lithuania municipal council elections (from 10 January 2011 to 28 February 2011)*. Internet access: http://www.vrk.lt/dynamic/files/1894/1855_ataskaita_sav2011_v3.pdf

⁷³¹ Author's interview with prof. dr. Algis Krupavičius, 12 July 2011.

⁷³² For example, it is considered, that the case at the Supreme Administrative Court should be investigated within 48-hour period.

⁷³³ However, there are cases where good practice hides regulatory constraints, such as., when challenging the decision of the CEC for registration of an independent political campaign participant, it is not provided the term of consideration, but SACL still examines such cases as a matter of urgency.

related to the elections are subject to general rules and terms of the administrative proceedings.

The Law on the CEC does not mention in detail the reporting on the CEC work.

However, the CEC, like other public sector institutions must provide annual financial and budget implementation statements.⁷³⁴ They also have to be made public and are published on the CEC website. After the elections the CEC provides the reports on the results and the processes.

The CEC is also subject to the National Audit Office audit.

There is no more detailed regulation of the CEC accountability, but the existing provisions, though not covering all the aspects, create necessary but not always reliable grounds for accountability.

6.2.4. Accountability (practice)

To what extent does the EMB have to report and be answerable for its actions in practice?

Score: 50/100

The CEC Chairman is responsible for the work of the Commission and its Secretariat; however in practise there are very few measures to ensure such accountability. With the guarantees of the institutional independence and clearly defined legislation to fire the member of the Commission and the Chairman, the issue of accountability would be quite a long process. Similar situation is as regards the accountability of the CEC members, especially due to the fact that the CEC has a collegiate decision making procedure.

On the other hand, the CEC provides the reports based on legislation and puts all the efforts to take into account, for example, the findings and the recommendations of the National Audit Office which makes the accountability much more credible. The CEC Chairmen has to provide annual performance report to the Seimas;⁷³⁵ however one cannot find published reports of the recent years, the consequences in case of non-approval of the Seimas to the report are also not clear.

The Supreme Administrative Court receives the appeals as regards the violations before or during the elections or election results as well as political campaign funding. After the 2011 Elections to Municipal Councils the SACL Chairman said: "...the Court has accepted and dealt with the cases of the recent elections <...> with special urgency, it took the Court on average 5.5 calendar days to deal with the case, including the receipt of the case in the Court, the organisation of the process, the drafting of the ruling till it came into effect."⁷³⁶ Therefore, one may say that such actions are efficient and do not obstruct the election process and ensure the rights of the appellants.

As regards the sanctions for the violations, the CEC Chairman noted that some of the violations pertaining to the publicity of the election campaign, especially during the earlier elections, were conscious, for example, some publications would assume the risk of a fine by demonstrating a clear support to one or another candidate, but this trend is decreasing.⁷³⁷ On the other hand, especially during the 2011 Elections to Municipal Councils

⁷³⁴ According to the Lithuanian Public Sector Accountability Act (Public Sector Accountability Act. Žin., 2007, No. 77-3046), the Republic of Lithuania Law on Accounting (Accounting Law. Žin., 2001, No. 99-3515), Public sector accounting and financial reporting standards, orders of Minister of Finance.

⁷³⁵ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011. Note: only two are publicly accessible online – reports of 2005 and 2007.

⁷³⁶ R. Piličiauskas, the message at conference "Lessons of elections: what kind of democracy we want?" (transcription). Vilnius: The Seimas of the Republic of Lithuania, 20 May 2011.

⁷³⁷ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

the most frequent sanction was the elimination of the candidate from the candidate lists due to the non-submission of information of their criminal record or the non-existence of it⁷³⁸. According to the external expert, this demonstrates clear progress in the CEC work as well as at least currently low political culture.⁷³⁹

In general, the CEC accountability in practise is quite well implemented, but the mechanism lacks clear criteria of public accountability and defined consequences that should be made public. Nevertheless one should bear in mind the balance between accountability and independence. Greater public accountability would not violate public law, even vice versa.

6.2.5. Integrity (law)

To what extent are there mechanisms in place to ensure the integrity of the electoral management body?

Score: 75/100

The CEC members must before assuming their duties make an oath in the Seimas⁷⁴⁰, by promising to carry out their duties with honesty and integrity. Without the oath they cannot start their duties, however, the law does not stipulate any liability for the breach of oath – the consequences are defined in the Constitutional jurisprudence⁷⁴¹. The CEC Secretariat members like all civil servants have to be guided by the Law on Civil Service which stipulates the main principles of ethical behaviour (art 3), impeccable reputation (Art. 3¹), prohibition to abuse the office, etc. Until now there is no Code of Ethics or Conduct of Civil Servants, therefore the CEC Secretariat members and the Commission members are not to violate the laws, the rules of the Civil Servant work ethics (Official Gazette, 2002-06-28, No. 65-2656)⁷⁴² and other law provisions that include the CEC chairman or a member of the CEC duties incompatibility with other duties, principle of the participation in the activities of political parties and election campaign⁷⁴³, and coordination of public and private interests, also being within the mandate, the adjustment of public and private interests⁷⁴⁴, non-abuse of powers, etc. The CEC has no Code of Ethics, but there are restrictions on later employment in another workplace⁷⁴⁵. There is also lack of clearer ethical guidelines, especially for temporary workers (those on fixed-term contracts)⁷⁴⁶.

Even though the existing regulation does not cover all the ethical aspects applied to the CEC members and administrative staff and there is a lack of special provisions

⁷³⁸ According to the data of the CEC, there were 323 such candidates.

⁷³⁹ Author's interview with prof. dr. Algis Krupavičius, 12 July 2011.

⁷⁴⁰ Law on the Central Electoral Committee, 2009, article 8.

⁷⁴¹ Article 10 part 1 paragraph 9 of the Law on the Central Electoral Committee states that the Seimas by the the majority vote can censure the CEC chairman or a member of CEC, and thus put an end to his mandate. In practice, such cases did not occur.

⁷⁴² They specify the principle of decency, which essentially requires behave impeccably, be incorruptible, not to accept gifts, money or services, exclusive benefits and discounts from persons or organizations, if it can raise the public and private interests conflict.

⁷⁴³ Law on the Central Electoral Committee, 2009, article 7, part 8-12.

⁷⁴⁴ On the basis of the Law on public and private interests in the Public Service (Law of public and private interests in the Public Service. Žin., 1997, No. 67-1659, 2000, No. 18-431), the members and Secretariat staff of the CEC are required to provide declarations of private interests. In addition, they are required to withdraw from decision-making, which leads to a conflict of interest.

⁷⁴⁵ The Law on public and private interests in the Public Service, Section IV "Obligations looking for another job" and Section V "Ended service restrictions".

⁷⁴⁶ Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.

targeted towards the possible risks, general laws and more detailed provisions of Civil Service and the Commission work sufficiently define the requirements of ethical conduct.

6.2.6. Ethics system (practise)

To what extent is the integrity of the electoral management body ensured in practice?

Score: 50/100

Since no additional requirements of ethics are applied to the CEC members (except for the oath) or Secretariat staff, in practise the compliance to ethical standards is considered as following the civil service requirements or the requirements applied to civil servants.⁷⁴⁷ According to the CEC Chairman, there haven't been cases of corruption, serious breach among the staff or members of the CEC, however the complaints against the CEC members were dealt with in public meetings of the Commission⁷⁴⁸, also the Chief Official Ethics Commission a few times has made a decision on the CEC members.⁷⁴⁹ It is difficult to say with regard to the existing provisions how successful the CEC would be in dealing with more serious breaches of ethics.

Role

6.3.1. Campaign Regulation

Does the electoral management body effectively regulate candidate and political party finance?

Score: 50/100

The Law on FCFPPPC is quite detailed in regulating the CEC's authority when controlling the funding of political parties and political campaigns as well as monitoring of political advertising. New version of the Law was influenced by the 2009 third round evaluation visit report on Lithuania by GRECO "On Transparency of Party Funding", in its comments and recommendations which were considerably taken into account.⁷⁵⁰ New version of the law entered into force in 2012. It tightened control over political party funding: forbidden to donate both natural and legal persons, leaving the possibility to donate to political campaigns only for individuals.

The regulation itself has some problematic aspects, and not only in accordance with the GRECO observations, there still remains certain problematic aspects such as no clear

⁷⁴⁷ Ibid.

⁷⁴⁸ Law on the Central Electoral Committee, 2009, article 11, part 4: "Meetings and voting of the CEC are open to the public."

⁷⁴⁹ For example, solutions on failing to suspend members of the CEC delegated by parties, on 11 December 2008, determining the amount of grants to political parties from state budget. The breach was not found.

⁷⁵⁰ "Compliance Report on Lithuania" adopted by GRECO's 51st plenary session. The report found that Lithuania fully implemented 9 out of 12 recommendations, that aim is to increase the transparency of financing of political parties. The remaining three recommendations are partially implemented (Council of Europe Group of States against Corruption (GRECO), Third Evaluation Round. Compliance Report on Lithuania. Adopted by GRECO during its 51th plenary session in Strasbourg on 23-27 May 2011. Internet access: http://www.coe.int/t/dghl/monitoring/greco/Evaluations/round3/GrecoRC3%282011%297_Lithuania_EN.pdf).

ban to fund political parties and political campaigns via third persons⁷⁵¹, unclear assessment and declaration of the donations in kind, the control function of the political campaign treasury, efficient monitoring issue of the law implementation (this aspect directly concerns the CEC competence and resources), clear system of financial and administrative liability for law violations, regulation of political advertising and dissemination, etc.⁷⁵² Furthermore, although adjusted accordingly⁷⁵³, assessment and declaration of donations in kind (non-monetary donations) in practice remains problematic⁷⁵⁴.

Even though the CEC currently is the main institution empowered to monitor and control political campaigns, from the time of registration of the candidates to the audit or the receipt of the declaration of public information organisers or disseminators, the main focus should not be on the search of the perfect regulation but real institutional capacities. Currently, according to the experts, the CEC has no capacities to fully ensure the implementation of the law.⁷⁵⁵

If we were to assess legal regulation and the existing practise, the conclusion would be that the CEC's actions in the area of funding of political parties and campaigns, balancing between the new regulation and existing capacities cannot be fully implemented, mostly as the CEC perceives itself as the institution which collects and publicizes the information and not the one that monitors and controls with all the required capacities.

6.3.2. Administration of Elections

Does the EMB ensure the integrity of the electoral process?

Score: 75/100

Event though foreign experts view the integrity of elections in Lithuania positively,⁷⁵⁶ there are a few essential points that do not meet the main principles of elections and undermine the reliability of election process administration.

The CEC is quite successful in collecting and organising the data on those eligible to vote as well as preparing to ensure the implementation of the existing right to vote. Also, with the help of electronic means, the CEC is able to calculate the results quite fast

⁷⁵¹ For example, various youth organizations with a political dimension, foundations and others. More: Elena Masnevaitė, "The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?" *Parliamentary Studies*, No. 11, 2011. Internet access: http://www.parlamentostudijos.lt/Nr11/11_teise_1.htm.

⁷⁵² Ibid. Also, E. Masnevaitė, "The legal regulation of political parties and political campaign financing in Lithuania." Doctoral thesis.

⁷⁵³ On order of Minister of Finance, 22 November 2004, No. 1K-372 "On approval of amendments of rules of non-profit limited liability legal entities accounting and financial reporting and presentation." *Žin.*, 2010, No. 147-7539.

⁷⁵⁴ For example, undeclared work of volunteers (as a service). E. Masnevaitė. "The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?" *Parliamentary Studies*.

⁷⁵⁵ E. Masnevaitė. "The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?" Report at the Conference "Control issues of political parties and political campaigns funding". Vilnius, 19 January 2011. Internet Access: http://www.vrk.lt/dynamic/files/1842/e_masnevaite.pdf.

⁷⁵⁶ Global Integrity, *Global Integrity Report: 2008 Assessment, Lithuania: Integrity Indicators Scorecard: Lithuania 2008*. Internet access: <http://report.globalintegrity.org/Lithuania/2008/scorecard>.

(even though the submission of the results is not prompt yet) and in cases of doubt it can be relatively fast in recalculating them.

However, during all the elections organised there were violations that, unfortunately are not reducing in number: individual, such as open voting (un/consciously), collective voting of families, selling/buying of votes, transportation and entertainment of voters, violations during the electoral campaign, manipulation of the voters' will (when it is not clear whether the elected candidate agrees to represent the voters or transfers the seat to another party representative), systemic or some electoral group discrimination on the grounds of the law, reduction of the polling-stations. From the first group of violations, one should bear in mind the buying/ selling of votes as all elections are marked by gross violations of the law in this area.⁷⁵⁷

The violations of the second type – systemic – should be discussed further. Human rights specialists say that no efficient measures to fight the election violations were taken, on the contrary, the adopted decisions made it more difficult to exercise the active right of the electorate – to vote⁷⁵⁸. The amended Law on Elections to Municipal Councils enabled the independent candidates to stand for election; however, despite the conclusions of the Constitutional Court, NGO's were not allowed to take part in the elections.⁷⁵⁹ It was also found that the Law on Elections to the European Parliament contradicts the Constitution as it stipulates the exceptional right for the political party candidates to stand as candidates and form institutions of political representation. On the other hand, the new version of the Law on Citizenship limited the opportunities of those who left Lithuania after the reestablishment of independence to take part in the Lithuanian political life.⁷⁶⁰ Also, the disabled often cannot exercise the right to vote due to physical environment which is not adjusted to them.⁷⁶¹ Also, the number of preliminary polling-stations was reduced (60 municipalities were left instead of previously working 900 polling-stations in the Lithuanian Post Office divisions), which if to add the undelivered voter's certificate problem (around 13% during 2009 Presidential Elections), becomes a serious problem. Voting by mail is of concern due to the possible buying of votes. During 2011 Elections to Municipal Councils in more than one tenth municipalities more than 10% of all voters voted during preliminary elections.⁷⁶² In the same municipalities that were popular for preliminary elections there were a lot of reports on the possible election violations, therefore, one may doubt whether the integrity of voting by post is ensured.⁷⁶³

⁷⁵⁷ For example, "The Central Electoral Commission is obliged to recalculate all the Kaunas district electoral votes." " *Krašto naujienos*, 22 March 2011. Internet access: <http://www.krastonaujienos.lt/naujienos/item/6563-vyriausioji-rinkimu-komisija-ipareigota-perskaiciuoti-visus-kauno-rajono-rinkeju-balsus>; "Social liberal was convicted for bribing voters." *15min.lt*, 10 October 2008. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/socialliberale-nuteista-uz-rinkeju-papirkima-56-9621>.

⁷⁵⁸ Human Rights Monitoring Institute, *Human Rights in Lithuania Overview, 2009-2010*. Vilnius, 2011, p. 63. Internet access: http://www.hrmi.lt/uploaded/PDF%20dokai/Apzvalgos/Apzvalga_2009-2010_su%20virseliu_FINAL.pdf.

⁷⁵⁹ Ruling of Lithuanian Constitutional Court 11 May 2011 "On the election of municipal councils." *Žin.*, 2011, No. 58-2771.

⁷⁶⁰ Human Rights Monitoring Institute, *Human Rights in Lithuania Overview, 2009-2010*, p. 63.

⁷⁶¹ *Ibid.*, p. 92. It should be noted that the decision depends mainly on the competence of municipal administrations and the CEC can only make recommendations.

⁷⁶² Website of the Central Electoral Commission, 2011. *The Republic of Lithuania municipal councils elections*. Internet access: http://www.vrk.lt/2011_savivaldybiu_tarybu_rinkimai/output_lt_balsavimas_pastu_pastu_2011-02-26.htm.

⁷⁶³ On the possible violations during early voting even eight pre-trial investigations were started, and on election day – six investigations were started: "Voters are stronger than the vote buyers." *Lietuvos žinios*, 28 February 2011. Internet access: http://www.lzinios.lt/lt/2011-02-28/pirmas_puslapis_rinkejai_stipresni_uz_balsu_pirklius.html?print.

Last 2011 Elections to Municipal Councils were marked by a huge number of violations, 14 pre-trial investigations were launched due to this. This is a worrying trend and the CEC as an institution organising the elections and ensuring their legitimacy must properly and timely react to this. On the other hand, the Seimas is the institution which amends the legal regulation of the election process and the CEC competences related to this, so the Seimas is directly responsible for establishing the scope of the CEC authority.

7. Seimas Ombudsmen

Dr. Lina Beliūnienė

Summary

The assessment of the activities of the Seimas Ombudsmen shows that there are no comprehensive guarantees of independence for the Ombudsmen. Furthermore, the research reveals gaps in legal regulation, which are related to the participation of the civil society in the work of the Seimas Ombudsmen. Absence of such regulation determines the lack of society's participation in the activities of Seimas Ombudsmen in practice. At the same time one can observe the lack of public awareness about the recommendatory decisions of the Ombudsman. The representatives of the state institutions are also not informed enough about their own duties to investigate the proposals (recommendations) of the Seimas Ombudsman and to inform the Seimas Ombudsman about the findings of the investigation. On the other hand, the percentage of the implemented recommendations of the Seimas Ombudsmen is high which demonstrates substantial legal argumentation in the recommendations of the Ombudsmen. However, although the Seimas Ombudsmen could be considered rather effective when reacting to the facts submitted to the Office by the persons suffering from malfunctioning of the state and municipal institutions, general effectiveness of the Ombudsmen Office is doubtful due to the actual non-existence of proactive, preventive activities of the institution.

Seimas Ombudsmen Total pillar score: 80			
	Indicator	Law	Practice
Capacity 92/100	Resources	-	100
	Independence	75	100
Governance 79/100	Transparency	75	75
	Accountability	75	100
	Integrity mechanisms	75	75
Role 63/100	Investigation	75	
	Promoting good practice	50	

Structure and organization

There are two Seimas Ombudsmen in Lithuania: one investigates the activities of the officials of the state institutions and organisations, the other – the activities of the officials of municipal institutions and organisations. There are also two specialized Ombudsmen in Lithuania – the Equal Opportunities Ombudsman and the Children's Rights Ombudsman. Their activities are not assessed in this study as they are related to ensuring the rights of separate groups of persons only. The legal basis for the activities of the Seimas Ombudsmen are defined in the Law on the Seimas Ombudsmen and (in more detailed way) in the

Regulation of the Seimas Ombudsmen's Office. The Seimas Ombudsman appointed by the Seimas by the proposal of the Speaker of the Seimas. The Head of the Seimas Ombudsmen Office is appointed from the already appointed Ombudsmen by the simple majority vote in the Seimas.

Capacity

7.1.1. Resources (practice)

To what extent does an ombudsman or its equivalent have adequate resources to achieve its goals in practice?

Score: 100/100

The budget allocated to the Seimas Ombudsmen's Office is sufficient for the implementation of its activities. The budget of the Office was cut by almost one-third in 2010 and (although there was a slight increase in 2011) this led to the reduced number of sittings of the Ombudsmen outside Vilnius as well as the number of visits carried out by the Human rights observers group to the institutions of the deprivation of liberty⁷⁶⁴.

During 15 years of work of the Seimas Ombudsmen's Office the number of its employees has remained almost stable (45.5 in 1995, 43.5 in 2010⁷⁶⁵). However, quite a significant reform was implemented on February 16 2010⁷⁶⁶ when the number of the Seimas Ombudsmen was reduced from 5 to 2. According to the data of 2010, all the officials as well as civil servants of the Office have university (mostly legal) education⁷⁶⁷. The average civil service work experience of the civil servants in the Office is almost 14 years⁷⁶⁸. The Office has a specialized legal library which is being constantly supplemented by new literature⁷⁶⁹. However, the qualification and administrative capacities of the staff are being improved on an ad hoc basis only, e.g. by implementing some projects supported by the European Social Fund⁷⁷⁰.

7.1.2. Independence (law)

To what extent is the ombudsman independent by law?

Score: 75/100

The Law provides broad, however not comprehensive guarantees of independence for the Ombudsman. The institution of the Seimas Ombudsmen finds its legal basis in article 73 of

⁷⁶⁴ Author's interview with one of the Seimas Ombudsmen, 4 May 2011; author's interview with a former Seimas Ombudsman, 12 May 2011.

⁷⁶⁵ *The Seimas Ombudsmen's Office of the Republic of Lithuania 15-year performance review*. Internet access: <http://www.lrski.lt/files/379.rtf>.

⁷⁶⁶ The Law on amendments of articles 7, 25, 28, and recognition of articles 26, 37 as invalid of the Law on the Seimas Ombudsmen entered into force 21 January 2010.

⁷⁶⁷ *The Seimas Ombudsmen's Office of the Republic of Lithuania, the 2010-2012 strategic plan*. Internet access: <http://www.lrski.lt/files/377.doc>.

⁷⁶⁸ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010*. Internet access: <http://www.lrski.lt/files/402.pdf>.

⁷⁶⁹ *The Seimas Ombudsmen's Office of the Republic of Lithuania, the 2010-2012 strategic plan*.

⁷⁷⁰ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010*.

the Constitution of the Republic of Lithuania⁷⁷¹, however the Constitution doesn't stipulate the principle of independence of the Ombudsmen. The Law on the Seimas Ombudsmen stipulates that the Seimas Ombudsmen shall be independent from any other institution⁷⁷².

Candidates for the Seimas Ombudsmen have to comply not only with professional, but also with moral criteria. The Law on the Seimas Ombudsmen stipulates that "a citizen of the Republic of Lithuania who is a person of high moral character, has a BA and MA in law or is a university graduate in law and who has a record of at least ten years of practice or teaching of law shall be eligible for appointment to the position of the Seimas Ombudsman".⁷⁷³ The definition of "persons considered to be of high moral character" as well as the definition of "persons not considered to be of high moral character" is established in several laws⁷⁷⁴ and secondary legislation. Candidates for the posts of advisors to the Seimas Ombudsman must also comply with professional requirements. The Seimas by simple majority vote appoints one of the appointed Seimas Ombudsmen the Head of the Office. The tenure of a Seimas Ombudsman is five years⁷⁷⁵. It does not coincide with the tenure of the Seimas' being longer by one year. It should be noted that the law does not stipulate any restrictions as to the reappointment of the Seimas Ombudsmen.

The Law doesn't provide *expressis verbis* the restrictions for the Ombudsman on being a member of a political party, and only states that the duties of the Seimas Ombudsman are not compatible with any other duties at state and/or municipal institutions and entities – appointed or elected, as well as with any other employment⁷⁷⁶.

The rate of the pay of the Seimas Ombudsman is comparable to the pay of the Seimas Members and judges of the Lithuanian Supreme Administrative Court. The monthly salary of the Head of the Seimas Ombudsmen's Office equals to 5679 Lithuanian litas per month (USD 2339.75), the Seimas Ombudsman earns 5310 Lithuanian litas per month (USD 2188.25). They also receive bonuses for the years spent in civil service of the Republic of Lithuania. According to the Law on the Seimas Ombudsmen, the Head of Office accepts and dismisses the civil servants of the Seimas Ombudsmen's Office and other employees⁷⁷⁷.

The Law on the Seimas Ombudsmen stipulates that the Seimas Ombudsman can be dismissed before the expiry of his service term only in cases when an Ombudsman resigns, dies, is absent from the office due to an overlong temporary incapacity or is terminally incapable of performing his duties, and when an Ombudsman is convicted for a crime by a court judgement⁷⁷⁸. However, the provisions of the Constitution and the Law on the Seimas Ombudsmen provide for a possibility for an Ombudsman to be removed from his position by a non-confidence vote of more than half of all the Members of the Seimas⁷⁷⁹.

According to the laws the Seimas Ombudsmen shall not be immune from criminal or administrative liability, arrest or any other form of restriction of liberty.

⁷⁷¹ *Constitution of the Republic of Lithuania*. Žin, 1992, No 33-1014 (with later amendments and additions).

⁷⁷² The Law on the Seimas Ombudsmen. Žin. 1998, No. 110-3024 (with later amendments and additions). Internet access: Article 4, clause 2.

⁷⁷³ Ibid., Article 6.

⁷⁷⁴ The Law on Advocacy, article 8 (The Law on Advocacy. Žin., 2004, No. 50-1632); The Law on Audit, article 9 (The Law on Audit. Žin., 1999, No. 59-1916); The Law on the Prosecutor's Office, article 25, part 3 (Žin., 1994, No. 81-1514).

⁷⁷⁵ The Law on the Seimas Ombudsmen, Article 7, part 1.

⁷⁷⁶ The Law on the Seimas Ombudsmen, article 10 and The Regulation to the Office, clause 9 (The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation. Internet access: <http://www.lrski.lt/files/374.doc>).

⁷⁷⁷ The Law on the Seimas Ombudsmen, article 28, part 3, clause 3.

⁷⁷⁸ Ibid., article 9, part 1.

⁷⁷⁹ Constitution of the Republic of Lithuania, article 75; Law on the Seimas Ombudsmen, article 9, part 1, clause 6.

The decisions (recommendations) of the Seimas Ombudsman, which come in the form of statements, are non-binding. However, the Seimas Ombudsmen have a right to apply to the Administrative Court with a request to investigate the conformity of an administrative regulatory act (or its part) with the law or the Government's ruling⁷⁸⁰. The Ombudsman has also a right to apply to the court for the dismissal of an officer guilty of abuse of power or bureaucracy⁷⁸¹.

As the decisions of the Seimas Ombudsmen are of a recommendatory nature they cannot be subjected to an appeal to either an administrative court or the general jurisdiction courts. However, administrative courts can solve the disputes on the lawfulness of legal acts passed and actions performed by the public administration institutions, including the Seimas Ombudsmen's Office and the Head of the Seimas Ombudsmen's Office⁷⁸², also the legality and validity of refusal by the aforementioned institutions to perform the actions within the remit of their competence or delay those actions⁷⁸³ (e.g. a refusal of the Ombudsmen's Office to investigate an application submitted or a delay an investigation)⁷⁸⁴.

7.1.3. Independence (practice)

To what extent is the ombudsman independent in practice?

Score: 100/100

The Seimas Ombudsman can operate in a professional and impartial manner. What's more - in practice it is ensured that the Seimas controllers are independent from political parties, although the law *expressis verbis* does not provide such limitation of belonging⁷⁸⁵. The author has not established any cases of political influence on the appointment of the Ombudsman's staff or examples of political interference with the Ombudsman's activities. The Ombudsmen do not have commitments for the political parties, there are no cases of their political dependence or cases when the Ombudsmen conducted other activities, prohibited by the law or held positions which might have potentially compromise their independence.

There are a few cases of the Seimas Ombudsman being reappointed for the second tenure.⁷⁸⁶ One of the current Ombudsman's has even been reappointed for the third tenure. The current Head of the Office is reappointed for the second tenure⁷⁸⁷. None of the Ombudsmen was removed from the office before the end of their term.

The complainant may make an agreement with the Ombudsman on the confidentiality of the complainant's personal data during the investigation. However, it should be noted that according to the Law on the Seimas Ombudsmen anonymous complaints shall

⁷⁸⁰ Law on the Seimas Ombudsmen, article 19, part 1, clause 10.

⁷⁸¹ Ibid., article 19, part 1, clause 13.

⁷⁸² The Law on Public Administration, article 4, part 4. Žin., 1999, No. 60-1945, (with later amendments and additions).

⁷⁸³ The Law on Administrative Proceedings, article 15, part 1, clause 1. Žin., 1999, No. 13-308, (with later amendments and additions)

⁷⁸⁴ A. Taminskas, *Establishment of Administrative courts in Lithuania impact on the development of the Seimas Ombudsmen: the present and future prospects*. Report at the international conference "Ombudsman – mean of protection of the right to good public administration." 14-15 April 2005. Internet access: http://www.lrski.lt/index_neig.php?p=126&l=lt&n=138.

⁷⁸⁵ Up to 2009, considering candidates for the Ombudsman, one applicant was a member of a political party and he declined this membership by becoming the Ombudsman.

⁷⁸⁶ Website of the Seimas Ombudsmen's Office of the Republic of Lithuania in english. Internet access: <http://www.lrski.lt/index.php?l=EN>.

⁷⁸⁷ *The Seimas Ombudsmen's Office of the Republic of Lithuania 15-year performance review*.

not be investigated⁷⁸⁸ unless the Seimas Ombudsman decides otherwise and according to the facts of the complaint opens an investigation on his/ her own initiative.

Governance

7.2.1. Transparency (Law)

To what extent are there provisions in place to ensure that the public can obtain relevant information on the activities and decision-making processes of the ombudsman?

Score: 75/100

The Law on the Seimas Ombudsmen does not guarantee that the public can obtain relevant information on the activities and decision-making procedures of the Ombudsman, actually the laws or secondary legislation do not provide for the involvement of the public in the activities of the Seimas Ombudsmen. However, cooperation with non-governmental organizations, that work in the field of human rights protection, is intended as one of the tasks of the Strategic Action Plan of the Parliamentary Ombudsman institution in 2011-2013.

According to the Law on the Seimas Ombudsmen, the Seimas Ombudsmen shall submit to the Seimas the annual report for the preceding calendar year not later than March 15 of every year. The reports shall be published on the website of the Office⁷⁸⁹. According to the principle of openness, the Seimas Ombudsmen shall openly provide information to the public about their activities and the abuse of office by and bureaucracy of officials as well as about other violations of human rights and freedoms⁷⁹⁰. However, neither the Law on the Seimas Ombudsmen, nor the Office Regulation sets any time-frame for the aforementioned information to be provided. The Regulation of the Seimas Ombudsmen's Office establishes a duty of officials and other employees to provide all the necessary information to other public servants and the public (the information may be restricted only when it is necessary to protect the public interest, or when such a restriction is established by the law)⁷⁹¹. The Law on the Seimas Ombudsmen contains a provision that the Seimas Ombudsmen shall on a regular basis notify of their activities in the media.⁷⁹² The statement of the Ombudsman, where the decision of the Ombudsman after the investigation shall be presented, according to the Law on the Seimas Ombudsmen, shall be announced on the official website of the Seimas Ombudsmen's Office, either entirely or partly, and should correspond to the restrictions concerning confidentiality.⁷⁹³ The law does not regulate certain terms of the publication of that information to the society. The frequency of the provision of information usually depends on the reporting deadline of preceding calendar year's activities of the Seimas Ombudsman to the Seimas, also on notes of the Seimas Ombudsman, that are written on terms of officials' provision of the specific field of public administration bodies. According to the Law on the Seimas Ombudsmen, the Seimas Ombudsmen and other employees of the Seimas

⁷⁸⁸ The Law on the Seimas Ombudsmen, article 16.

⁷⁸⁹ Ibid., article 11, part 1.

⁷⁹⁰ Ibid., article 4, clause 7.

⁷⁹¹ The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation, clause 12.7. Internet access: <http://www.lrski.lt/files/374.doc>.

⁷⁹² The Law on the Seimas Ombudsmen, article 11, part 2.

⁷⁹³ Ibid., article 21.

Ombudsmen's Office must guarantee secrecy of the State, professional, commercial or bank secrets and personal data that have come to their knowledge in the exercise of their duties.⁷⁹⁴

According to the Law on the Declaration of Assets of Residents,⁷⁹⁵ the data of the declarations of assets of the Seimas Ombudsmen and their family members shall be made public in the special supplement to the official gazette *Valstybės žinios* without a written consent of these residents.⁷⁹⁶

It would be really important for the Group of observers of human rights situation in the institutions of deprivation of liberty to cooperate with NGO's in creation of the national legal basis for the implementation of the Optional Protocol to the Council of Europe Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment. However, the Protocol (although signed back in 1991) has not been ratified by Lithuania.

7.2.2. Transparency (practice)

To what extent is there transparency in the activities and decision-making processes of the ombudsman in practice?

Score: 75/100

The transparency in the activities and decision-making processes of the Ombudsman are not ensured to a full extent because the public isn't involved in the Ombudsman's activities⁷⁹⁷. Last year the Seimas Ombudsman Office submitted 32 media reports on the investigations carried out by the Seimas Ombudsmen, the submitted recommendations and their implementation.⁷⁹⁸ The annual report of 2010 on the activities of the Seimas Ombudsmen indicates statistical data on the complaints received in 2010 and their investigation, the number and nature of the recommendations on the complaints made, the implementation results of the recommendations, information about the reception of people at the Office. However, neither the general section of the annual report nor the separate reports of every Ombudsman (that are part of the annual report of 2010) indicate the average time of investigations. There were no cases of violation of the time requirements for submitting the reports to the Seimas.

The Office's official website www.lrski.lt has been functioning since 2005.⁷⁹⁹ The website is generally comprehensive and kept up to date⁸⁰⁰, apart from the column entitled "Information about the Salaries"⁸⁰¹, which doesn't provide all the information requested by

⁷⁹⁴ Ibid., article 23.

⁷⁹⁵ Law on property declaration. Žin., 1996, No. 50-1197 (with later amendments and additions)

⁷⁹⁶ Ibid., article 10, part 2.

⁷⁹⁷ Author's interview with director of non-governmental organization, which works in the field of human rights, 29 April 2011.

⁷⁹⁸ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010.*

⁷⁹⁹ *The Seimas Ombudsmen's Office of the Republic of Lithuania 15-year performance review.*

⁸⁰⁰ According to the approved Ruling of the Government of the Republic of Lithuania, No.480 approving the "Specification of general requirements for the websites of state and municipal institutions and bodies", clauses 12.1-12.5. New version of the Resolution. Žin. 2003, No. 38-1739 (with later amendments and additions).

⁸⁰¹ The Seimas Ombudsmen's Office of the Republic of Lithuania, *Wages of staff of the Seimas Ombudsmen's Office of the Republic of Lithuania, bonuses of Lithuanian State seniority and qualification classes*. Internet access: <http://www.lrski.lt/files/403.doc>.

the laws⁸⁰². The asset declarations of the Ombudsmen are published by the Chief Official Ethics Commission⁸⁰³ and the State Official Gazette *Valstybės žinios*.

7.2.3 Accountability (law)

To what extent are there provisions in place to ensure that the ombudsman has to report and be answerable for its actions?

Score: 75/100

According to the Law on the Seimas Ombudsmen, the Seimas Ombudsmen shall submit to the Seimas the annual report for the preceding calendar year not later than March 15 of every year⁸⁰⁴ (although the Statute of the Seimas of the Republic of Lithuania indicates another date for such a submission – March 1st). Entire annual report shall be published on the official website of the Office.⁸⁰⁵ One should realise that the laws do not stipulate the contents of the report, i.e. what information should be provided. The report of the Ombudsmen shall be considered by the Committee on Human Rights which also considers complaints referred to the Seimas concerning the work of the Seimas Ombudsmen⁸⁰⁶. The activities of the Ombudsmen mostly are not appealed against in the courts.

There is no separate whistleblowing system on the inappropriate behaviour of the employees of the Seimas Ombudsmen's Office.

7.2.4. Accountability (Practise)

To what extent does the ombudsman report and is answerable for its actions in practice?

Score: 100/100

It is rather difficult to assess the Ombudsmen report to the Parliament thoroughly in practice due to the fact that no legal acts regulate what information should be provided in the report. For example, the annual report submitted to the Seimas provides no account on the activities of the employees of the Office – on handling of appeals, recommendations and proposals to the Seimas on any gaps or needed amendments of the laws. The annual reports generally indicate the activities of the Ombudsmen - investigation of the complaints, submission of recommendations and proposals to the Seimas regarding gaps in laws and necessary amendments to the laws.⁸⁰⁷ The submitted reports (it should be noted that the reports are usually submitted on the last day of the deadline established in the Law on the Seimas Ombudsmen⁸⁰⁸) are firstly discussed in the Seimas Committee on Human Rights. After the consideration the Committee submits a report to the Seimas on the activity of the Ombudsmen together with its own proposals on the ways to improve the functioning of the Office. Then the annual reports are thoroughly discussed in the plenary sittings of the Seimas

⁸⁰² The Ruling of the Government of the Republic of Lithuania, 18 April 2003, No. 480, paragraph 18.

⁸⁰³ Website of the CEC. Internet access: <http://www.vtek.lt>.

⁸⁰⁴ Law on the Seimas Ombudsmen, article 11, part 1.

⁸⁰⁵ Ibid.

⁸⁰⁶ The Seimas Statute, article 70. Žin., 1994, No. 15-249 (with later amendments and additions).

⁸⁰⁷ Edita Žiobienė, "Reform of Ombudsman Institutions in Lithuania", *Jurisprudencija*, No. 1(119), 2010.

⁸⁰⁸ The provided facts and dates are indicated on the official website of Seimas of the Republic of Lithuania. Internet access: www.lrs.lt.

and approved by a resolution of the Seimas. Such a practice has developed over time and seems to function adequately.

Complaints concerning the activities of the Ombudsmen can be submitted to the Seimas' Committee on Human Rights and the system actually functions in practice⁸⁰⁹. In some aforementioned cases the complaints on the Ombudsmen's activities may be submitted to the administrative courts. However, there were no such complaints during the years 2009-2011.

7.2.5. Integrity Mechanisms (law)

To what extent are there provisions in place to ensure the integrity of the ombudsman?

Score: 75/100

The Regulation of the Seimas Ombudsmen's Office contains a separate chapter named "Basic Principles of Activities and Ethics of the Seimas Ombudsmen, civil servants and other employees". However, one should understand that all the relevant regulations are stipulated as general principles, therefore they remain rather vague. The regulation of the conflict of interests is in the principle of selflessness. The principle cover the requirements to serve only the public interest and avoid conflict of interest situations, do not seek personal interest and benefit himself/ herself, his/ her family, relatives or friends⁸¹⁰. The regulation also prohibits the controller and other employees to accept gifts and other signs of benevolence, other services, if such acceptance could create a real or apparent conflict of interest⁸¹¹. It should be noted that controllers as public officials and other civil servants who work in the Office, apply to the Law on public and private interests in the Public Service⁸¹², which regulates the avoidance of conflicts of interest in more detail.

According to the principle of responsibility civil servants and other employees of the Office shall remain politically neutral.⁸¹³ The responsibility principle also obliges civil servants and other employees "to take responsibility for the proper use and confidentiality of information and documentation."⁸¹⁴ The principle of exemplarity establishes a duty for these persons "to be able to reject illegal requests fairly and tactfully."⁸¹⁵

The Law on the Declaration of Assets of Residents provides that the Ombudsmen, and members of their families as well as every civil servant employed in the Office and members of their families have to declare their assets annually.

There are no *expressis verbis* restrictions on the political commitments of the Ombudsmen⁸¹⁶.

7.2.6. Integrity Mechanisms (Practice)

To what extent is the integrity of the ombudsman ensured in practice?

⁸⁰⁹ The Seimas statute, article 70.

⁸¹⁰ The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation, p. 12.3.

⁸¹¹ Ibid., p. 8.

⁸¹² The Law on public and private interests in the civil service. Žin., 1997, No. 67-1659 (with later amendments and additions).

⁸¹³ The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation, p. 12.6.

⁸¹⁴ Ibid.

⁸¹⁵ The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation, p. 12.8. See: the Pillar „Investigation“ on the grounds of declining a complaint.

⁸¹⁶ See Pillar "Independence (Law)".

Score: 75/100

Existing regulations on gifts and incapacity to work, employment restrictions, conflict of interest policies, etc. seem to be effective in ensuring ethical behaviour: there were no cases of violation of ethical standards in the Ombudsmen's Office during the years 2009-2011⁸¹⁷. However, some attention to these risks is being paid in practice, e.g. there have been trainings, that topic was ethical issues, organized by the Office during the years 2009-2011⁸¹⁸.

One should note that the website of the Chief Official Ethics Commission contained a declaration of assets of only one of the two Ombudsmen for the year 2010 on the day this report was drafted.

7.3.1. Investigation

To what extent is the ombudsman active and effective in dealing with complaints from the public?

Score: 75/100

The Ombudsmen are active and effective in dealing with the complaints from the public. The Seimas Ombudsmen Office deals with the complaints from all persons, inside Lithuanian territory or outside, directly or with assistance of an authorized person.⁸¹⁹ The process of lodging a complaint is straightforward and assistance is provided where necessary⁸²⁰. Grounds for rejecting a complaint are justified, i.e. a complaint can be rejected only in case it is anonymous, insufficient facts of the matter are provided and the complainant fails to submit the facts on the Seimas Ombudsman's request, or the text of the complaint is illegible⁸²¹. Most commonly investigation of complaints is rejected on the grounds that the complaints shall be investigated by other state agencies and are out of the jurisdiction of Seimas Ombudsmen⁸²². There is a deadline for the complaints to be submitted: complaints shall be submitted no later than in a year after the facts that are the substance of it have occurred. However, it is common that the Ombudsmen take decisions to start investigation even in cases when the complainants miss the deadline⁸²³. Repeatedly submitted complaints may be investigated in cases where new circumstances are indicated or new facts are presented.⁸²⁴

Annual report 2010 indicates that 1282 complaints from natural and legal persons were received during the last year. 341 complaints were rejected. 2587 problems were identified and investigated in the remaining complaints. The number of the provided recommendations was 1072. Annual report 2009 indicates that 1564 complaints of natural and legal persons were received during the year. 479 complaints were rejected. 2381 problems were identified and investigated in the remaining complaints. The number of the provided recommendations

⁸¹⁷ Author's interview with one of the Seimas Ombudsmen, 4 May 2011; author's interview with a former employee of the Seimas Ombudsmen Office, a lecturer of one of Lithuanian universities specializing in the research on Ombudsmen, 13 April 2011.

⁸¹⁸ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010*

⁸¹⁹ The newsteller of the Seimas Ombudsmen's Office of the Republic of Lithuania. July – December 2008. Internet access: <http://www.lrski.lt/files/343.pdf>.

⁸²⁰ Ibid.

⁸²¹ The Law on the Seimas Ombudsmen, article 14, part 3.

⁸²² *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010*.

⁸²³ The newsteller of the Seimas Ombudsmen's Office of the Republic of Lithuania. July – December 2008.

⁸²⁴ The Law on the Seimas Ombudsmen, article 17, part 3.

was 681⁸²⁵. Both annual reports have indicated that more than 90 per cent of all the recommendations submitted during the year have been taken into account (implemented). Recommendations are not fulfilled, not because the controllers do not control their execution, but for reasons beyond the control of the Seimas Ombudsman: because offices do not have the funds to carry out the recommendations, or because of the lack of political will in the Seimas, when it is necessary to amend the specific legislation.

Chart: Development of complaint investigation, 2009 – 2010.

	2010	2009
The number of received complaints	1282	1564
The number of rejected complaints	341	479
The number of identified problems in the complaints	2587	2381
The number of provided recommendations	1072	681 ⁸²⁶

Source: made by the author

In 2010 the Seimas Ombudsmen carried out 18 investigations on their own initiative, analysing 79 problems (e.g. concerning the right to defence in a trial for persons with mental disabilities or concerning the refusals to provide medical assistance to persons injured in car accidents) and took decisions on each of them⁸²⁷.

Public awareness about the Ombudsmen is controversial. According to some members of the Parliament, many citizens consider the Office as one of the most serious and helpful institutions for the citizens.⁸²⁸ But according to expert⁸²⁹, the Office is mistakenly perceived as an institution which takes binding decisions and imposes financial sanctions. As acknowledged by Saulė Vidrinskaitė⁸³⁰, despite the Ombudsmen functions being broadly known in the society, due to the recommendatory nature of their decisions, the Ombudsmen are considered not a very effective institution.

One of the strategic aims of the Office proclaimed in the Office's strategic activity plan for the years 2010 – 2012 is "to inform society about human rights and possibilities to protect them, broaden the society's knowledge about the Seimas Ombudsmen Office's role and functions."⁸³¹ The Office "periodically publishes newsletters on topical problems of the Seimas Ombudsmen activities, it has also published posters and leaflets containing information about the activities of the Seimas Ombudsmen and the templates for filling a complaint."⁸³² The Office organizes meetings with the residents in various regions, municipalities, institutions for the deprivation of liberty and offices on a regular basis.⁸³³ The

⁸²⁵ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2009.*

⁸²⁶ Ibid.

⁸²⁷ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010.*

⁸²⁸ 50th (371) unexpected meeting of the Seimas, 11 January 2008. Ruling of the Seimas "On the director of the Seimas Ombudsmen's Office Appointment" project No. XP-2776 presentation, discussion and adoption. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=312788&p_query=Ombudsmen%20F8%20&p_tr2=2.

⁸²⁹ Author's interview with a researcher specializing in the research on ombudsmen, 6 April 2011.

⁸³⁰ Author's interview with former employee of the Seimas Ombudsmen Office, a researcher specializing in the research on ombudsmen, 13 April 2011.

⁸³¹ *The Seimas Ombudsmen's Office of the Republic of Lithuania, the 2010-2012 strategic plan.* Internet access: <http://www.lrski.lt/files/377.doc>.

⁸³² Author's interview with a researcher specializing in the research on ombudsmen, 6 April 2011.

⁸³³ *The Seimas Ombudsmen's Office of the Republic of Lithuania 15-year performance review.*

outreach programme to make the Ombudsman's services better known to the public is at its initial stage.

7.3.2. Promoting Good Practice

To what extent is the ombudsman active and effective in raising awareness within government and the public about standards of ethical behaviour?

Score: 50/100

The Law on the Seimas Ombudsmen lay down the officials,⁸³⁴ whose activities could be subject to investigation of the Ombudsmen, and a group of persons and institutions, activities of which can not be subject to investigation. The Seimas Ombudsmen investigate activities of employees of the state and municipal institutions and entities, other employees that exercise powers of public administration, employees of public institutions and non-governmental organisations with powers of public administration, granted according to the procedure prescribed by law, who exercise powers of administration over persons not subordinate to them; persons authorised by the state, performing the functions prescribed by law which have been granted by the state.⁸³⁵ From 2004 the activity of the persons to whom state has delegated functions of state institutions, i.e. notaries and bailiffs⁸³⁶ are also under the jurisdiction of the Ombudsmen insofar as it is related to public administration.⁸³⁷

According to the Ombudsmen reports of the year of 2009-2010, the majority of the decisions made by the Ombudsmen were decisions regarding actions of the officials of penitentiary institutions accountable to the Prison Department and actions of the police officers accountable to the Police departments.

The Ombudsmen do not investigate the activities of the President of the Republic of Lithuania, Members of the Seimas, the Prime Minister, the Government (as a collegial institution), the State Controller and judges of the Constitutional Court and other courts, municipal councils (as collegial institutions).⁸³⁸ The legality and validity of procedural decisions of the prosecutors, pre-trial investigation officials shall also be outside the Seimas Ombudsmen's powers of investigation. However, the complaints about the actions of prosecutors, pre-trial investigation officials, which violate human rights and freedoms, shall fall within the investigative jurisdiction of the Seimas Ombudsmen.⁸³⁹ The Ombudsmen also do not investigate complaints arising from the labour legal relations and about the legality and validity of court decisions, judgements and rulings.⁸⁴⁰

Despite the fact, that the Law on the Seimas Ombudsmen establishes that the investigation of a complaint shall be discontinued if the problems addressed in the complaint are resolved in a good will⁸⁴¹, such cases of mediation are not frequent: only 69 investigations have been discontinued on this basis in 2009⁸⁴², 66 – in 2010⁸⁴³.

⁸³⁴ The Law on the Seimas Ombudsmen, article 2, part 2.

⁸³⁵ Ibid.

⁸³⁶ The newsteller of the Seimas Ombudsmen's Office of the Republic of Lithuania. July – December 2008.

⁸³⁷ Ibid.

⁸³⁸ The Law on the Seimas Ombudsmen, article 12, part 2.

⁸³⁹ Ibid., article 12, part 3.

⁸⁴⁰ Ibid., article 12, part 4.

⁸⁴¹ Ibid., article 22, part 3.

⁸⁴² *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2009.*

⁸⁴³ *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010.*

Only in 2010 the Ombudsmen have started regular meetings with state institutions to discuss the ways to improve the quality of public administration in order to comply with the government's obligations to serve the people.⁸⁴⁴ There are individual cases when the Seimas Ombudsmen provide recommendations on the activities of appropriate institutions during these meetings.

The Seimas Ombudsmen are active in publishing the written statements following the completed investigations as well as the data of annual reports. The Office publishes statements, written by the Ombudsmen,⁸⁴⁵ in the official website for a few years already, although the legal requirement for such publicity emerged in the summer of 2010 only⁸⁴⁶.

According to the Regulation of the Seimas Ombudsmen's Office, the Senior Advisor of the Ombudsman provides generalising conclusions on the implementation of decisions and proposals (recommendations) adopted by the Ombudsman,⁸⁴⁷ and, when empowered by the Seimas Ombudsman, Senior Advisors of an Ombudsman and advisers control the implementation of the Seimas Ombudsmen's proposals (recommendations).⁸⁴⁸ The Group of observers of human rights situation in the institutions of the deprivation of liberty monitors how the proposals of the Ombudsmen on the protection of human rights and freedoms in the aforementioned institutions are taken into account.⁸⁴⁹ The annual report of the Office for the year 2010, although in rather vague and reserved manner, indicates that approximately all the recommendations of the Seimas Ombudsmen in this field were taken into account⁸⁵⁰.

⁸⁴⁴ Ibid.

⁸⁴⁵ Ibid.

⁸⁴⁶ According to the Seimas of the Republic of Lithuania amendment of the article 21 of the Law on the Seimas Ombudsmen No. XI-808. Žin., 2010, No. 63-3087.

⁸⁴⁷ The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation, p. 27.10.

⁸⁴⁸ Ibid., p. 28.11.

⁸⁴⁹ Ibid., p. 31.5.

⁸⁵⁰ See: the Pillar „Investigation“.

8. Supreme Audit Institution

Dr. Jurgita Paužaitė-Kulvinskienė, aided by Audronė Gedmintaitė

Summary

The legal and regulatory environment in Lithuania is efficient enough for the National Audit Office (hereinafter - the NAO) to perform its duties properly and to remain operationally independent. This supreme national audit institution performs its duty to carry out the financial audit of the public sector in a responsible manner thus making sure that the tax payers' money in the form of public finance are used the way they would be used if they were in the hands of a "caring master". Nonetheless, the overall scope of audits performed by the NAO (approximately 200 audits per year) still does not ensure efficient audit of the financial resources and shows the current focus on quantity rather than quality. This situation is determined by the system of selecting the audited subjects that is not efficient enough and does not consider the topical risk factors that determine the auditing of problematic areas in State governance. It is noteworthy that the NAO is deemed to be a management rather than a law enforcement institution. The primary focus of the NAO is to prevent infringements of the law in the area of public finance and to promote cooperation with other State governance institutions with the aim "to teach" how to engage in efficient public finance management rather than to punish for any wrongdoing.

Evaluation Table

Supreme audit institution Total pillar score: 83			
	Indicator	Law	Practice
Capacity 92/100	Resources	-	75
	Independence	100	100
Governance 79/100	Transparency	100	75
	Accountability	75	75
	Integrity mechanisms	75	75
Role 83/100	Effective financial audits	100	
	Detecting and sanctioning misbehaviour	75	
	Improving financial management	75	

Structure and Organization

The structure of the NAO is subject to approval by the Auditor General. The Auditor General is appointed for a five-year term of office by the Seimas on the recommendation of the President of the Republic of Lithuania and on the professional rather than a political basis. Currently the NAO has nine functional (audit) departments specialising in the audit of different public entities, six service (administrative) divisions and the Council of the National Audit Office (an advisory body to the Auditor General). The NAO acts in the following four key areas: 1) supervision of the lawfulness and effectiveness of use of the State-owned property; 2) control over the implementation of the State budget; 3) making the State finance and management system more efficient by performing respective control; 4) improvement of public management.

Capacity

8.1.1 Resources (practice)

To what extent does the audit institution have adequate resources to achieve its goals in practice?

Score: 75/100

The NAO is financed from the State budget while the exact amount of budgetary allocations to this supreme audit institution is defined and assigned by the Seimas. The size of budgetary allocations is related to the situation in the Lithuanian economy. For example, in 2009 the total amount of allocations from the State budget to the NAO was 12 per cent smaller than in 2008⁸⁵¹, while in 2010 and 2011 the amount of respective budgetary allocations grew by 4 to 5 per cent. The financing based on the principle of annual budgetary allocations lessens the operational independence of the NAO and impedes the performance of its key functions⁸⁵². Moreover, the risk of insufficient financing reduces the opportunity to retain the current competent staff members as the recovering business threatens to “take over” the qualified staff⁸⁵³, because salary-wise the public sector is not able to compete with the business sector, therefore highly qualified staff tend to run over to the recovering private sector⁸⁵⁴.

The NAO is entitled to use the received budgetary allocations for the implementation of its programmes the establishment and approval of the cost estimates of which is entirely in the hands of the NAO. The supervision of how the received budgetary allocations are used is partly performed by the Ministry of Finance, while the financial audit of the NAO is performed by the audit institution appointed under the resolution of the Seimas.⁸⁵⁵ Whenever the NAO sees that the assigned budgetary allocations are insufficient to perform the prescribed functions, it can address the Government with respective suggestions regarding the allocation of additional funds.

The auditors working for the NAO have to meet high professional (qualification) requirement. Only individuals with university education are hired to work for the NAO.

⁸⁵¹ *Annual Report of the National Audit Office 2009*. 23 March 2010. No. Y4 (hereinafter – NAO report 2009). P. 10. Internet access: <http://www.vkontrole.lt/failas.aspx?id=2079>.

⁸⁵² Author's interview with officer of the National Audit Office, 7 June 2011.

⁸⁵³ Ibid.

⁸⁵⁴ Ibid.

⁸⁵⁵ Law on National Audit Office, article 8, part 4. Žin., 1995. No. 51-1243. (With later amendments and additions).

During the recent years the number of candidates to take up the vacancies opening with the NAO has increased significantly (on the average 18 candidates per vacancy), because due to the economic downturn the private sector was able to offer extremely favourable working conditions only for a limited number of highly qualified staff. When hiring staff for the NAO, the advantages and capabilities of the candidates in the area of audit are assessed, including their moral values and personal characteristics, because individuals working for the NAO have to be of impeccable reputation (have no conviction for an intentional crime; have not been fired from the civil service on the grounds of misconduct in office). Moreover, the NAO has the right to obtain information about the candidates from other state institutions too, although it usually avails itself of this right only when hiring individuals for managerial positions.⁸⁵⁶ Currently the NAO employs 374 staff, 66 per cent of which are national auditors. All state auditors have a university degree and the majority of them (82 per cent) – master's degree.⁸⁵⁷ The NAO staff has the duty to continuously upgrade their qualification while the supreme audit institution itself is obliged to provide them with respective conditions to do so. For example, in 2009 every staff member spent 8 to 9 business days upgrading their qualification⁸⁵⁸. However the problem is that the NAO has no legal or financial leverages to recover the investment into the professional development of its human resources when they decide to leave the NAO⁸⁵⁹, for example, in 2009, 83 per cent of employees improved skills and NAO spent more than 600 thousand litas⁸⁶⁰. Meanwhile, in 2011 institution spent significantly smaller amount of money – 350 000 litas – for organizing training events⁸⁶¹.

8.1.2 Independence (law)

To what extent is there formal operational independence of the audit institution?

Score: 100/100

The purpose of the NAO and the order of appointing the Auditor General are provided for in the Constitution of the Republic of Lithuania, while specific areas of authority are defined in the Law on the National Audit Office. The NAO is not considered to be either a legislative or an executive or a judicial body⁸⁶². The principle of the NAO's independence is not *expressis verbis* defined in the Constitution of the Republic of Lithuania, however Part 2 of Article 5 of the Law on the National Audit Office⁸⁶³ says that the Auditor General, being independent from the Seimas and the Government, has the right to participate in the Government sittings and express a separate opinion⁸⁶⁴ as well as participate in the plenary sittings of the Seimas

⁸⁵⁶ Law on National Audit Office, article 25, part 2.

⁸⁵⁷ *Annual Report of the National Audit Office 2011*. 23 March 2012. No. Y-1 (hereinafter – NAO report 2011). P.

⁸⁵⁸ *Annual Report of the National Audit Office 2009*, 15.

⁸⁵⁹ Author's interview with officer of the National Audit Office, 7 June 2011.

⁸⁶⁰ *Annual Report of the National Audit Office 2009*, 15.

⁸⁶¹ *Annual Report of the National Audit Office 2011*, 25.

⁸⁶² The ruling of the Constitutional Court of the Republic of Lithuania on the 13th of December, 2004. Žin., 2004, No. 181–6708 (with later amendments and additions).

⁸⁶³ The ruling of the Constitutional Court of the Republic of Lithuania on the 6th of December, 1995. Žin., 1995, No. 101–2264.

⁸⁶⁴ In practice there was one case in 2011, when the Auditor General declared his dissenting opinion on the provisions of the Forestry Law at the Government meeting, because these different positions were failed to reconcile with the help of inter-institutional procedure.

and express an opinion in cases when issues falling within the competence of the NAO are debated. Moreover, no other institution can interfere with the activities of the NAO.

The NAO is held accountable to the legislator through operational reporting and issuing opinions to the Seimas as a whole, the Parliamentary Audit Committee and other parliamentary committees responsible for respective areas of governance.

The NAO is independent in defining the scope of the national audit that it performs in line with self-approved audit recommendations (methodology). However, the methodology is not subjected to continuous review⁸⁶⁵, there is no efficient system for selecting the audited entities and the newly emerging risk factors are not being reflected in the system of selection⁸⁶⁶. Nonetheless it is noteworthy that as of 2009 a new temporary methodology to assess the economy and the feasible infringement of public interests applies, also financial (legality) performance audit sections of the guide are renewed, a new version of the Performance Audit guide is prepared⁸⁶⁷.

The NAO is formed on a professional rather than a political basis. Individuals hired to work for the NAO have to be of impeccable reputation. Even though respective legislation does not provide for the definition of "impeccable reputation", the Law on the National Audit Office includes respective safeguards. For example, the NAO cannot hire an individual that has been previously convicted of an intentional crime or has been fired from the civil service on the grounds of misconduct in office or has refused to declare his/her personal or his/her family income and property. Moreover, the NAO does not hire individuals that have close family ties with their direct managers⁸⁶⁸. Both the Auditor General and other officers of the NAO are sworn into the service.

The Auditor General is appointed for a five-year term of office by the Seimas on the recommendation of the President of the Republic of Lithuania and on the professional rather than a political basis. The law provides for some restrictions to be observed when hiring individuals for the position of the Auditor General, i.e. they have to be of impeccable reputation, not older than sixty five years of age, hold the citizenship of Lithuania, and have a university education. The prohibition to appoint the same individual for more than two successive terms in the Auditor General's office is directly related to the principle of ensuring operational independence and efficiency. The start and the end of the Auditor General's term of office do not coincide with the commencement and the end of the term of office of the entities that participate in appointing the Auditor General (the Seimas and the President).

The Auditor General may be dismissed from office upon his/her resignation from office, expiry of the term of office, as a result of expression of no confidence, for health reasons, in case a conviction becomes effective, upon reaching 65 years of age or having lost the citizenship of the Republic of Lithuania. The Seimas and the President may express the no confidence in the Auditor General. The Seimas Statute includes strict provisions defining the procedure of expressing the no confidence in the Auditor General and other top officials appointed by the Seimas. The suggestion to dismiss the Auditor General from office must be motivated and submitted in writing by the Board of the Seimas, a parliamentary committee or at least 1/5 of the members of parliament (Article 217 of the Seimas Statute). The suggestion is followed by a debate and a resolution passed by way of secret ballot. The Auditor General can only be dismissed if more than half of the members of parliament vote for the dismissal (Article 217 of the Seimas Statute). The employment relationship of other officials of the NAO terminates and they are dismissed as provided for in the Law on Civil Service. In

⁸⁶⁵ Order of NAO, 21 February 2002, No. V-26 "On approval of the Public Auditing Requirements." Žin., 2002, No. 20-790 (with later amendments and additions) (hereinafter - Public Auditing Requirements).

⁸⁶⁶ Author's interview with financial law scientist, Vilnius University Faculty of Law, 27 May 2011.

⁸⁶⁷ *Annual Report of the National Audit Office 2009*, 6.

⁸⁶⁸ The Law on National Audit Office, article 26, part 4.

addition to the grounds on which civil servants can be dismissed from office as defined in the Law on Civil Service, there are several provisions with regard to certain specific cases included in the Law on the National Audit Office (e.g. refusal to declare personal or family income and property, including private interests, discrediting the name of the NAO official when in office or during free time, disclosure of a state secret or an official secret).

The general restrictions that apply to civil servants in general apply to the individuals working for the NAO (including the top manager), i.e. the principle of political neutrality and the principle of adjusting public and private interests in the civil service, including the requirement to declare any conflict of interests. Neither the Auditor General nor his/her deputy nor any other official of the NAO is immune from administrative or criminal prosecution.

8.1.3 Independence (practice)

To what extent is the audit institution free from external interference in the performance of its work in practice?

Score: 100/100

Although the principle of the NAO's operational independence is not *expressis verbis* defined in the Constitution of the Republic of Lithuania, the existing practice of the Constitutional Court⁸⁶⁹ and the provisions of the Law on the National Audit Office guarantee that national auditors are not influenced by any third parties when performing their functions. The NAO operates independently, i.e. without the interference of any political powers, when identifying the audited subjects based on the national audit plans and when deciding on the scope of audit based on self-developed audit methodology, although mass media attempts to form an opinion that the audited entities are selected "as ordered"⁸⁷⁰. In addition, the NAO is not afraid to make public, both in the public space, for example, by reports of the NAO of captured files⁸⁷¹, and directly, by showing operational errors to the state authorities, for example, by organizing a meeting with representatives of the ministries and showing them the most common financial mistakes thresholds of ministries⁸⁷². The NAO effectively exploits its legal measures, while maintaining the independence, for instance, in 2011 the Auditor General took advantage of his power and expressed his dissenting opinion on the provisions of the Forestry Law at the Government meeting, because these different positions failed to be reconciled by interinstitutional procedures.

There has not been a case where it became publicly known that politicians tried to exert influence of the NAO or its staff or respective individuals have not been appointed to work for the NAO because of political reasons. There has been no information nor have there been any cases made public by the media proving that any of the NAO staff participated in some political activities and, as a result, threatened the operational independence of the supreme audit institution. Neither the Civil Service Department nor the NAO itself does not publicise information on the distribution of human resources after the Government or the Auditor General changes, nor there official information on the dismissal from office or downgrading or transferring staff to another position due to political reasons. In practice there

⁸⁶⁹ The ruling of the Constitutional Court of the Republic of Lithuania on the 13th of December, 2004.

⁸⁷⁰ Author's interview with officer of the National Audit Office, 7 June 2011.

⁸⁷¹ NAO "The NAO won the can on the decision on Klaipeda University". Press Release, 14 November 2011. Internet access: http://www.vkontrole.lt/pranesimas_spaudai.aspx?id=16834.

⁸⁷² NAO, "The NAO has shown the ministries most common financial mistakes thresholds." Press Release, 6 October 2011. Internet access: http://www.vkontrole.lt/pranesimas_spaudai.aspx?id=16773

has been no Auditor General who would be appointed for the second term of office. Most probably this is due to their professional qualification rather than political reasons⁸⁷³. Deputy Auditors General are in practice appointed for several successive terms of office. Often an individual is offered to take the position of the Deputy Auditor General as a sign of appreciation of an individual's professional experience accrued while working for the NAO. Nonetheless, some Deputy Auditors General come to work for the NAO straight from other State governance institutions or the private sector.

Governance

8.2.1 Transparency (law)

To what extent are there provisions in place to ensure that the public can obtain relevant information on the relevant activities and decisions by the SAI?

Score: 100/100

The NAO performs audits in line with a clearly regulated procedure and based on the provisions of the Law on the National Audit Office, including the national audit requirements approved by a respective decree of the Auditor General⁸⁷⁴. The NAO operates based on the principle of publicity. In essence the NAO has the obligation to make all the documents that result from auditing operations (reports, findings and solutions of audit) publicly available to respective responsible institutions and to the public, with the working documents (defined in the national audit requirements) being the only exception, as they are not made publicly available. The said working documents cannot be handed over to any third party without the agreement of the NAO, except for the cases when it is required by the law to submit written evidence as demanded by the court or in cases when law enforcement institutions are entitled to seize national audit documents as provided for in the law.

Every year the NAO submits its opinion to the Seimas on the account of the execution of the State budget⁸⁷⁵. As a result of auditing State institutions and entities, including municipalities and other bodies, the NAO drafts national audit reports (financial (regularity) audit reports or performance audit reports), national auditor's opinions and administrative decisions that are passed having identified substantial breaches of the law⁸⁷⁶.

Most of the documents produced by the NAO are discussed as provided for in the Seimas Statute. The opinions issued by the NAO are discussed at the Parliamentary Committee of the Budget and Finance⁸⁷⁷ and the Parliamentary Audit Committee⁸⁷⁸, including other respective committees. If necessary, the committees prepare a draft parliamentary resolution regarding the implementation of the recommendations of the NAO included in the national audit reports and opinions. In cases when audit activities reveal consistent and substantial infringements, respective law enforcement institutions are informed about that too. This obligation is set out in the Law on National Audit Office⁸⁷⁹.

⁸⁷³ It can only be presumed, that the former auditor general Rasa Budbergytė would have been appointed to a second term, if she hadn't been appointed the member of the European Court of Auditors.

⁸⁷⁴ Public Auditing Requirements.

⁸⁷⁵ The Law on National Audit Office, article 9, part 2; The Statute of the Seimas of the Republic of Lithuania, article 59. Žin., 1994, No. 15-249 (with later amendments and additions).

⁸⁷⁶ The Law on National Audit Office, article 4, part 5.

⁸⁷⁷ The Statute of the Seimas of the Republic of Lithuania, article 59, part 8.

⁸⁷⁸ Ibid., article 59, part 1.

⁸⁷⁹ The Law on National Audit Office, article 21, part 1.

All the NAO documents are publicly available. National audit reports and auditor's opinions, decisions and other information about the operations of the NAO are published on the NAO website. The staff of the supreme audit institution frequently appears on TV or radio and sufficient press coverage is there too⁸⁸⁰. Currently there is no time limit as to how quickly should the relevant information be published on the NAO website. Moreover, any individual willing to get respective information or documents from the NAO has to fill in an application and will be provided with the requested information no later than within 20 business days as of the date the application has been received by the supreme audit institution.⁸⁸¹

8.2.2 Transparency (practice)

To what extent is there transparency in the activities and decisions of the audit institution in practice?

Score: 75/100

In practice the NAO produces working documents, audit reports, auditor's opinions and decisions. Only the most important reports, opinions and decisions selected at the discretion of the Auditor General are submitted to the Seimas, the Government and the Parliamentary Audit Committee, including other committees. In practice, in 2009 the Parliamentary Audit Committee discussed 26 national audit reports, although in 2009 state auditors performed 191 public audit. In 2009 the Seimas passed seven resolutions related to the national audits and other operations performed by the NAO.⁸⁸² The cooperation with the Seimas is viewed extremely positively, because this is the way to ensure the support necessary to implement the recommendations of the NAO in practice⁸⁸³. The society is not actively interested in the content of the audit reports produced by the NAO nor in related implementation outcomes, because the NAO is a rather specialised institution, it does not appear in media headlines and does not provide any direct administrative services to individuals. The key tool used to inform the society is the website of the NAO www.vkontrole.lt. The website includes information about the purpose of the national audit, legal regulatory measures applicable to the audit activities, structure and contacts, salaries, and public procurement. Opinions on the account of the execution of the State budget (since 1995), opinions on the national debt reports (since 1997), opinions on the reports on the State-owned property (since 2001), and opinions on draft State budgets (since 2003) are also available on the NAO website. The operational reports and financial statements of the NAO are published on the NAO website, too. Respective audit reports can be searched by the type of the report, by a keyword and by the reporting period. The website of the NAO is reviewed on a regular basis. It has been estimated that since 26 June 2009 the website has been visited by approximately 300 000 visitors and it receives 1 500 visits per month.⁸⁸⁴ It has been noted that the website provides quick and immediate access to full reports and all technical, financial and legal audit-related assessment indicators, including exhaustive operational planning documents (strategic

⁸⁸⁰ Ibid., article 23.

⁸⁸¹ Law of the Republic of Lithuania on the Right to Obtain Information From state and Municipal Institutions and Agencies, Article 14. Žin., 2000, No. 10-236 (with later amendments and additions).

⁸⁸² *Annual Report of the National Audit Office 2009*, 17.

⁸⁸³ Author's interview with officer of the National Audit Office, 7 June 2011.

⁸⁸⁴ Accessed 15 May 2011.

plans⁸⁸⁵, visions, programmes) allowing to get a clear NAO activity forecast for the future. As a result it can be concluded that the information needs of the professional society interested in this particular area of activity are being fully met. Unfortunately, the society at large is not efficiently enough informed about the dissemination of the national audit results, the role of the supreme audit institution, the methodology it applies and the added value that it creates in the area of public management. As a result the NAO cannot expect any "return" or rather any active participation of the civic society in the optimisation of its activities⁸⁸⁶. The most representatives of the NAO justify such situation, by saying that in process of activity optimization, public input would be poor⁸⁸⁷.

8.2.3 Accountability (law)

To what extent are there provisions in place to ensure that the SAI has to report and be answerable for its actions?

Score: 75/100

The Law on the National Audit Office says that every year the NAO shall submit its activity report to the Seimas and the presentation of the report can be attended by both representatives of other governance institutions and the society at large. The activity report is subjected to debates and related questions can be raised during the parliamentary sitting by following the order provided for in the Seimas Statute. The law does not specify the exact deadline by which the NAO shall produce the activity report, nor does it specify the content of the report in detail. As with most public sector institutions and agencies, reports are prepared as a response to the implementation of tasks of institutional strategic plans. In order to avoid infringing the operational independence of the NAO, the financial audit of the NAO itself is performed by an independent audit company appointed by the resolution of the Seimas. The audit company produces an assessment which makes an inseparable part of the NAO activity report.

Checks on the legality and validity of the decisions of the NAO in relation to the audits performed by it can only be made by administrative courts. The decisions of the Auditor General and his/her deputies can be appealed against within the period of 20 calendar days as of the receipt of the decision and by following the order provided for in the Law on Administrative Proceedings.

8.2.4 Accountability (practice)

To what extent does the SAI have to report and be answerable for its actions in practice?

Score: 75/100

The annual activity report that the NAO submits to the Seimas covers the most important operational outcomes attained over the reporting year, the objectives for the coming year and the description of the scope of audits performed by the NAO. It is noteworthy that annexes to

⁸⁸⁵ The 2010-2012 strategic Activities Plan of National Audit Office. Internet access: <http://www.vkontrole.lt/page.aspx?id=136>.

⁸⁸⁶ NAO suggests to join the creation of national audit programme and to indicate the most important problems of public sector, which NAO, according to its competence, could measure by doing audit.

⁸⁸⁷ Author's interview with officer of the National Audit Office, 7 June 2011.

activity reports include the list of all the audits performed during the reporting year⁸⁸⁸. The annual activity report also includes the opinion of the independent auditor appointed by the Seimas. The conclusion is linked to the audit of the NAO financial activities (legality). The annual activity report is orally presented at the parliamentary sitting and then subjected to debates.

In order to promote accountability, the NAO applies self-regulatory audit approach when independent international external experts (auditors) evaluate activities and efficiency of the NAO. However, these results are not published and the findings are used just to improve activities of the NAO.

The judicial practice of appealing against a decision of the NAO is not abundant. Since 2005 the court of first instance has dealt with 12 claims questioning the legality of a decision taken by the NAO, which amounts to approximately 1 or 2 of such claims per year. Administrative courts upheld most of the complaints against the NAO (10), 1 case was dismissed when the applicant refused to appeal, in 1 case the applicant's complaint was satisfied partly⁸⁸⁹. In the majority of cases the audited institutions benevolently eliminate the infringements detected by the NAO and only approximately 1 per cent of all cases are appealed against in the court. It is worth mentioning that administrative courts do not deal with the validity of the national audit reports, as only the auditor's opinions and decisions based on the generated audit reports can be separately appealed against in the court, because they entail legal consequences for the applicant, i.e. an obligation to eliminate the identified defects, return money to the budget, cancel illegal transactions, etc.⁸⁹⁰

8.2.5 Integrity mechanisms (law)

To what extent are there mechanisms in place to ensure the integrity of the audit institution?

Score: 75/100

The Code of Conduct of the NAO Officials approved by the Auditor General regulates the official ethics of the NAO officials.⁸⁹¹ The Code defines the official and professional behaviour principles to be followed by the NAO officials and the civil servants working for the NAO in relation to the national audit, with the most important principles being those of operational independence, impartiality and objectivity. The Code defines what is considered to be a case of discrediting the name of the official, a conflict of interests and a breach of official ethics. Even though the Code makes one of the key pieces of legislation regulating the activities of the NAO officials, it is not published on the website of the supreme audit institution. That document is published only by the other institutions - on the website of the Chief Official Ethics Commission. In the light of this, it should be noted that such act related to professional ethics, is not sufficient for the NAO, to enable interested persons the opportunity to refer to it. If this document would be published on the website of the NAO, it

⁸⁸⁸ *Annual Report of the National Audit Office 2009.*

⁸⁸⁹ Lithuanian courts practices, related to challenging the decisions of NAO, review (1 January 2005 – 16 May 2011). Data of Lithuanian Court Information System data LITEKO. Viewed 16 May 2011. Internet access: <http://liteko.teismai.lt/viesasprendimupaieska/detalipaieska.aspx>.

⁸⁹⁰ Ruling of the supreme administrative court of Lithuania, 18 September 2009, administrative proceedings, No. AS⁸²²-530/2009. Internet access: <http://liteko.teismai.lt/viesasprendimupaieska/tekstas.aspx?id=89a58192-6a25-42fd-8166-eacb028de445>.

⁸⁹¹ The Code of Conduct of the NAO Officials, approved by the Auditor General, 2002, No. V-80. (hereinafter – the Code). Internet access: http://www.vtek.lt/images/vtek/Dokumentai/Prevencija/LR_viesojo_sektoriaus_etikos_kodeksai/9valstybes_kontroles_pareigun_%20etikos_kodeksas.doc.

would be possible to identify and adopt ethics code of the NAO more quickly and easily. The NAO has formed a special commission dealing with the feasible breaches of official ethics that the NAO officials and the civil servants working for the NAO and related to the national audit activities may be involved in. On the other hand, the Chief Official Ethics Commission relies on the facts disclosed in the audit reports prepared by the NAO with the aim to investigate the breaches of official duty⁸⁹².

The Code includes a number of rules meant to prevent the conflict of interests. When discharging his/her official duty an official must avoid the conflict of private and public interests and must inform his/her direct manager about all the cases involving a conflict of public and private interests. An official is not allowed to perform a national audit in cases when he/she has any personal interest in the outcomes of the audit or has close family or personal ties with the CEO or the CFO (accountant) of the audited subject or was employed by the audited subject himself/herself less than a year ago. The Code also entails the prohibition to accept gifts or receive any other benefits that might infringe the operational independence of the official working for the supreme audit institution. The Code does not include any additional restrictions that would apply after the official leaves the NAO. All former officials of the NAO, just like all other former civil servants, are governed by the provisions of the Law on the Adjustment of Public and Private Interests in the Civil Service saying that for a period of one year after leaving civil service they are not allowed to take up a managerial position with the entity for the supervision or control of which they were responsible during their last year in civil service.⁸⁹³

8.2.6 Integrity mechanisms (practice)

To what extent is the integrity of the audit institution ensured in practice?

Score: 75/100

The provisions of the Code prohibiting to accept gifts and restricting further employment opportunities, including those meant to avoid the conflict of public and private interests, do not have influence on the effectiveness of the NAO, because usually the former NAO officials who start working in the public sector (companies providing audit, financial or legal services) provide services to private subjects and do not participate in the auditing of State institutions.⁸⁹⁴ The NAO officials are being acquainted with the provisions of the Code of Ethics and other legislation providing for the adjustment of public and private interests. The NAO has appointed an employee who is responsible for making sure that public and private interests are properly adjusted. The appointed employee, together with the Chief Official Ethics Commission, organises internal trainings on the official ethics in theory and in practice. Interviews with the NAO officials revealed that there have been no cases where an employee of the NAO would be dismissed because of breaching the official ethics or misbehaving.⁸⁹⁵ The NAO, like the rest of the public administration sector, is not designed and is not legal protection mechanism of whistleblowers, actually no provisions on

⁸⁹² The Chief Official Ethics commission, according to information of NAO, identified the conflict of public and private interests of prorektor of Siauliai University J. Pabrėža. Internet Access: <http://www.vkontrole.lt/eilute.php?id=466>.

⁸⁹³ Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service, Article 18. Žin., 1997, No. 67-1659 (with later amendments and additions).

⁸⁹⁴ Author's interview with financial law scientist, Vilnius University Faculty of Law, 27 May 2011.

⁸⁹⁵ Author's interview with officer of the National Audit Office, 7 June 2011.

publishing serious service offenses and the disciplinary sanctions imposed on institution's website has not been implemented in the Civil Service Law.

Role

8.3.1 Effective financial audits

To what extent does the audit institution provide effective audits of public expenditure?

Score: 100/100

The most important documents regulating the performance of the national audit are the Law on the National Audit Office and the National Audit Requirements (which are based on international standards of INTOSAI and EUROSAI provisions) of 2006 approved by the Decree of the Auditor General. The NAO performs the audit of the key aspects of public finance: the execution of the State budget and the usage of the State's financial resources, including the State-owned property management and the usage of the European Union funds. The NAO also performs the audit of the part of the municipal budget that municipalities are allocated from the State budget.

NAO performs financial (regularity) audits and/or performance (efficiency) audits. The goal of the financial (regularity) audit is to assess the financial accounting done by the audited subjects, including the management of the State funds and other State-owned property, while the goal of the performance (efficiency) audit is to assess if the audited subject follows the principles of economy, efficiency and usefulness; it also includes the assessment of whether the State funds and State-owned property are used economically and rationally. Every national audit results in a report, including conclusions and recommendations, where the auditors comprehensively and thoroughly describe the ways the audited subject could improve its operations. Audit reports include exact data on the audit assignment, including the goals and the object of the audit (areas subjected to audit), general information about the audited subject, audit methodology and the established facts. Performance audit reports also include respective assessment criteria. National audits are of a planned nature, i.e. every year the Auditor General makes a national audit programme indicating where and when respective audits are to be performed. The areas to be audited are selected independently with the aim to help solve the most topical problems of State governance and to prevent the inefficient use of the State-owned property.⁸⁹⁶ National audit reports are submitted to the Parliamentary Audit Committee and other parliamentary committees, the Government, ministries and the audited institutions. The audit reports are discussed both with the internal audit department of the audited subject and with the institution performing the supervision of the audited subject. In the future, the total number of audits (about 200 per year)⁸⁹⁷ should decrease, because of reforms of public sector management the number of public administration bodies is decreasing, their functions are redistributed to other actors⁸⁹⁸. However, it should still be room for improvement in the auditee selection system. The practice, installed by the NEO, when auditors choose specific themes and carry out preliminary investigation which are concluded in a preliminary investigation report and the audit plan (they are reviewed by specially made advance

⁸⁹⁶ Public Audit Programme 2012, approved by the order of Audit General 2 January 2012. No. V-1. Internet access: <http://www.vkontrole.lt/page.aspx?id=132>.

⁸⁹⁷ *Annual Report of the National Audit Office 2009*, 5.

⁸⁹⁸ See: *The Sunset commission's report, 2010-2011*. Internet Access: <http://www.lrv.lt/bylos/veikla/veiklos-ataskaitos/saulelydis-final.pdf>.

Supervisory Commission) are positively assessed. The Supervisory Commission, as internal monitoring entity, assess whether the most significant trends of the audit are chosen, whether the audit will add value.

The structures of the internal audit service, created by other public sector governance bodies, are neither subsidiary nor dependent on the NAO⁸⁹⁹. The NAO carries out only their external supervision⁹⁰⁰, but the cooperation of the NAO and the internal audit services of institutions are going on the goodwill basis.

8.3.2 Detecting and sanctioning misbehaviour

Does the audit institution detect and investigate misbehaviour of public officeholders?

Score: 75/100

The NAO officials performing the national audit have the right to independently choose the applicable audit procedures; to receive all the documents and information necessary to perform the audit; to receive all the necessary written explanations from the employees of the audited subject; to receive from State governance and municipal institutions, including the managers of State cadastres, classifications and registers, electronic information necessary to perform a national audit; to receive conclusions of inspection institutions based on the submitted audit documents; and to involve respective specialists in cases when some specific areas are audited⁹⁰¹.

In case of substantial infringements of the law the Auditor General or his/her deputy has the right to pass a "decision" based on the accrued audit material and the prepared auditor's opinion. This special right lies solely with the NAO and no other State governance institution can avail itself of this right. The decision is considered to be a mandatory obligation for the audited subject and includes recommendations addressed to it. Those recommendations are not considered to be sanctions, but they result in specific legal consequences as they might entail an obligation for the audited subject to eliminate the identified infringements of the law, to remunerate damage or to return some financial resources. The decisions of the kind passed by the Auditor General or his/her deputy are of an administrative nature and may be appealed against only in the administrative court. Since the NAO is not a law enforcement institution it cannot impose criminal or administrative sanctions on the audited subject. However, the NAO can obligate the head of the audited entity to impose official or disciplinary sanctions on his/her subordinates, however it cannot impose official sanctions itself. If substantial infringements are identified, the national audit documents are handed over to respective law enforcement institutions with the aim to apply respective criminal sanctions, however, the NAO is a "civil institution" and it is not authorised to file a criminal case or to start criminal prosecution. In 2009 the outcomes of twelve financial (legality) audits were handed over to law enforcement institutions, during the audit 1,236 violations of the law were found. 11 of them were handed over to the Prosecution Service and 1 was handed over to the Special Investigation Service (hereinafter – SIS)⁹⁰². The Prosecution Service initiated pre-trial investigations based on part of the information that was handed over to it. It is worth mentioning that this cooperation is useful for both parties in their efforts to protect the public interest and to ensure economic, efficient and useful implementation of the objectives and functions assigned to the State institutions and entities. The NAO has a bilateral agreement with the SIS under which the NAO has undertaken the

⁸⁹⁹ Law on Local Self-Government, article 27. Žin., 1994, No. 55-1049 (with later amendments and additions).

⁹⁰⁰ *Annual Report of the National Audit Office 2009*, 22.

⁹⁰¹ Author's interview with financial law scientist, Vilnius University Faculty of Law, 27 May 2011.

⁹⁰² *Annual Report of the National Audit Office 2009*, 33.

obligation to immediately inform the SIS about the cases identified during national audits in which corrupt criminal activities can be suspected. In its own turn the SIS informs the NAO about the course and outcomes of the pre-trial investigations that the SIS started and performed on the basis of respective notifications received from the NAO. The SIS provides the NAO with information which helps identify feasible risks and form the audit strategy.

8.3.3 Improving financial management

To what extent is the SAI effective in improving the financial management of government?

Score: 75/100

Audit reports include specific data on the audit assignment, including the goals and the object of audit (areas subjected to audit), general information about the audited subject, audit methodology and the established facts (the funds received, expenditure incurred by types), including conclusions and recommendations. Performance audit reports also include respective assessment criteria. The content of the audit report is worded clearly, with no uncertain terms and the facts, conclusions and recommendations defined in the report are most often based on sufficient, reliable, suitable and rational evidence⁹⁰³. Moreover, the draft version of the report is harmonized with the audited subject (by way of correspondence, during meetings, when working with the provided explanations, by providing comments, etc.), which proves that the NAO first and foremost focuses on prevention and on making respective impact on the State institutions by invoking for the purpose the auditor's recommendations rather than punishment. If the subjects of audits take into account and implement in full recommendations made by the NAO, it is where the systemic complex changes of public sector are needed, the use of recommendations made by the NAO should be more effective, for example, increasing involvement in the state budget planning and preparation procedures, institutional (structural) and functional reforms in the public administration sector, which are involved in the planning and coordination of the Sunset Commission and the Ministry of the Interior.

The NAO itself monitors the implementation of the obligations and conclusions defined in the audit report. At the end of the term by which the audited subject is supposed to implement the auditor's recommendations, the national auditors assess whether the recommendations have been implemented, whether the operational defects identified during the audit have been eliminated and if the expected progress have been made. Based on the data collected at this point, a report on the implementation of the auditor's recommendations is drafted, for instance, in 2008-2009 Compliance Reports⁹⁰⁴.

In 2009 the audited subjects implemented 92 per cent of the recommendations given by the NAO and eliminated 58 per cent of the identified defects⁹⁰⁵. In 2010 and there were eliminated 47 per cent of the identified defects⁹⁰⁶. It is likely, that the increasing efficiency of the NAO is associated with the increasing impact of public audit.

⁹⁰³ The audits carried out and the detailed content of reports are available publicly on Internet blog of NAO. *Reports of public auditing of NAO*. Internet access: http://www.vkontrole.lt/audito_ataskaitos.aspx?tipas=1.

⁹⁰⁴ The source was indicated by the officials of the NAO, but it is not published in the website of NAO.

⁹⁰⁵ NAO Report. P. 18.

⁹⁰⁶ *Annual Report of the National Audit Office 2011*. 16 March 2010. No. Y-1. P. 16. Internet access: <http://www.vkontrole.lt/failas.aspx?id=2510>; *Annual Report of the National Audit Office 2011*, 16.

9. Anti-corruption agencies

Prof. J.Palidauskaitė and Johanas Baltrimas

Summary

There are two specialised agencies in Lithuania aimed exceptionally at combating corruption: the Department of Corruption Prevention (hereafter, Department) of the Special Investigation Service (hereafter, SIS)⁹⁰⁷ of the Republic of Lithuania and the Chief Official Ethics Commission (hereafter – COEC)⁹⁰⁸. Through financing Lithuanian anti-corruption agencies are provided satisfactory conditions to operate. However, their financing is not always stable. Legal provisions guarantee that these agencies are sufficiently independent, however, due to the fact that they have not reached an adequate level of ensuring independence, in practice it is considered only as satisfactory. A considerable part of information on the activity of the institutions is easy to access publicly. Legal provisions provide for a sufficient requirement of the accountability of the institutions, which in practice functions efficiently. There are exhaustive requirements imposed on the ethics of state officials' activity. Both agencies play a significant role in corruption prevention, education as well as investigating individual cases of corruption.

Anti-corruption agencies Total pillar score: 83/100			
	Indicator	Law	Practice
Capacity 81/100	Resources	100	75
	Independence	75	75
Governance 88/100	Transparency	100	75
	Accountability	75	75
	Integrity mechanisms	100	100
Role 75/100	Prevention	75	
	Education	75	

⁹⁰⁷ It should be noted that the remaining departments of the SIS are also involved in the fight against corruption, but because of diversity of the SIS functions (corruption interpretation, prevention and education), different functional aspects are chosen for the investigation. Departments, that carry out pre-trial investigation are analysed in section "Law enforcement authorities". Since these functions are very different, it must be held that by studying them together, based on the same aspects, the results would be less reflective than the true self in this part of the analysis of agency that carries out preventive and educational activities.

⁹⁰⁸ The COEC is characterized by interpretation of individual cases, functions of the education and prevention. The COEC is included in this part of the study, because its expertise includes unique area covering corruption and closely related to corruption cases.

	Investigation	75
--	---------------	----

Structure and organisation

The Department is a structural division of the SIS in charge of corruption prevention. It consists of the Anti-corruption Assessment Division and Corruption Risk Division⁹⁰⁹. There are 15 employees working at the Department. It is accountable to the management authorities of the SIS, which is accountable to the President of the Republic of Lithuania and the Seimas. COEC is an institution set up by the Seimas and accountable to it and it consists of 5 members (one of them is the Chairperson), appointed by the legislative, law enforcement, judicial and local governments as well as a Secretariat (16 members). The Secretariat is managed by the executive of the COEC Secretariat who is directly accountable to the Chairperson of the Commission. The COEC has the status of a legal person.

Capacities

9.1.1. Resources (law)

To what extent are there provisions in place that provide the ACA with adequate resources to effectively carry out its duties?

Score: 100/100

The COEC has a budget of its own the assignments of which are established in the general state budget. The Department does not have a budget of its own, it is part of the general budget of the SIS and it constitutes about 9 per cent of it. Allocations for the SIS are determined in the state budget. Both agencies can receive additional target aid from foreign-state institutions, bodies and international organisations. However, the COEC has got limited possibilities for that due to its legal status which restricts carrying out self-initiated activity.

The COEC can submit requests regarding its budget by providing its own plan which reflects the necessary amount of funding. Not having an independent budget, the Department does it through the general plan of SIS.

A formal guarantee of fiscal stability over time is not provided anywhere.

There are objective factors indicated in the strategic activity plan of the SIS for 2011-2013 that allow determining the budget. They consist of external factors (political and legal, economic, social and technological), internal factors (financial and human, institution activity management). These factors are based on statistics, reviews of independent experts, etc. Objectives in the mentioned strategic plan are formulated with respect to these factors⁹¹⁰, thus it is possible to claim that they are determined by objectively considering the demand with respect to existing problems. Since the budget is established in line with the necessary objectives set, it can be described in the same way.

⁹⁰⁹ Website of the Special Investigation Service. Internet access: <http://www.stt.lt/lt/kontaktai-ir-struktura/struktura/korupcijos-prevencijos-valdyba/>.

⁹¹⁰ The 2011-2013 strategic activities plan of the Special investigation service of the Republic of Lithuania, 7 March 2011, approved by the head of the SIS, No. 2-912011. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/2011-2013_strateginis_veiklos_planas.doc.pdf.

Although the legal acts do not include direct provisions on the human, financial and infrastructural resources of the Department of Corruption Prevention, the Department, as a structural division of SIS, is provided with all of it.

The budget determined in the strategic plan of the COEC can be proposed to the Ministry of Finance which is responsible for state budget preparation for the upcoming year⁹¹¹. The approved strategic activity plan for the years 2011-2013 is based on objective statistical indicators: workload and current capacities, the results of a study “Index of Corruption Conception” carried out by “Transparency International”, etc.⁹¹² As a result, the financing of the COEC is established by objectively considering the demand with respect to existing problems.

Lithuanian anti-corruption agencies do not have any possibilities to acquire further funding from its work on confiscating assets.

The Department receives the necessary resources on the basis of the legislative guarantees provided to the SIS. The law ensures that the COEC receives adequate resources to effectively carry out its duties despite the fact that it does not have detailed provisions on the human, financial, infrastructural resources, etc.

9.1.2. Resources (practice)

To what extent does the ACA have adequate resources to achieve its goals in practice?

Score: 75/100

The report of the COEC states that due to the low budget, the Commission’s possibilities to carry out its activity were restricted because its employees were forced to go on unpaid leave and this imposed “a real risk to ruin the activity of the Commission in 2011”⁹¹³. The SIS is allocated about 0.1 per cent of the state budget. In the countries that successfully combat anti-corruption, the allocated budget is 0.5 per cent of the state budget on average⁹¹⁴. Taking into account the whole annual financing provided for the COEC, the annual fiscal allocation for a full-time employment position in 2010 was 52,000 litas, while that of the SIS was 74,000 litas. To compare – a full-time position in prosecution services in 2010 was 57,000 litas⁹¹⁵. Evaluating the financing of both institutions, it is possible to state that the budget allocated to anti-corruption agencies is on the verge of marginal sufficiency.

As indicated in the table below, the general budget of the COEC since 2006 was gradually increasing; however, after the year 2008 it decreased and has in essence remained

⁹¹¹ Legal Act Adopted by Government of the Republic of Lithuania “On the Approval of the strategic Planning Methodology“. Žin., 2002, No. 57-2312 (with later amendments and additions).

⁹¹² The Chief Official Ethics Commission, *Strategic activity plans*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=768&Itemid=61.

⁹¹³ The Chief Official Ethics Commission, *Reports*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.

⁹¹⁴ *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2009*. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=367783&p_query=&p_tr2=.

⁹¹⁵ Law on approval of State Budget and Municipal Budgets Financial Indicators, 2010. Žin., 2009, No. 152-6822 (with later amendments and additions); *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010*. Internet access:

http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=393473&p_query=&p_tr2=; 8 *Annual Report of the Chief Official Ethics Commission, 2010*. Internet access:

http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18; Website of Prosecution service of the Republic of Lithuania, *Numer of posts*. Internet access: <http://www.prokuraturos.lt/Strukt%C5%ABra/Strukt%C5%ABra/Etat%C5%B3ska>.

stable to this day. The Department receives around 9 per cent of the state budgeted assignments of the general SIS budget. The dynamics of the SIS budget is equivalent to the decrease of the COEC budget.

Chart: State budget allocations for anti-corruption agencies in 2006-2011

	2006	2007	2008	2009	2010	2011
COEC (mil. Lt)	0.911	1.269	1.399	1.261	1.086	1.39
Department (mil. Lt)	20.309	23.324	26.357	21.355	17.115	18.745

Source: Annual report of the Chief Official Ethics Commission, 2010⁹¹⁶; Annual report of the Lithuanian Special Investigation Service, 2009⁹¹⁷

The human resources of both agencies are stable. Many of the COEC Secretariat officials possess higher education in management, law, public administration as well as greater or lesser work experience in the field.

The Law on the Chief Official Ethics Commission (hereinafter, LCOEC) stipulates that only a person with an impeccable reputation and a higher university education may be appointed as member of the Commission. The Statute of the Special Investigation Service (hereafter, SSIS) imposes the requirement of an impeccable reputation on candidates for all positions, whereas the education requirement differs depending on the post⁹¹⁸. At the Department all employees have got a higher education (mostly, legal), three of them have a doctoral degree.⁹¹⁹

When recruiting new members of staff in both agencies attention is paid to the issues of ethics, however no specialised courses or screening are arranged for that and trainings take place at the working place. Employees of the Department have career and education opportunities. In the COEC Secretariat there are no career opportunities but everyone may study independently in different fields and there are certainly opportunities to gain experience in this way. On the other hand, officials of both agencies have career development opportunities in civil service outside these two institutions.

The premises of the COEC are rather cramped. The members of the Commission and the employees of the Secretariat work in a few office rooms and there is no place for visitors to be seated. It was only in 2011 that reconstruction works were started in order to renovate and enlarge the premises. Yet, the Department's technical support (premises, computer equipment etc) may be assessed as good.

The Chairperson of the COEC is a person appointed by the Seimas. His/her candidacy is appointed by the Speaker of the Seimas. It is also important to note that there is only one candidacy submitted for the Seimas to approve. The head of the Department is delegated by the head of the SIS. The regulations of the selection of the candidates to executive positions in both agencies are not detailed enough to ensure meeting the requirements of transparency in practice.

In the two agencies the provision of resources has been different. In both of them financial resources have proved to be insufficient. Gaps in both human (noted during

⁹¹⁶ Annual Report of the Chief Official Ethics Commission, 2010.

⁹¹⁷ *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2009.*

⁹¹⁸ The statute of the special Investigation service of the Republic of Lithuania. Žin., 2003, No. 38-1656 (with later amendments and additions).

⁹¹⁹ *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010.*

interviews⁹²⁰) and infrastructural resources have been an obstacle for COEC and the Department to carry out their functions effectively.

9.1.3. Independence (law)

To what extent is the ACA independent by law?

Score: 75/100

The COEC is an independent collegiate supervisory authority set up by the Seimas of the Republic of Lithuania and accountable to it⁹²¹. The Department is a structural division of the SIS directly accountable to the Deputy Director, whereas the SIS itself is accountable to the President of the Republic and to the Seimas⁹²².

The LCOEC states that “none of state institutions or state officials may give binding instructions concerning the solution of issues within its competence.” An analogous provision is provided in the Law on Special Investigation Service⁹²³ (hereinafter, LSIS). However, apart from these declarative legal provisions there are no more effective mechanisms protecting the activity of these agencies from the interference of political powers.

The members of the COEC are imposed transitional requirements described in the previous section; however the selection procedure for the candidates meeting these requirements is not regulated and only subjects distinguishing the members are covered. The members of the COEC Secretariat are appointed in compliance with the procedures laid down in the Law on Civil Service, which include the requirement to assess the candidates’ qualifications. State officials are appointed to the Department under the procedure of selection of officials to a post at the SIS of the Republic of Lithuania,⁹²⁴ which imposes the assessment of the characteristics of qualifications.

Officials of the SIS are prohibited to be members of political parties or political organisations, to take part in political and similar activities⁹²⁵. Correspondingly, members of the COEC are also forbidden to be members of political parties or take part in activities that would interfere with performing their duties properly⁹²⁶.

Members of the COEC are appointed to office for a term of four years. The same person may be a member of the COEC not more than two terms of office in succession⁹²⁷. The Chairperson is appointed from the members of this Commission on the advice of the Speaker of the Seimas. The Director of the Department is appointed for a term of office of five years and dismissed by the Director of the SIS to whom he/she is accountable⁹²⁸.

⁹²⁰ Author’s interview with the officer of the SIS Department of Corruption Prevention, 29 September 2011.

⁹²¹ Law on the Chief Official Ethics Commission. Articles 2, 9. Žin., 2008, No. 81-3176 (with later amendments and additions).

⁹²² Order of the director of the SIS, 7 August 2009, No. 2-198 “On the order of the director of the SIS, 26 April 2006, “On the amendment of article 2 on approval of provisions the SIS Prevention of Corruption Board”; Law on Special Investigations Service, No. 2-67. Žin., 2000, No. 41-1162.

⁹²³ Law on Special Investigations Service.

⁹²⁴ Order of the director of the SIS “On the approval of the procedure of selection of the SIS officers“. Žin., 2006, No. 93-3677 (with later amendments and additions).

⁹²⁵ Law on Special Investigations Service, article 15.

⁹²⁶ Law on the Chief Official Commission, article 11.

⁹²⁷ Ibid., article 6.

⁹²⁸ Order of the director of the SIS, 7 August 2009, No. 2-198, “On the order of the director of the SIS, 26 April 2006, “On the amendment of approval of the provisions of the SIS Corruption Prevention Board“.

The grounds for dismissal of members of the COEC are clearly laid down in Article 14 of the LCOEC. They are all related to the proper performance of one's duties. There are more grounds for dismissal of officials of the SIS as laid down in Article 11 of the LSIS and although they are related to carrying out one's duties properly, part of them are more abstract in comparison to the LCOEC.

The legal provisions contribute to the independence of the agencies; however, they do not cover all aspects and thus are not thorough enough.

9.1.4. Independence (practice)

To what extent is the ACA independent in practice?

Score: 75/100

There is no political interference in the corruption prevention activity of the Department⁹²⁹. It can perform its daily activities professionally and make decisions impartially, carrying out corruption risk analysis as well as anti-corruption assessment of the existing legislation. Individual members of the Commission may have greater or lesser political likings (because they are appointed by different institutions, such as the President of the Supreme Court, the Prime Minister, the President, the Speaker of the Seimas, the President of the Association of Local Authorities in Lithuania), which may manifest individually in discussions, however, as an institution in its activity the COEC aims at being politically neutral.

The competence of the Department does not encompass detection or investigation of individual cases of corruption and it does not make any binding decisions. Other divisions of the SIS conduct pre-trial investigations of criminal cases of corruption but they are managed by the prosecution service.

Since the COEC is not a pre-trial investigation institution (it does not carry out criminal prosecution), its powers in investigations are also limited. There are only provisions that natural and legal persons are liable to providing information which is required by the COEC.

Members of the Department and the COEC are rarely dismissed earlier than the expiration of their service term.

In its decision making processes the COEC is fully independent, although there have been cases of attempts to influence decisions. There have been no examples of serious cases of interference into their activity or that of the Department mentioned. Both agencies are on good terms with law enforcement institutions (Administrative Court): "what is not done by the SIS is done by the COEC"; "when they find nothing suspicious, they send it for us to investigate". However, according to the respondents questioned, there is some lack of feedback in cooperation and the party that initiated cooperation is often likely not to show interest in the further work⁹³⁰. Carrying out corruption risk analysis, the Department is in contact with state and municipal institutions as well as other divisions of the SIS.

On the whole it is fair to claim that in practice both agencies are independent, autonomous.

Governance

9.2.1. Transparency (law)

⁹²⁹ Author's interview with the officer of the SIS Department of Corruption Prevention, 29 September 2011.

⁹³⁰ Author's interview with a docent of Vilnius University, 20 June 2011.

To what extent are there provisions in place to ensure that the public can obtain relevant information on the activities and decision-making processes of the ACA?

Score: 100/100

The COEC presents to the Seimas a written activity report for the last calendar year⁹³¹. The law stipulates that the Commission has to provide information to the public on their website regarding their activities. The decisions and resolutions of the COEC may be announced in the official gazette “Valstybės žinios” and other publications of a similar kind⁹³². Having signed a pledge, the members of the COEC and the employees of the Secretariat are obliged to keep state, service or other secrets protected by law that they have found out by working as civil servants and for this reason the information is provided to the public in accordance with confidentiality requirements.

The SIS reports in writing, at least twice a year, to the President and Speaker of the Seimas about the results of its activity⁹³³. Article 5 of the LSIS states that “*through the mass media and in other ways, the SIS shall inform the public about the enforcement of corruption control and prevention programmes and measure and the anti-corruption activities carried out by central and local government institutions and agencies*”⁹³⁴. The COEC regularly provides information about its activity to the public on its website by announcing their meeting agendas, decisions, reports, relevant legal base, court rulings, declarations of civil servants’ private interests and other information related to its activity (Articles 17, 19).

Apart from providing annual activity report on their website, the SIS publishes financial reports, the public may find out about the institution’s activity, criminal prosecution, corruption prevention, anti-corruption education, international cooperation, legal acts, results of sociological studies and latest news.

In the 6th clause of the Order of the director of the SIS “On the Approval of the Rules of Procedure for the Special Investigation Service of the Republic of Lithuania” detailed principles are laid down on the usage of available information emphasising the requirements of confidentiality and secret⁹³⁵. Transparency and publicity are discussed in the Code of Conduct of SIS Officials⁹³⁶.

In the cases of both agencies there are no detailed legal provisions on when the information must be made publicly available.

The law ensures that the public can obtain relevant information on the activities and decision-making processes of these institutions.

9.2.2. Transparency (practice)

To what extent is there transparency in the activities and decision-making processes of ACA in practice?

Score: 75/100

Pursuant to the law, the annual report of the COEC must be announced for the public, however, their website makes available much more information than required by the law (for

⁹³¹ Law on the Chief Official Commission.

⁹³² Ibid.

⁹³³ Law on Special Investigations Service.

⁹³⁴ Ibid.

⁹³⁵ Order of the director of the SIS „On the Approval of the Rules of Procedure for the Special Investigation service of the Republic of Lithuania“. Žin., 2009, No. 114-4878 (with later amendments and additions).

⁹³⁶ Order of the director of the SIS, 12 December 2005, No. 2-232 “On the Code of Conduct of the Special Investigation Service Officials“. Internet access: http://www.stt.lt/files/73_doc_file_1_180442.pdf.

example, one can find information on ethics commissions of all Lithuanian municipalities, various codes of ethics/conduct of Lithuanian institutions and foreign countries etc). However not all information is made public, some of it is only available for the members of the institution (via internal intranet site). All the information that is published is clear and detailed, although it could be clearer (“understandable to everyone, presented in simple language with no international or specific terms or by explaining them right away”). Since the employees of the Secretariat have legal education, confidentiality principle is observed very thoroughly. There are limitations for the journalists regarding presence in the meetings of the COEC so that very personal issues would not be revealed during them. A reported person and others may be acquainted with the collected information (except for confidential information). Absolutely all decisions are made public.

Every quarter and every half a year the Department of corruption prevention prepare reports on its activities that are later incorporated into the general annual report on its activity. Together with reports the Department provides evaluations of anti-corruption draft law, conclusions of corruption risk possibilities. The material on corruption risk analysis available to the public on the institution’s website provide not only an opportunity to become familiar with the methodology available but also with the analyses carried out by the Department in different state or municipal institutions. Members of the public may get acquainted with the Department’s evaluations of legal documents or drafts in relation to anti-corruption.

In addition, the Department provides its opinion on the conclusions of supervision (its efficiency) of the implementation of the National Anti-corruption Programme action plan. In reality there are no legally defined terms as for when this information must be published. The information is detailed and clear but it is not necessarily likely to be understood by every citizen of the state (because of legal terms, concepts, etc.). Finally, even though some of the respondents in the interview claimed that the Department’s activities and decisions made are transparent, there were opinions that only fragmentary information is made publicly available⁹³⁷.

The public can obtain information on both agencies’ activities and decision-making processes, however the information is not always sufficiently clear.

9.2.3. Accountability (law)

To what extent are there provisions in place to ensure that the ACA has to report and be answerable for its actions?

Score: 75/100

The COEC is accountable to the Seimas⁹³⁸, it has to present an annual report of its activities until the 1st of March, which is also published on its website. The law does not require that the COEC or the Department of anti-corruption be obliged to report on the investigations being carried out. But as regards the decisions carried out by the COEC, there is a possibility to appeal them to the Vilnius Regional Administrative Court. The LCOEC does not provide for regular audit. Members of associations and other public legal persons have the right to take part in the meetings of the COEC and express their opinion in them.

The activity of the Department is regulated by the Deputy Director of the SIS. Legal acts do not require the Department to provide annual activity reports but they are submitted to the Director of the SIS, who, pursuant to clause 32 of the Service Rules of Procedure performs the monitoring of the activity. In addition, all the general reports of the

⁹³⁷ Author’s interview with the member of Chief Official Ethics Commission, 16 May 2011.

⁹³⁸ Law on the Chief Official Commission, article 2.

whole service are submitted to the Seimas of the Republic of Lithuania. The monitoring is conducted by the internal department audit or finance though carrying out the audit of a certain subdivision⁹³⁹. One of the principles of the activity of SIS is openness⁹⁴⁰ and probably the best form of its implementation is by preparing annual reports in which one of the chapters is devoted to corruption prevention. There are no special procedures laid down in the law on how the public can complain about the Department's activity, however, members of the public can do that by referring to courts by general procedure or by informing the Director of the SIS or the Seimas to which the SIS is accountable. There is no judicial control over the Department but it is existent in the possibility to complain to court regarding the conclusions on corruption risk analysis prepared by them.

No law has been adopted in Lithuania to protect disclosers of corruption-related problems.

There is no official, specialised civil control (supervision) with respect to the activity of anti-corruption agencies in Lithuania.

The law provides thorough provisions on anti-corruption agencies' accountability for their activities, but does not resolve some significant accountability issues.

9.2.4. Accountability (practice)

To what extent does the ACA have to report and be answerable for its actions in practice?

Score: 75/100

The COEC is an independent institution: it provides the annual activity report to the Seimas and an electronic version of it to the public. The reports are clear and detailed but they sometimes lack analytical approach and tend to be overcrowded with quantity. However, according to the respondents who participated in the survey⁹⁴¹, the accountability mechanism in both institutions is rather formal because the institutions to which they report do not always have the competence to thoroughly assess the results of the activity provided in the reports. Individual members of the Commission do not have to report to anyone on their activity and therefore this implies a source of their independence. The head of the COEC is in charge of the activity of the whole institution.

According to the respondents, the dialogue between anti-corruption agencies and the public at the moment is not very effective⁹⁴². There is no public supervision imposed on any of these institutions.

The efficiency of the judicial control mechanism by its nature depends on the tendency of persons and other institutions to refer to courts. It is not that relevant in the case of the Department as it does not make decisions that would restrict people's rights. In every case the court has powers given by the law to make a necessary decision at its discretion and this mechanism is used as much as the people whose interests might have been infringed think it is necessary. Whereas this proportion may be evaluated by measuring the part of decisions appealed by the Commission with respect to the whole number of judgements made. It is around 6-7 per cent per year.

In the activities of the COEC, whistleblower protection is existent and manifests in the fact that it investigates anonymous complaints. If an applicant expresses worry because

⁹³⁹ Order of the director of the SIS „On the Approval of the Rules of Procedure for the SIS“.

⁹⁴⁰ Law on Special Investigation Service, article 4.

⁹⁴¹ Author's interview with a docent of Vilnius University, 20 June 2011.

⁹⁴² Ibid.

of the danger after reporting a potential corruption-related issue, he/she is guaranteed anonymity and protection⁹⁴³ under the Law on the Protection of Participants in Criminal Proceedings⁹⁴⁴.

The Divisions of Corruption Risk Analysis and Anti-corruption Evaluation of Legal Documents of the Department submit their activity reports every month, quarter, half a year. The provided information is specific, clear and detailed.

9.2.5. Integrity mechanisms (law)

To what extent are there mechanisms in place to ensure the integrity of members of the ACA(s)?

Score: 100/100

The members of the Department are guided by the SIS officials' Code of Conduct⁹⁴⁵. There is no Code of Ethics/Conduct of the COEC. But both agencies must comply with the Law on the Adjustment of Public and Private Interests in the Civil Service (LAPPICS), which covers the regulations on gifts and hospitality, asset declarations, post-employment restrictions etc.

Article 19 of the Code of Conduct of the SIS of the Republic of Lithuania provides for the requirements regarding the behaviour of officials during service: a few of them are directly related to the conflict of interests. The following rules are laid down: 1) to make reasoned decisions and act only in accordance with the public interests; 2) avoid conflict of private and public interests, to solve all arising conflicts to protect the public interests; 3) to withdraw from performing a task in case of conflict of interests or if there is information available that the circumstances of a private nature may interfere with the interests of the Special Investigation Service.

The employees of both agencies have to act in accordance with the LAPPICS and be of an impeccable reputation. Selecting the officials to the Department, the applicants conduct honesty tests and are checked for their impeccable reputation pursuant to the procedure confirmed by the Director of the SIS on the selection of SIS officials a post in the SIS of the Republic of Lithuania⁹⁴⁶. The COEC does not have legal regulation for that.

Laws or internal documents require officials and employees to comply with certain integrity requirements.

9.2.6. Integrity mechanisms (practice)

To what extent is the integrity of members of the ACA(s) ensured in practice?

Score: 100/100

The COEC creates rules of ethics or conduct for different situations (on gifts, official transportation, post-employment, etc), thus it is logical that these rules are the key for them to comply with as well. In the Department, the Code of Conduct for Public Officials as well as the Law on the Prevention of Conflict of Interests function effectively and they have been

⁹⁴³ Author's interview with the officer of the SIS Department of Corruption Prevention, 29 September 2011.

⁹⁴⁴ Law of the Republic of Lithuania on the Protection from Criminal Influence of Participants in the Operational Activities, Officers of Justice and Law Enforcement Institutions. Žin., 1996, No. 20-520 (with later amendments and additions).

⁹⁴⁵ Order of the director of the SIS, 12 December, 2005. No. 2-232 "On the Code of Conduct of the special Investigation service Officials". Internet access: http://www.stt.lt/files/73_doc_file_1_180442.pdf.

⁹⁴⁶ Order of the director of the SIS "On the approval of the selection procedures of the SIS officials".

applied when imposing disciplinary sanctions⁹⁴⁷. In both agencies employees do not have any specialised trainings on integrity or ethical issues, but on the other hand, there is no need for that because, as stated by executives of the institutions, ethical problems in employee activity are rare⁹⁴⁸.

In practice, the integrity and honesty on the part of the institutions' members are ensured.

Role

9.3.1. Prevention

To what extent does the ACA engage in preventive activities regarding fighting corruption?

Score: 75/100

The competence of the COEC in corruption prevention is limited. It is in charge of the supervision of two main laws, i.e. LAPPICS and the Law on Lobbying Activities.

When such need arises, the Department provides the anti-corruption evaluation of draft laws, corruption risk analysis, carry out the public's education and provide information to them, prepare and implement corruption prevention programmes etc. According to the respondents, representatives of the Department are invited to participate in the work groups that prepare draft laws and to provide their opinions on the draft legislation. However, the participation of the COEC in legislative procedures is rather passive⁹⁴⁹.

In their competence, the SIS has to participate in preparing and implementing the projects of the National anti-corruption programme of 2011-2014 and the programme's implementation measures, however, it does not carry out its coordination. With the initiative of the SIS, the coordination was entrusted to the Interdepartmental Commission⁹⁵⁰.

The COEC does not conduct anti-corruption investigations. The SIS does not perform many of them⁹⁵¹ and the ones they carry out are requested and ordered by third parties. The Department itself carried out 9 corruption risk analyses in 2009 and 10 of them in 2010. In 2009 it received 69, in 2010 – 65 conclusions on the probability of corruption occurrence, which had been provided by ministries, municipalities and other institutions. In 2009, the Department performed anti-corruption assessment of 104 laws and 115 bylaws, and in 2010 – that of 130 laws and 146 bylaws⁹⁵². The Department does not prepare any special anti-corruption reports or studies but it is performed by other divisions of the SIS. The Subdivisions of Corruption Prevention of Territorial Divisions of the SIS prepare corruption risk analyses. In addition, the Corruption Risk Division of the Department has to measure the risk of corruption occurrence and submit proposals on how to reduce it in the activities of state and municipal institutions. The COEC has adopted a number of resolutions: "On the Obligation to Avoid Conflict of Interests and Duty to Withdraw", "On the Implementation of Control of Compliance with the Provisions of the Law on the Adjustment of Public and

⁹⁴⁷ Author's interview with the officer of the SIS Department of Corruption Prevention, 29 September May 2011.

⁹⁴⁸ Author's interview with the member of Chief Official Ethics Commission, 16 May 2011.

⁹⁴⁹ Author's interview with a docent of Vilnius University, 20 June 2011.

⁹⁵⁰ Author's interview with the officer of the SIS Department of Corruption Prevention, 29 September May 2011.

⁹⁵¹ The Special Investigation Service of the Republic of Lithuania, Sociological research. Internet access: <http://www.stt.lt/lt/menu/sociologiniai-tyrimai/>.

⁹⁵² Ibid.

Private Interests in Civil Service”⁹⁵³. This institution does not prepare special reports on anti-corruption.

The SIS does not receive special inquiries related to anti-corruption activities. The legal documents of the COEC provide for a possibility to apply only with a report on corruption cases, which would lead to initiating an investigation.

9.3.2. Education

To what extent does the ACA engage in educational activities regarding fighting corruption?

Score: 75/100

The education activities performed by the COEC are implemented in the following forms:

1. free seminars;
2. electronic newsletter (it is received by the people responsible for the control of the implementation of legal provisions) (not sent at the moment);
3. provision of information on the website of the Commission;
4. provision of oral consultations and of written recommendations⁹⁵⁴.

The Secretariat constantly organises free trainings “The Practical Application of the Provisions of the Law on the Prevention of Conflict of Interests” for civil service employees. The confirmed strategic plan of the Commission for 2010-2012 includes encompassed 30 planned training events and actually arranged 47 with 1564 participants taking part in them.

There is no direct education of the public (lectures) but the public can access information on anti-corruption activities on the institution’s website.

Regardless of the work done by the COEC, problems in anti-corruption education are existent: the majority of education events take place in Vilnius because of the financial and human resources to develop its activity. With the initiative from the COEC, in 2010 the project on the prevention of the conflict of interests of municipalities’ councils called “Ethics Patrol” was organised. During the project attempts were made to investigate interest declarations and decisions made in search of situations of interest conflict.

The assessment of the COEC’s education activities is performed by the Secretariat. In 2010 it published a questionnaire and disseminated it to about 400 persons who participated in their training events asking various questions (including their practical benefit). The general work of the Commission was assessed by 8 points out of 10 (where 0 is the lowest and 10 is the highest grade).

The SIS plays an active role in educating the public on anti-corruption matters. This is evidenced by the information provided in their annual reports.

Chart: Anti-corruption educational performance statistics of the CEC and the SIS for 2009-2010.

⁹⁵³ Seimas of the Republic of Lithuania, Document Search. Internet Access: http://www3.lrs.lt/pls/inter3/dokpaieska.rezult_1?p_nr=&p_nuo=&p_iki=&p_org=2458&p_drus=40&p_kalb_id=1&p_title=&p_text=&p_pub=&p_met=&p_lnr=&p_denr=&p_es=0&p_rus=1&p_tid=&p_tkid=1&p_t=0&p_tr1=2&p_tr2=2&p_gal=

⁹⁵⁴ Annual Report of the Chief Official Ethics Commission, 2009. Internet access: http://www.vtek.lt/vtek/images/vtek/Dokumentai/Apie_mus/ataskaitos_seimui/VTEK_2009_m._veiklos_ataskaita.doc.

	2009	2010
Publications on the subject of anti-corruption in the central and regional media	22	22
Participation in television and radio programmes aimed at discussing corruption problems	11	20
Lectures on anti-corruption education to civil servants	70	77
Information bulletins on the latest issues regarding the fight against corruption	237	253

Source: Annual report of the Lithuanian Special Investigation Service, 2009⁹⁵⁵; Annual report of the Lithuanian Special Investigations Service, 2010⁹⁵⁶

In 2009, the educational section “Law” of the internet portal *Delfi.lt* included a rubric “SIS Answers” where officials of the SIS answered the public’s questions which they could send by email. In addition to that, social anti-corruption information is posted on the vehicles of public transport of Vilnius, Kaunas, Klaipėda and Šiauliai.

In October-December of 2009-2010, there was a competition “Media against Corruption” organised together with the Lithuanian Journalists Union and the Lithuanian Association of Journalists with the goal to encourage the representatives of Lithuanian media to be more attentive and raise their interest in anti-corruption issues, to analyse and investigate the phenomenon of corruption and to develop the public’s intolerance towards corrupt civil servants and officials⁹⁵⁷.

The major workload in the field of anti-corruption education is put on the Public Relations Department of the SIS. Anti-corruption education and providing information are also implemented in general education schools and higher education establishments: in a few cities student competitions on the knowledge of anti-corruption arranged to take part along with lectures and lessons. The evaluation of anti-corruption education initiatives is provided in the annual reports.

As a result of the efforts of the SIS and heads of higher education institutions, the majority of Lithuanian higher education establishments have implemented anti-corruption education of students which takes different forms. Anti-corruption education is integrated into the study programmes of 10 out of 15 state universities and in 8 out of 15 state colleges⁹⁵⁸. The effectiveness of anti-corruption education for civil servants is not assessed. It would not be fair to state that the COEC and the Department work hand in hand with the civil society.

9.3.3. Investigation

To what extent does the ACA engage in investigation regarding alleged corruption?

⁹⁵⁵ Annual Report of the Special Investigation Service of the Republic of Lithuania, 2009.

⁹⁵⁶ Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010.

⁹⁵⁷ Annual Report of the Special Investigation Service of the Republic of Lithuania, 2009; Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010.

⁹⁵⁸ Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010.

Score: 75

Neither the COEC, nor the Department have powers to execute criminal prosecution. However, the Corruption Risk Division of the Department evaluates the need for the investigations of corruption phenomenon, their scope and content, they submit proposals to the executives of the SIS on the organisation of carrying out investigations (Section 4 of Article 13)⁹⁵⁹. In 2009 the Department carried out 9, and in 2010 – 10 studies of corruption risk in different institutions. The Department itself is not related directly to judiciary inquiry.

The COEC only engages in the investigations that are related to conflict of interests and lobbying activities. The Commission is the only institution monitoring the compliance with the LAPPICS and the Law on Lobbying Activities. Its functions in this field are clearly defined and do not overlap with the activity carried out by other institutions.

The COEC has investigated the activity of individual ministers (whether there has not been a conflict of interests) or have provided recommendations to them on numerous occasions. Since the activities of the Commission do not include criminal prosecution, no conviction can be grounded on the basis of its investigation. However, it can pass the collected information to qualified pre-trial investigation institutions, although in practice this is not done.

The COEC is not passive in reacting to complaints but it actively engages in the information provided in the press or anonymous reports. This is evidenced by the data in the table below.

Chart: Investigations carried out in the COEC in 2009-2010.

	2009	2010
Anonymous reports or information in media (own initiative)	44	30 per cent (75 decisions)
Natural persons' complaints:	87	32 per cent (80)
Legal persons' complaints:	95	38 per cent (95)
Total investigations	226	251 (78)

Source: Annual Report of the Chief Official Ethics Commission, 2009; Annual Report of the Chief Official Ethics Commission, 2010⁹⁶⁰

In 2009 the Commission carried out 226 investigations of potential infringement of the provisions of the Law and made 94 decisions on the basis of these investigations. In 58 cases infringements were confirmed, however, no investigation ends in criminal prosecution.

⁹⁵⁹ Order of the director of the SIS, 7 August 2009, No. 2-198 “On the order of the director of the SIS, 26 April 2006, “On the amendment of article 2 on approval of provisions the SIS Prevention of Corruption Board“; Law on Special Investigations Service, No. 2-67. Žin., 2000, No. 41-1162.

⁹⁶⁰ Website of the Chief Official Ethics Commission. Internet access: <http://www.vtek.lt>.

10. Political parties

Ieva Petronytė

Summary

Since 1989 when a multi-party system was re-established in Lithuania, the legal environment regulating the activity of political parties (hereinafter referred to as - PPs), their independence, funding, accountability, transparency has been subject to constant improvement. Even though it is recognised that a lot has been achieved in defining in detail the important boundaries for action of the PPs, in practise the problems of independent PPS funding, proper accountability control, and coherent value propositions of the PPs still persist. The low trust of PPs in society is of a particular problem.

Structure and organisation

Currently⁹⁶¹ there are 41 PPs (4 of them are under liquidation) in Lithuania, 11 have their representatives in the Lithuanian Parliament, 4 form the ruling majority coalition. Such figures undoubtedly tell that the Lithuanian system is a multi-party one. Even though there are a lot of PPs, they are not big. The biggest are: the Homeland-Union- Lithuanian Christian Democrats (TS-LKD), Social Democratic Party of Lithuania (LSDP) that declare respectively just 18 830 and 16 506 members⁹⁶², whereas membership in PPs in the country does not amount to even to 3% of the electorate (In Western Europe the average is 5-11%)⁹⁶³.

Because of the newly established and successful parties at the elections Lithuanian PP system is not stable, however the main requirements of the PP governance are more or less implemented as the Huntington pendulum interchangeably marks the victory of the right and the left winged PPs in the elections.

The PPs act in the context of proportional (Municipal Council, EP elections) or mixed (Elections to the Parliament) election system. Their activity is regulated in detail by the Republic of Lithuania Law on Political Parties (adopted in 1990, new version since 2004, hereinafter referred to as LPP) and the Republic of Lithuania on Funding of, and Control over Funding of, Political Parties and Political Campaigns (last amended version in 2010, hereinafter referred to as - FCFPPPC. 2012 effected PP sources of funding especially limiting amendments to the Law⁹⁶⁴ The main monitoring institution of PPs provided in the above mentioned laws is – the Central Electoral Commission (hereinafter referred to as - CEC).

⁹⁶¹ June – July, 2011.

⁹⁶² These numbers were mentioned in the interview with prof. dr. Algis Krupavicius, Vilnius-Kaunas, 1 July 2011. It should be mentioned, that it is quiet difficult to find exact numbers of PPs members (even in PPs websites).

⁹⁶³ A. Ramonaitė, „Why people do not join political parties? Alaysing the attitudes of Lithuanians towards party membership“. *Politologija*, 2010, 2 (58), 5.

⁹⁶⁴ Because you can not look from longer time perspective, these 2011 . 6 December . PPPKFFKJ adopted amendments to impact the PP operation of subsequent practice is not mentioned in the text . An overview of just how much activity is changing the old PP regulatory system .

Capacities

10.1.1. Resources (law)

To what extent is a legal environment conducive to political parties for the establishment and operation ?

Score: 75/100

The right of the citizens to join the PPs on a voluntary basis is guaranteed by the Constitution of the Republic of Lithuania⁹⁶⁵. Even though a more detailed role of PPs is not defined in the Constitution, the freedom of association provisions are more developed in the LPP: the right to join or secede from the PP is stipulated as well as the independence of PPs⁹⁶⁶.

No fewer than 1000 citizens of the Republic of Lithuania aged 18 and over who do not take part in the activity of other PP may establish a political party having approved the Statute, the programme, the headquarters and the institutions of governance of a political party during the founding meeting. These approved documents are submitted to the State Register of Legal Persons. After the Ministry of Justice (MJ) attests the reliability of the submitted data, compliance to the legal acts of the Republic of Lithuania and approves the registration of the new PP; it shall be included into the Register of Legal Persons and shall be deemed established⁹⁶⁷.

It is noteworthy that the refusal to register the PP made by the MJ can be appealed to the court⁹⁶⁸. There were such cases in practise: for example, in 2008 the Party of Samogitians exercised this right⁹⁶⁹.

The only restrictions to the PP ideology are related to the objectives of the PP and the non-compliance to the activity of the PP to the Republic of Lithuania legal acts and universally recognised international law provisions. For example, the promotion or practise of inequality or hatred (racial, national, religious, social), methods of totalitarian or authoritarian governance or seizing of power by force, war and violence propaganda, violations of human rights and freedoms, public order may become the reasons for non-registering a PP or banning to register it⁹⁷⁰. The law also forbids the establishment or activity of foreign political parties or their divisions as PPs in Lithuania⁹⁷¹. There are no other grounds for banning PPs, whereas the decision on the liquidation of a PP may be made only by the court.

The laws provide other few restrictions on the activity of registered PPs: internal structure organisation has to be solely based on the territorial principal, the requirement to reorganise or liquidate the PP once it no longer has the minimum of 1 000 members, the requirement for the PP members once they occupy the posts stipulated by the laws (the Chairman, judge, servant of power structures⁹⁷²) to terminate the mandate of the PP members⁹⁷³. Other aspects of the PP activity are left for the internal discretion of the

⁹⁶⁵ Constitution of the Republic of Lithuania; article 35. Žin., 1992, No. 33-1014, with later amendments.

⁹⁶⁶ Law of the Republic of Lithuania on Political Parties (LPP); articles 3 and 11. Žin., 1990, No. 29-692, with later amendments and additions.

⁹⁶⁷ Ibid., Articles 5, 6 and 8.

⁹⁶⁸ Ibid., Article 8, part 6;

⁹⁶⁹ E.g., BNS press release „Samogitian Party lost at the court“. *15min.lt*, 12 september 2008. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/zemaiciu-partija-teisme-patyre-pralaimėjima-56-6111>.

⁹⁷⁰ Constitution of the Republic of Lithuania; article 35 straipsnis; LPP, article 4, part 3.

⁹⁷¹ LPP, article 4, part 2.

⁹⁷² Constitution of the Republic of Lithuania, articles 83, 113, 141.

⁹⁷³ LPP, article 9, part 5; article 12.

organisation. So, quite a sufficient freedom of activity is guaranteed for the PP, whereas state institutions face difficulties as they cannot liquidate the PPs that do not meet the basic requirements⁹⁷⁴.

State support to the PP is mostly related to the annual appropriations from the state budget and the guaranteed access to the mass media during the election campaigns (equal right to use national radio and TV airtime, equal opportunities to use other mass media)⁹⁷⁵.

To summarise, very successful legal environment is guaranteed in Lithuania for the establishment and work of PPs⁹⁷⁶: it is not complicated to establish a PP (1 000 establishers is not a lot as compared to 50 000 signatures needed to submit a draft law for the deliberations in the Parliament), the regulation of the activity is not too limiting, the activities that do not contradict the democratic values (respect to human rights, tolerance, discourse of opinions, *etc.*) are allowed, quite a wide scope for the PP self-control in terms of annual and political campaign financial statements and member list specification is allowed. On the contrary, in some cases it may seem that legal regulation is too favourable: quite uncomplicated procedures for the establishment mean that there are quite a lot of PPs and it becomes difficult for the citizens to understand the political system, the state faces the difficulty in liquidating the “paper” parties that do not comply with the legal requirements.

True, since 2012 in effect PPPKFFKĮ Law on Amendments to the new PP creation indirectly financially difficult: ban on natural and legal individuals to financial PP activities (for legal - and political campaigns) and the state grant size dependence on the success of previous elections may lead to new (and small) party's withdrawal from the political field (see section “Resources (practice)”).

10.1.2. Resources (practice)

Score: 50/100

The laws strictly define the PP sources of funding in Lithuania – they are quite varied: these are membership fees, state budget appropriations, private donations, bank loans and interest rates, revenue from other PP activities⁹⁷⁷. Other type of funding of political parties or their political campaigns is strictly prohibited⁹⁷⁸. In practice one may see that the budgets of PPs are formed from all the mentioned sources, however, the major part there comes from the state budget and private persons' donations:

⁹⁷⁴ Ministry of Justice, press release, “Dead parties will be liquidated from the political arena“, 1 April 2011. Internet access: <http://www.tm.lt/naujienos/pranesimasspaudai/1628>.

⁹⁷⁵ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 7. Žin., 2004, No. 135-4894, with later additions and amendments; LPP, article 16.

⁹⁷⁶ Welcome the political rights and electoral processes in the environment highly appreciated in Lithuania by international organizations for example, Freedom House in 2011 and continues to provide the highest, 1 of 7 points, indicating “completely free” rating for political rights “Freedom in the World” survey and a high 1.75 (out of 7 possible) electoral process evaluation “Nations in Transit” survey (Freedom House, „Freedom in the World 2011, Lithuania report“. Internet access: <http://www.freedomhouse.org/report/freedomworld/2011/Lithuania>, A. Piasecka, “Lithuania” in Freedom House, Nations in Transit 2011. Internet access: http://www.freedomhouse.org/sites/default/files/inline_images/NIT-2011-Lithuania.pdf).

⁹⁷⁷ It should be noted that in 2011. 6 December. FCFPPPC amendments to legal and natural persons absolutely prohibited financing PP (natural persons who declared income may donate to political campaigns), the potential source of revenue legalized permanent resident of Lithuania voluntarily paid 1 per cent of the size of paid annual income tax (LR FCFPPPC Art. 7).

⁹⁷⁸ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 7. Žin., 2004, No. 135-4894, with later additions and amendments, article 7, parts 3, 11.

Chart. Income of political parties in 2009⁹⁷⁹

Income of Political parties ⁹⁸⁰	In 2009
Income received, total, mln. Lt	19,65
Income structure, %	
Membership fee	5,83
Donations from natural* and legal persons	27,16
Funding from the state budget	63,15
Other activity	3,86

Source: CEC provided the PP of income data⁹⁸¹

Such a trend of budget drafting when the state budget funds are prevailing in the PP budget emphasise the separation of PPs from the society and cartel formation⁹⁸². On the other hand, in 2010-2011 when state funding was cut by a half (see chart), the other problem became relevant – quite a big part of funding from the legal persons. Such a high proportion from private donors becomes questionable when dealing with the issue of independence of the PPs and one may doubt that the major part of the PP budget in this case becomes quite stable.

Chart. Private and state funding in the budgets of political parties, mln. Lt⁹⁸³:

	Number of donations		Private persons' donations	Legal persons' donations	Overall amount of donations	State budget funds
	Natural persons	Legal persons				
2009	452	187	0,898	2,308	3,042	12,41
2010	309	285	0,506	4,433	4,94	5,498
1 st half of 2011	88	351	0,19	3,61	3,8	2,749

The state funding with smaller PPs is also not very stable and very much depends on the success of the PP during the elections: the PPs willing to receive state funding must have taken part in the last elections and received more than 3% of all the votes (one should remember that a 3 % “threshold” is quite low and even lower than that needed to have a seat in the Parliament (5 %, 7 % for the coalitions), EP (5 %) or Municipal Councils (4 %,

⁹⁷⁹ CEC still hasn't presented summarized data of the latest years, current data doesn't allow to compare numbers. source: CEC. *Income of political parties*. Internet access: <http://www.vrk.lt/lt/pirmas-puslapis/PPspkfk/politines-partijos/>.

⁹⁸⁰ Note: Own funds of candidates are named as private persons' donations.

⁹⁸¹ Website of Republic of Lithuania The Central Electoral Commission, *The political party funding control*. Internet access: <http://www.vrk.lt/lt/pirmas-puslapis/pppkfk/politines-partijos/>.

⁹⁸² Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

⁹⁸³ It is made by author, according to the data given in CEC website, [ww.vrk.lt](http://www.vrk.lt).

6 % for the coalitions) threshold). The amount allocated to one PP from the overall amount of the state appropriations to the PPs is established with regard to the number of votes received during the last elections⁹⁸⁴. For example, during the 1st half of 2011 the overall distribution of state appropriations was divided between the 10 PPs which demonstrate the best results in the elections to the Parliament of 2008 (in some constituencies in 2009), elections to the Municipal Councils of 2011 and EP elections of 2009. It was the following regard to the:

Chart. State subsidies during the 1st half of 2011⁹⁸⁵

No.	Political Party	Number of votes, %	Percentage allocated from the state budget	Amount allocated from the state budget, Lt
1	Homeland-Union- Lithuanian Christian Democrats	22,93	25,25	693 991
2	Social Democratic Party of Lithuania	15,62	17,2	472 756
3	Order and Justice	11,76	12,95	355 873
4	National Resurrection Party	7,46	8,22	225 916
5	Liberal and Centre Union	6,54	7,2	198 029
6	Liberals Movement of the Republic of Lithuania	6,42	7,07	194 237
7	Labour Party	6,32	6,97	191 412
8	Electoral Action of Poles in Lithuania	5,84	6,43	176 752
9	Lithuanian Peasant Popular Party	4,8	5,28	145 114
10	New Union (social liberals)	3,14	3,45	94 920
	Total:	90,83 (remaining 9,17 % - to the PPs that do not meet the requirement)	100,00	2 749 000

⁹⁸⁴ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 15.

⁹⁸⁵ Source: Decision of the CEC on establishing the size of national budget allocations of 2011 first half-year to fund political parties. 8 April 2011, No. Sp-266, Vilnius.

So, the state funding is allocated to the successful parties of the ruling majority and the opposition. Such a system, no doubt, is more favourable to the bigger parties that receive constant support from the voters. However, one should note that small and new PPs have all the opportunities to be successful and ensure state funding in the future: this could be ensured by the use of newest technologies that make election campaigns easier and cheaper, as well as equal opportunities with regard to the use of traditional mass media (the right to use the services of the National radio and TV free of charge as well as equal opportunities provided to get to other mass media channels⁹⁸⁶). Prof. Algis Krupavičius notes that in this respect there is too much “equality” in Lithuania: information channels during the elections are equally accessible to even those PPs, who stand no chance of being elected, to acquire real influence and use this time for their show without contributing with other more significant political ideas⁹⁸⁷.

To summarise, the laws of the Republic of Lithuania do not discriminate the funding of the PPs against the age, size of place in the political system of a PP. During the election campaigns the equal access of PPs to the mass media channels enables efficient political competition. On the one hand, the state budget funding principles determine a more favourable environment for strengthening of the most popular PPs (old and new): only they are subject to state funding, are reimbursed the collaterals that they pay before the elections, with regard to the widespread practise they fund their headquarters in the municipalities via their elected representatives. On the one hand, this helps to “clean up” the system from non-popular and irrelevant PPs (due to a very divided party system, even those PPs who have a poor support are subject to minimum requirements for the state funding, the return of the collateral and this may be assessed as a positive achievement). On the other hand the representation of smaller and more passive group interests may be undermined due to this. This is especially true since the 2012 ban on natural and legal persons victims of PP (legal entities - and political campaigns), thus remarkably increased state grants PP importance. Especially in large part from the state budget financed PP eventually become cartels⁹⁸⁸, much less interested to compete for electoral support, represent various interests of society. Such party political science literature seen as no longer doing their role in representative democracy - which became no longer a force of civil society, which is controlled by the State but the State agent, in its sole discretion serving the public⁹⁸⁹.

10.1.3. Independence (law)

To what extent are entrenched legal safeguards for political parties to protect against unauthorized external interference?

Score: 50/100

The principle of free and independent activity of PPs is provided in the LPP: which clearly defines that all natural and legal persons – it separates the state, municipal

⁹⁸⁶ LPP, article 16.

⁹⁸⁷ Author's interview with prof. Algis Krupavičius, 1 July, 2011.

⁹⁸⁸ As stated in the Encyclopaedic Dictionary of Political Science, cartel party – is a party organization whose functioning depends on the state of financial resources, management is based on a centralized administrative management and leaders - professional politicians, which reports regularly taking place in the elections. Kirill A. et al. (ed.), Political Science Encyclopedic Dictionary. Vilnius: Vilnius University Press, 2007, 60.

⁹⁸⁹ R. S. Katz, P. Mair, “Changing models of party organization and party democracy: The emergence of Cartel Party“, Party Politics, vol. 1, no.1, 1995, 5-28.

institutions and civil servants – are banned from interfering into the internal matters of the PPs⁹⁹⁰.

By limiting the PPs dependence on private sponsors, the new FCFPPPC provides for quite strict rules to the donors: only Lithuanian citizens who declared their income can provide donations⁹⁹¹ or legal persons registered in Lithuania; bigger than 1000 Lt donation shall be done via the bank transfer; 20 average monthly salary (AMS)⁹⁹² donation ceiling is established; all sponsors shall be included in the publicly available lists, whereas the PPs cannot have the funds that are not accounted for⁹⁹³. It is forbidden to represent sponsor interests and the violators shall be subject to the liability established by the Law⁹⁹⁴.

These provisions approved in 2010 were recognised as a major advancement in the legal system when regulating the transparency of the PP funding and were positively assessed by the international observers⁹⁹⁵. Nevertheless the provisions of the new Law can still be improved: according to Prof. A. Krupavičius, the provided PP funding “ceiling” to one donor is too high and not encouraging the PP to look for many sources of funding, to become more open to the society. Also, having in mind quite low election campaign costs, this creates opportunities (especially during the municipal elections) for the PP to buy the votes. Other researchers insight drew attention to vicious maximum size of victims not linking with donors but linking with beneficiaries - in other words, there is left opportunity to donate an unlimited number of PP, so generously supporting perhaps interrelated PP and independent political campaign participants. However, the adoption of far-reaching legal individuals capping solutions, in particular, should take into account a whole: it is to assess generate higher state budget funds need financing PP with all the resulting negative cartelization consequences and ensure stricter rules corresponding to the actual functioning control system to ensure that not found legal road support the PP does not provide otherwise. The laws provide stipulate that the state institutions have the roles of the observers: the PPs compliance to the institutional requirements is observed (all the PP member lists are submitted annually to the MJ⁹⁹⁶), funding of PPs and political campaigns as well as political advertising (the CEC is submitted with the use of the state budget fund report, the PP and political campaign financial statements⁹⁹⁷). The monitoring functions are supplemented with stricter control mechanisms: if the law violation is established by the CEC, then the CEC or the Prosecutor’s Office may initiate the investigation of the PP, its governance bodies, its members, the participants of the electoral campaign⁹⁹⁸. The results of the investigation may determine that the liability of the PP in question will be dealt with in the court. The FCFPPPC provides that the court may temporarily suspend the PP heads from the Office, make the PP complete

⁹⁹⁰ LPP, article 11.

⁹⁹¹ An exception – elections to EP and municipal elections. Citizens of other EU countries who constantly live in Lithuania can provide donations.

⁹⁹² According to the AMS of first quarter, 2011 (2 071,60 Lt), it would be about 41 500 Litas.

⁹⁹³ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, articles 10, 12.

⁹⁹⁴ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 12, part 5.

⁹⁹⁵ e.g., GRECO, *Compliance Report on Lithuania: Incriminations (ETS 173 and 191, GPC 2), Transparency of Party Funding*. 2011 05 23-27, Strasbourg. Internet access: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2011\)7_Lithuania_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2011)7_Lithuania_EN.pdf).

⁹⁹⁶ LPP, article 8.

⁹⁹⁷ It should be noted that other institutions also control PPS: Breaches of PPS and funding of political campaigns are Prosecution service and the SIS responsibility, State Tax Inspectorate checks the donations, National Audit Office does the audit of national budget allocations. Law on Funding of Political Parties and Political Campaigns, and Control of Funding, article 23.

⁹⁹⁸ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 27, part 2.

certain actions or liquidate the PP⁹⁹⁹. However, despite the general procedure of liquidation of legal persons established by the Civil Code and the specific rule to liquidate the PP for the unlawful activity, which are illegal financial transactions, the use of funds from the non-allowed sources¹⁰⁰⁰, the laws do not provide for the possibility to ban the PP. Due to the fact that a few institutions are involved in the process, the investigation foreseen is consistent as well as the requirement for an impartial judge, this strictest PP liquidation scenario may be considered quite balanced and applied with responsibility.

The laws related to the PP activity monitoring and control (LPP, FCFPPPC) do not regulate any external state monitoring tool such as a binding provision for the representatives of the state institutions to visit PP meetings, whereas the decisions of the PP institutions may be declared void only when they directly violate the provisions of the Civil Code of the Republic of Lithuania according to the established procedure¹⁰⁰¹. Control areas mostly based on the aim for financial independence of the PP are clearly established and regulated in detail and would make one think that the state monitoring in this area is balanced enough and aiming to defend the public interest. At the same time the influence of the private sponsors, even though quite limited by the laws may manifest itself through quite major but allowed donations.

Since the 2012's, the complete prohibition of legal persons donations of PP and individuals are allowed to donate only for independent political campaign participants (not more than 10 AMW for each participant, not more than 10 per cent of declared annual income of all participants combined, respectively, following the declaration of assets and income)¹⁰⁰², is expecting to reduce the influence of private sponsors. However, these changes exclusively positively assess slowly as radical prohibitions quite likely to encourage support for the PP non-transparent ways, especially when the practice is already greater or lesser extent, the effectiveness of the financial problems in the control of the PP and the law does not regulate shadow PP support (dumped prices, ordered articles, etc.).

10.1.4. Independence (practice)

Score: 50/100

In practise one can hardly see the state interference into the activity of the PP or the pressure exercised over them¹⁰⁰³. One could not identify the detention or arrest of the PP members due to the post they occupy, open harassments or attacks of the ruling majority or state institutions towards the PP in opposition, or obviously biased decisions towards them. The actions that the state institutions resort to are more related to the control of compliance with the basic legal acts. These actions often are not very successful: for example, 4 PPs that did not meet institutional requirements are under liquidation¹⁰⁰⁴, and even though there is a court ruling for liquidation, the process is ongoing for a number of years¹⁰⁰⁵. This demonstrates the gaps in legal implementation mechanism (the MJ has promised to initiate the simplification of the PP liquidation mechanism and to ban a few more PPs that do not

⁹⁹⁹ Ibid., 4 dalis.

¹⁰⁰⁰ Ibid., 3 dalis.

¹⁰⁰¹ LPP, article 13; Civil Code of the Republic of Lithuania.

¹⁰⁰² Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 10, part 2 and 3.

¹⁰⁰³ Author's interview with prof. Algis Krupavičius, 1 July, 2011.

¹⁰⁰⁴ Non Party movement "Elections'96", Lithuanian economic party, National Democratic Party of Lithuania, Lithuanian Political prisoners and deportees union.

¹⁰⁰⁵ BNS news, „Four inactive parties are being tried to liquidate“. Diena.lt, 1 January 2011, Internet access: <http://www.diena.lt/naujienos/lietuva/bandoma-likviduoti-keturias-neveikiancias-partijas-323497>.

comply with the institutional criteria¹⁰⁰⁶). Another not a very successful example: the case of the allegedly falsified financial documents of the Labour Party where the final decision has not been made for a number of years. Even though these examples do not prove that the state system is improper or biased, this signals about many other problems – the inability to efficiently and fluently implement legitimate financial control of the PPs. It would be possible to discuss whether it is due to incomplete legal decisions, or some ungrateful socio-cultural context¹⁰⁰⁷

At the same time other external actors are left with the gaps in laws to influence the PP (too high maximum donation “ceiling”), this creates the opportunities for the outside influence: especially one may notice how this influence is implemented in the case of smaller PPs when they are funded by just a few major sponsors¹⁰⁰⁸. Such side-effects of the existence of is well-illustrated in 2011. In October, the Public Procurement Office (PPO), leader’s submitted data, showing that the companies most heavily supported the PP wins the most orders for procurement.¹⁰⁰⁹

Governance

10.2.1. Transparency (law)

To what extent the rights, that guarantees the transparency of the media, are embeded?

Score: 75/100

Legal regulation of PPs in Lithuania from the point of view of financial transparency is detailed; the main provisions are laid down in the LPP. It stipulates that every year the PPs submit the CEC with financial statements (balance sheet, performance results and explanatory note), the statement on the use of state budget appropriations and the list of donations and donors (those until 2012¹⁰¹⁰ to the State Tax Inspectorate (STI))¹⁰¹¹. True, once it can be seen that failure to submit the reports for the PP can only be disciplined through state benefits - no more severe sanction financial statements and do not offer the public funds nor pretended PP does not apply¹⁰¹²

Similarly the detailed financial revenue, expenditure and liability statement together with the amounts of the donations and the list of donors of the political campaign has to be with no delay submitted to the CEC within 25 or 85 days from announcing the election results (depending whether the audit binding to those who collected high number of donations is carried out)¹⁰¹³.

¹⁰⁰⁶ Ministry of Justice, press release, „Dead parties will be liquidated from the political arena“, 1 April 2011. Internet access: <http://www.tm.lt/naujienos/pranesimasspaudai/1628>.

¹⁰⁰⁷ See: A. Lukošaitis, “Lobbying in in foreign countries and Lithuania: legal regulation and institutionalization of the problem. Politology, Vol. 2 (62), 2011, 3–42.

¹⁰⁰⁸ Author’s interview with prof. Algis Krupavičius, 1 July, 2011.

¹⁰⁰⁹ Head of Public Procurement Office reports, translated LRT „Panoramos“ broadcast time. 24 October, 2011. Internet access http://www.lrt.lt/archyvas/?channel=234940§ion=2&filter=9612&record=55020_1319519492.

¹⁰¹⁰ According 6 December 2011 asmdemens adopted by FCPPP, since 1 January, 2012 Prohibited individuals sacrifice by PP.

¹⁰¹¹ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 20, parts 2, 3.

¹⁰¹² Author’s interview with representatives of the Central Electoral Commission, 8 November 2011.

¹⁰¹³ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding article 21.

All these documents are considered public, whereas the CEC upon the receipt of the financial statements is obliged to publish them on its website¹⁰¹⁴. The lists of donors that are considered public (including the funding contracts) should be accessible as soon as possible (the law clearly provides for a binding requirement to make the donors public): it is foreseen that in the case of the PP no later than in 10 days after the end of the quarter and in the case of political campaigns no later than in 10 days from the receipt of the donation, the PP or the persons responsible for the campaign shall make public on the website of the CEC the name, last name or the donor or the name of the company with the code and municipality they are registered in or residing¹⁰¹⁵.

The provisions require strict financial accountability (clear ban to fund the PPs and the campaigns via third persons and to transfer the ungrounded funds into the state budget should be mentioned¹⁰¹⁶), quite short deadlines for the submission of comprehensive information are stipulated as well as the obligation for the CEC to publish all the financial data concerning the PP and the campaigns in one place and provide a separate right to the representatives of the media to obtain from the CEC and to publish all financial statements¹⁰¹⁷. All this is a case in point that the FCFPPPC regulates the publicity of financial transactions of the PPs and of their campaigns quite comprehensively, creates good conditions for the financial transparency of the PPs and their campaigns. True, very detailed regulation can become a disadvantage – he needed to meet a higher (and not always available) state institution both internal PP administrative sources. The following which (competent) run out, and can be seen from the PP financial statements - some of them do not meet at all, part of providing are false or non differentiation filled.¹⁰¹⁸

10.2.2. Transparency (practise)

To what extend society can get important financial information from politic parties?

Score: 50/100

The laws provide for the financial publicity and accessibility of the financial documents of the PPs and their campaigns and this may be observed in practise: it is quite easy to navigate and download from the CEC website annual financial statements (expenditure and revenue) of the PPs and their campaigns (not of all the PPs: for 2009 – 29 PPs, for 2010 – 24 PPs), also political advertising monitoring reports, to find links to the STI findings on the financial statements of the political campaigns¹⁰¹⁹.

Prof. A. Krupavičius notes that with regard to the citizen, such data submission is not very informative: non-processed reports get lost among a lot of data and here one may find the financial accountability data analysis carried out or initiated by the CEC quite useful,

¹⁰¹⁴ Ibid., article 25, parts 1, 2.

¹⁰¹⁵ Ibid., article 10, part 5.

¹⁰¹⁶ Ibid., article 11, part 2.

¹⁰¹⁷ Ibid., article 25, part 3.

¹⁰¹⁸ PP's annual financial statements (the Republic of Lithuania The Central Electoral Commission website Political parties in the annual declaration of financial activities and donor lists. Internet access: <http://www.vrk.lt/lt/pirmas-puslapis/pppkfk/politines-partijos/deklaracijos-and-contributors-list.html>), as well as (PP treasurers) the lack of competence writes in: E. Masnevaite, the new Lithuanian political parties and political campaign financing and the financing of the control version of the law - a political impulse or necessity? "Parliamentary studies, No. . 11, 2011. Internet access: http://www.parlamentostudijos.lt/Nr11/11_teise_1.htm.

¹⁰¹⁹ Website of the CEC: <http://www.vrk.lt/lt/pirmas-puslapis/PPspkfk/politines-partijos/>, <http://www.vrk.lt/lt/pirmas-puslapis/PPspkfk/politines-kampanijos/>.

the society should be provided with more understandable and informative generalised data results¹⁰²⁰.

Next to the criticism for the CEC document form, one should note the websites of the PPs: on the websites of not a single PPs that has its representatives in the Parliament one manages to find the financial statements or the provided financial data (information on the state budget funds or private)¹⁰²¹. On the one hand, having comprehensive PPs financial statement data on the CEC website may simply mean non-duplication of information, on the other hand, the PPs that have no separate link to the financial statements on their websites or easy to navigate links to the CEC website signal some kind of reticence and non willingness to declare the revenue and the expenditure of the PPs.

10.2.3. Accountability (law)

To what extend is legal framework for the special state authority over the financial supervision of politic parties?

Score: 75/100

As it was already mentioned, the FCFPPPC is quite detailed and comprehensive in regulating the financial accountability of the Lithuanian PPs and their campaigns. The LPP is quite abstract in attributing the financial performance control to the “state institutions with regard to their competence”¹⁰²², whereas the FCFPPPC provides for the main institution regulating this area – the CEC¹⁰²³ (other institutions and their responsibilities are mentioned in the 32 footnote).

The CEC carries out the funding monitoring of the PPs and political campaigns on the continuous basis¹⁰²⁴. The law provides without making reference to the election cycle that the financial statements of the PPs are to be regularly submitted to the CEC every year, whereas those of political campaigns, once they end. If this requirement in the law is detailed and the procedures established are quite precise the basis of a sound financial accountability mechanism of the PPs is strengthened. The law provides that the PPs have to report to the CEC with regard to the established templates¹⁰²⁵ by providing the data of the previous year balance sheet, performance results, the list of donors and donations (until 2012), the explanatory notes. Also, they have to submit the state budget appropriations report¹⁰²⁶. As one may see, the accountability is provided for the revenue (by justifying their legitimacy with precise list of donors, financial contracts) as well as for the expenditure (by justifying their appropriateness (in the case of PPs – if need be) by providing separate financial documents).

¹⁰²⁰ Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

¹⁰²¹ Homeland Union-Lithuanian Christian Democrats, Social Democratic Party of Lithuania, Labour Party, Liberal Movement, Order and Justice, Christian Party, National Resurrection Party, Liberal and Centre Union, Electoral Action of Poles in Lithuania, Lithuanian Peasant Popular Union and New Union websites accessed 20 June, 2011.

¹⁰²² LPP, article 15.

¹⁰²³ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article article 23.

¹⁰²⁴ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article article 26, parts 1, 2, 4.

¹⁰²⁵ I.e., by forms of financial reports and their appendices, and their schedule of filling, applied by CEC. Detailed list – Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 23, the templates and schedules can be found in CEC website: <http://www.CEC.lt/lt/pirimas-puslapis/PPspkfk/CEC-PPspkfk-sprendimai.html>.

¹⁰²⁶ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 20.

The submitted financial statements are verified by the CEC with the help of other institutions: STI, the National Audit institution, independent auditors. The laws stipulate the liability for violating the legal provisions in submission of financial statements for the political campaigns, the PPs performance. Next to the consequences established in the Civil Code (for example, the financial fines for the non-submission of the mentioned documents or their annexes¹⁰²⁷), gross violations and if the CEC recognises the violations of the FCFPPPC (improper funding, the provision of the knowingly false data in the statements or the loss of the documents that justify the facts, the use of the state budget appropriations not with regard to their purpose or other ineligible expenditure), this may lead to the PP's loss of the right to the state budget appropriations for 2 years as well as the registration of the PP as an independent political campaign representative may be terminated¹⁰²⁸. It is noteworthy that the PPs in Lithuania as legal persons assume not only administrative but also criminal liability.

According to the international organisations some of the sanctions stipulated in the laws should be tightened: financial administrative fines for the recognised violations should be higher as well as there should be a possibility to suspend the guilty persons from their posts¹⁰²⁹. In practise there are some gaps in legal regulation: there are cases when the PP is using the shadow finances "that are not directly in the system", i.e., such support as ordered articles without proper labelling during the election campaign, dumping of advertising and service costs are not included in the statements.¹⁰³⁰

As one may see the PPs control mechanism as much as it can cover is quite well regulated and is strict enough. As regards the opportunity to appeal against the CEC decision to the Senior Administrative Court on the established violations of the law¹⁰³¹ it may be considered proportional and balanced. However, in practise this control does not encompass all the possible PP funding cases.

10.2.4. Accountability (practise)

What extend is practically performed effieciently financial supervision of politic parties?

Score: 50

Having visited the CEC website, one may see that the PPs carry out the binding provision established in the FCFPPPC – to provide financial statements - the financial statement data of the majority of the PPs are provided there. One may also find the independent auditor findings provided in the FCFPPPC in certain cases as well as the auditor comments, the STI conclusions on the political campaign statements and the violations established in them.¹⁰³² Publicly available documents make us think that the statement assurance mechanism is

¹⁰²⁷ The Code of Administrative Breaches of Law of the Republic of Lithuania, article 207-13 was amended on 18 May 2010 No. XI-820 (Žin., 2010, No. 63-3098). Internet access: <http://www.infolex.lt/ta/103787:str207-13>.

¹⁰²⁸ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article 14, part 7, article 6, part 1, clause 5, article 28.

¹⁰²⁹ GRECO, *Compliance Report on Lithuania: Incriminations (ETS 173 and 191, GPC 2), Transparency of Party Funding*. 2011 05 23-27, Strasbourg. P. 19.

¹⁰³⁰ Interview with Deputy chairman of the Social Democratic Party of Lithuania, Member of the Seimas, Vilnius, 21 July 2011.

¹⁰³¹ Law of the Republic of Lithuania on Funding of Political Parties and Political Campaigns, and Control of Funding, article article 28, part 3.

¹⁰³² The Republic of Lithuania The Central Electoral Commission website, the political party funding control. Internet access: <http://www.vrk.lt/lt/pirimas-puslapis/pppkfk/politines-partijos/>.

functioning well¹⁰³³. On the other hand, even though the stricter mechanism is under implementation, one does not hear about the stricter fines for the violations¹⁰³⁴, whereas the experts say that the PP's funding control carried out by the state lacks the clarity of the procedures, transparency, well functioning mechanism of the sanctions: the best example here is the ongoing case of the Labour Party shadow accountancy where the final decision has not been made yet. Such practise is considered very flawed as if the decision is not adopted fast, in the long run it may become a tool for political blackmailing against the PP which is blamed for certain law violations¹⁰³⁵. The society and the voters are also left unknowing¹⁰³⁶, the authority of legal system and the state are undermined.

These and other factors lead to the tightening of PP financial control of the proposed creation of a single individual for the PP regulatory authority with sufficient powers to effectively implement PP activity under fiscal control¹⁰³⁷, to create not only focus on a single activity, but also non-politicized institution character (while this During various contexts remembered that most CEC members made up of representatives appointed by the PP, in addition to the government of the CEC has certain powers of control)¹⁰³⁸.

So experts note that the state financial controls carried out by the PP is still a lack of clarity, transparency, smooth operating mechanism of sanctions: the best indicator here can be considered a few years, the continuing case for DP-called black book-keeping, when still not taken a final decision. This practice is considered to be extremely flawed as expeditiously pending a clear decision could eventually become a tool of political blackmail against the PP, which is accused of one or other illegalities eventually left in limbo and the public, the electorate¹⁰³⁹, , undermine the legal system and all state authority.

10.2.5. Integrity (law)

To what extent are enshrined in the organizational rules governing the major political parties in the internal democratic governance?

Score: 100/100

As it is stipulated in the LPP, every functioning registered PP in Lithuania has to have the Statute regulating the activity and internal structure of the PP. The law provides for a comprehensive structure of the Statute, which has to include: the PP activity objectives, member rights and duties, etc as well as the provisions defining internal democratic governance of the PP, such as the competence of the Congress, the frequency, the procedure of convening the Congress and the decision making procedure, the collegiate and single

¹⁰³³ Administration violations of the political parties finances in the Parliamentary elections, 2009: finances of the political parties were not transferred to the special account for the campaign, waste of donations was suppressed, non-monetary donations was not included in the report, etc. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=365842.

¹⁰³⁴ Author's interview with Algirdas Sysas, Vilnius, 21 July 2011.

¹⁰³⁵ Author's interview with representatives of CEC 8 November, 2011.

¹⁰³⁶ Representative of the President of the Republic of Lithuania speech in LRT discussion broadcast „the right to know“ 26 October, 2011, Internet access: http://www.lrt.lt/archyvas/?channel=234940§ion=2&filter=4762968&record=90718_1319788156.

¹⁰³⁷ Author's interview with Alvidas Lukošaitis, 10 November 2011.

¹⁰³⁸ Masnevaite E *Legal regulation of financing political parties and politic campaign*.

¹⁰³⁹ Author's interview with Algis Krupavičius, 1 July, 2011.

member management bodies of the political party, their competence, their accountability, the procedure for the decision making and performance control¹⁰⁴⁰.

Having analysed the Statutes of the biggest PPs¹⁰⁴¹, one may see that these provisions are well reflected there. According to the principle of democracy, the supreme PP internal institutions are considered to be regular meetings of the delegates. The decisions are adopted there by a simple (TS, LRLS, PTIT) or qualified two third (LSDP, DP) majority of all the delegates that have a right to majority or at least half of the votes¹⁰⁴² (in more special cases – for the reorganisation, liquidation of the PPs, etc, a higher plurality of votes is needed). The Statute stipulates in detail the procedure of elections and nomination of other institutions.

One may observe that the main PP institutions in many cases are made up by the principle of delegation. For example, the PP chairmen (representing and leaders in power) are elected in the Congress of the delegates (LSDP, PTIT, LRLS, DP) or directly by all the PP members (TS, in exceptional cases also – LRLS), whereas the PP Councils (the supreme institutions in between the Congress) are made up not only of the PP chairmen, their deputies, the chairmen of the territorial chapters and other high PP officials but also from the delegates elected in the Congress (in some cases, for example, in the meetings of the PTIT and LRLS, the members of the Council are not elected separately – the delegates of the Congress are nominated automatically). The number of the elected Council members in many cases in the Statute is not defined precisely¹⁰⁴³. The PP Chairmen and the members of the Council are elected for a limited term of office – 2 years.

The Statute provides for the PP member nomination procedure as candidates to the President of the Republic of Lithuania, Members of the Parliament, the European Parliament, and Municipal Council. In many cases this is based on the mechanism of different PP internal institutions that supposes the principle of democratic power separation and balance. Even though specific details in separate PPs Statutes are different, one may notice that the candidate nomination procedure or their lists is approved by the supreme PP institutions and proposed by other PP institutions (see chart).

Chart. Approval of political party candidates to the elected state and EU institutions

		Candidates to		
		President	Lithuanian Parliament	European Parliament
Politi	TS	Council approves (104.6)	Council approves with the proposal of the Presidium (104.10). Party chapters submit proposals to the Presidium	

¹⁰⁴⁰ LPP, article 6, part 2, requirements for the statutes of political parties.

¹⁰⁴¹ Statutes of the parties that have the most mandates in the Parliament in 2011 will be discussed further - TS-LKD, LSDP, PTIT, LRLS, DP.

¹⁰⁴² The statute of „Homeland Union – Lithuanian christian democrats“. Internet access: http://www.tsajunga.lt/uploads/files/dir20/dir1/10_0.php, clauses 93, 95, 96; the statute of social Democratic Party of Lithuania, with additions and amendments, applied in LSDP XXX congress, 30 April 2011. Internet access: <http://www.lsdpl.lt/lt/straipsniai/29-partijos-statutas.html>, clause 34; The statute of Liberal Movement, applied in V Liberal Movement Congress, 10 October 2009. Internet access: http://www.liberalai.lt/assets/dokumentai/20091010_LRLS_ISTATAIDOC, clause 51; the statute of Order and Justice, amended in IX Congress in Vilnius, 12 December 2010. Internet access: <http://www.tvarka.lt/lt/istatai>, clause 5.5; The statute of Labour Party with amendments, applied in party Congress, 17 November 2007, Kėdainiai. Internet access: <http://www.darbopartija.lt/upl/File/statutas.pdf>, clauses 10.3, 10.4.

¹⁰⁴³ TS-LKD statute, *op.cit.*, 98.7, 103; LSDP statute, *op.cit.*, 37, 39; PTIT statute, *op.cit.*, 5.13, 5.15, 5.7; LRLS statute, *op.cit.*, 47.3, 55; DP statute, *op.cit.*, 10.7.3, 10.7.7, 13.29.

		(51.3).
LSDP	Candidates approved by the Congress (36), after the proposals to the Council are submitted by the territorial Chapters (20.2, 26.1, 29.2)	
PTIT	Approved by the Congress under the proposal of the Council (5.1.5)	Approved by the Congress (or the authorised Council) under the proposal of the Board (5.14.11)
LRLS	Approved by the Congress under the proposal of the Board (6.6.18)	Approved by the Council under the proposal of the Board (or delegated to the Board) (56.7, 66.15)
DP	Candidates approved by the Congress (10.7.10), after the proposals to the Council are submitted by the territorial chapters (8.10)	

It is noteworthy that in the case of nominating the candidates of the PPs to the municipal elections the territorial principal is adhered to, even though the candidates are approved by the central PP institutions, the influence of the territorial Chapter decisions is established by stricter (TS¹⁰⁴⁴) or softer (their are entitled to provide the lists) measures¹⁰⁴⁵.

Similarly the PP supreme institutions adopt the decisions on the PP election programmes (it is common practise that they are adopted by the same institutions). The value propositions in the PP programme or its Statute in all cases may be amended only in the Congress of the delegates¹⁰⁴⁶.

The provisions discussed in the above mentioned documents, such as the provision of the supreme power to the PP member (or delegate) Congress, the formation of the main PP institutions by voting, the limited terms of office, the principle of power balances of the internal management institutions make one think that in the main parliamentary PP statutes in Lithuania internal governance based on democracy is established.

10.2.6. Integrity (practise)

As far as internal party management is a democratic and effective in practice?

Score: 75/100

As it is stipulated in the Statute, all the main PPs in Lithuania organise annual delegate Congresses where with regard to the democratic procedures the main decisions are adopted: the programmes, reports approved, when the term lapses the PP institutions are elected and approved. The information about the Congresses and the decisions adopted there is publicly available on the PP websites. Even though the turnover of the PP leaders is not

¹⁰⁴⁴ Approval of candidates is only possible on the basis of universal and direct members of the Department of rating results or section meetings (section gatherings conference) decision (TS Statute, op., 104.4).

¹⁰⁴⁵ e.g. TS statute, 51.3, 60, 80, 104.4., 104.6, 115.2, 120.11, LSDP statute, *op.cit.*, 29.3; PTIT statute, *op.cit.*, 4.6.6; LRLS statute, *op.cit.*, 56.11; DP statute, *op.cit.*, 8.8.

¹⁰⁴⁶ TS statute, 59.3, 98.1, 104.7, 115.1, 132, LSDP statute, *op.cit.*, 35.1, 36; PTIT statute, *op.cit.*, 5.1.2, 5.1.3; LRLS statute, *op.cit.*, 47.1; Labour Party statute, *op.cit.*, 9.5.9, 10.7.2, 13.17.

high (in 2011 TS-LKD Chairmen were re-elected (in post from 2003), LSDP leaders (in post from 2009), in 2010 – PTIT (with the interval of 2 years the leader in power is since 2002, the establishment of PTIT), DP (with the interval of 1 year the leader in power is since 2003, the establishment of DP), whereas in 2009 – LRLS (in power since 2008). In many cases there is no ground for suspicion that the elections are non-democratic. The number of voters is publicly available and unquestionable, the opponents (if they exist), for example in the last 2011 TS-LKD Chairmen elections, publicly recognise and identify the fact that the elections were democratic¹⁰⁴⁷. In other four out of five cases the PP Chairmen were re-elected in the elections with the presence of only one candidate¹⁰⁴⁸ – which would allow speaking about some kind of PP elite advance agreement on the posts. The announced number of voters do not demonstrate a high number of abstained or damaged ballots, so on the other hand, the popularity or even identity of some of the PPs are based on the leaders, so it would be logical to expect that there is some kind of rational agreement among the party members to elect the particular PP Chairmen.

As for the internal decision making in the PP practise, it is recognised that most often they are adopted in the supreme institutions. However, next to the often mentioned limited influence of the PP members in the PP issues¹⁰⁴⁹, Algirdas Sysas in explaining the reasons emphasises that the political culture in Lithuania is marked by poor political activity and draws a parallel with the legislation in the state: even though all the citizens have a right and opportunities to initiate the draft law, to express their opinion, provide the proposals, the “internal censor” deters them from such actions¹⁰⁵⁰.

In general the PPs in Lithuania, especially the smaller ones are referred to by the political scholars as hierarchical, oriented towards their leaders or even personalised¹⁰⁵¹. The recommendation to the competitor parties is to take over the practise of TS-LKD when electing the PP leaders (the leader is elected by all PP members): this would not only strengthen the relations between the ordinary PP members and the leaders but would also make the PPs more attractive in the eyes of the public¹⁰⁵². Other researchers appeals not to the same PP, but offer prescriptive regulation of PP internal statutes of national laws - such as, to define the PP's internal structures terms of office, duration and give for the right of appeal and its enforcement mechanism to ordinary party members.¹⁰⁵³ This would encourage democratic governance in those parties that own the relevant provisions not adopted.

So, while the PP internal democracy of administration developed sufficiently favorable (though in some cases improvement) conditions statutes PP, in practice for some PP variety of reasons, not necessarily directly undemocratic (poor grassroots activity, targeting the significant party leaders) this democracy to be fully unmet.

¹⁰⁴⁷ Author's interview with Irena Degutienė after the elections: “I do not feel defeated. First of all, I am delighted at that won the TS-LKD. I am glad that the democratic processes of our party also understood that every member of the party was able to express its position. I do not feel very unsuccessful because, frankly speaking, I was thinking that I lose more”.

“A.Kubilius: „Party members vote seen as a mandate for the continuation of work“, *Delfi.lt*, 21 May 2011. Internet access: <http://www.delfi.lt/news/daily/lithuania/akubilius-toki-partijos-nariu-balsavima-vertinu-kaip-mandata-darbu-testinumui.d?id=45767505>

¹⁰⁴⁸ It should be noted that such practice is quiet frequent in Lithuania – according to data given by prof. A. Krupavičius, In 1989- 2007 2/3 PPS chairmen elections were uncompetitive. Interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July 2011.

¹⁰⁴⁹ 2007, Giedrius Žvaliauskas analysis revealed that the majority (5 of 8) politically influential PP Lithuania often uses undemocratic than democratic principles on fundamental questions of party life (G. Žvaliauskas, “Whether Lithuania is a democratic party?” Kaunas: Technology, 2007).

¹⁰⁵⁰ Author's interview with Algirdas Sysas, Vilnius, 21 July 2011.

¹⁰⁵¹ Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

¹⁰⁵² Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

¹⁰⁵³ Author's interview with Alvidas Lukošaitis, 10 November, 2011.

10.3.1. Interest aggregation and advocacy

To what extent politic parties aggregation important social interest and them represent in politic field.

Score: 50/100

The programmes that stipulate the ideology of the major PPs in Lithuania are quite clear and stable. The party system with exceptions¹⁰⁵⁴ in Lithuania fills in the entire left-right continuum (according to the experts, society and the PPs, TS-LKD is the right wing party, LRLS centre left, more populist DP and LiCS - centre, LSDP – left wing party¹⁰⁵⁵. If one included smaller PPs then the picture becomes even more saturated: more extreme right is represented by the PjL, LCP, left – FP, etc.). Even though the ideologies of the PPs differ, the voters find it difficult in many cases (and not without the help of PPs) to identify these differences¹⁰⁵⁶. The more so, the positions of the voters are not comprehensive and this determines that when assessing which party represents best their interests – it seems that the populist PPs best represent popular moods as they are coherent in their ideological statements¹⁰⁵⁷. So, it is not surprising that the focus of the major PPs towards the specific resident groups as well as the aggregation of their interests is quite relative.

Here one may relate the PPs with certain electoral groups: LRLS, LiCS with business, LVLS – with rural residents, TS-LKD – with soviet regime victims, LLRA – with the Polish national minority¹⁰⁵⁸. Prof. A. Krupavičius notes that as long as the PP programmes in Lithuania are drafted as a vision of a handful of people and not related to the advocacy of the majority groups of the society and the political agenda is drafted incrementally (when the problems are solved with regard to limited opportunities), Lithuanian PPs will be identified as being in search of their identity, the interest groups they represent and their interest aggregation¹⁰⁵⁹.

The clientele oriented advocacy cases between the PPs in Lithuania is difficult to assess: on the one hand, such cases as the impeachment of the former President make us think that there are some links or they could exist, on the other hand, even though some business group support a few PPs before the elections, the PPs could not be associated directly and undoubtedly to the specific business interests. One could note the cases when the same persons support competing PPs that represent different ideologies.

¹⁰⁵⁴ It should be noted that the traditional concept of right-left is not always adequate in Lithuania. M. Jurkynas, A. Ramonaitė, „Right and Left in Lithuania: misunderstanding between experts and electorate“. Book, A. Jankauskas (sud.), *Lithuania after the Seimas elections 2004*. Vilnius, Kaunas: Naujasis lankas, 2005, 71-90.

¹⁰⁵⁵ A. Ramonaitė, *Political Anatomy of Post-soviet Lithuania*. Vilnius: Versus aureus, 2007, 60; A. Ramonaitė, „Lithuanian political parties values map: analysis of party elites attitudes“. Book, A. Ramonaitė (sud.), *The End of Party Democracy? Political Representation and Ideologies*. Vilnius, Versus aureus, 2009, 24-52.

¹⁰⁵⁶ A. Ramonaitė, *Political Anatomy of Post-soviet Lithuania*, 62.

¹⁰⁵⁷ A. Ramonaitė, Rūta Žiliukaitė, „The Quality of Political Representation in Lithuania: analysis of voters and political parties provisions. Book, A. Ramonaitė (sud.), *The End of Party Democracy? Political Representation and Ideologies*. Vilnius, Versus aureus, 2009, 99, 121.

¹⁰⁵⁸ It Should be mentioned That LLRA - perhaps the clearest group interests representing party of Lithuania. And according to the size of the national minorities, the success of the elections may be surprising: in 2008. won election to parliament and currently held by three places in 2011. Vilnius municipal council elections (participated in the coalition along with PPSRA) according to the votes received busy record second place (15 per cent. took part in the vote).

¹⁰⁵⁹ Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

When discussing the specifics of the PP representation in Lithuania one should mention quite a low legitimacy of PPs in the society that is closely related to all the above mentioned points. The trust in PPs is only 3-4 % among the residents (73 % do not trust them) and this determines that the PPs and the Parliament that is largely formed from them become the most unpopular institutions in Lithuania¹⁰⁶⁰. Along PP population are seen as most affected by corruption institutions in the country¹⁰⁶¹. The representative survey results may shock but also disclose the PP authority, perception of the society and public attitude towards them: 46 % of Lithuanians “would with no doubt approve of” banning the PPs, 22 % would not object to such a temporary decision, for a decade¹⁰⁶². On the other hand, interesting to note that although the parties are not trusted, the negative evaluation of party people are not widespread, justifies considerable (but on the same disinterest feasible PP) party membership potential.¹⁰⁶³

So, with regard to the surveys the PPs in Lithuania could not be considered directly and well representing the social interest of their voters. However, part of the “blame” could be attributed to the citizens who are not ideologically consistent. The non-existence of clear cleintellism manifestation, different political platforms of the PPs and different interest representation (even though it may be a paradox that it is accidental, not of their voters and not in line to the consistent PP ideology) could make us believe that some kind of social interest representation is successful. In any case, the PPs link to the society is markedly weak.

10.3.2. Anti-corruption commitments

How many political parties proper attention to public accountability and to fight corruption?

Score: 50/100

With regard to the last PP programmes of 2011 Municipal Elections, public accountability and corruption were emphasised: TS-LDK sets their number one priority fair, understandable and publicly accountable, citizen involving and non-corrupt self-governance, LRLS also focuses on the information accessibility, transparency of decisions and public control, the DP considers their top priority transparent and public decision making and implementation, LSDP sets one of their election aims (only at the end of the programme) more transparent and accountable work of civil servants. Other PPs declare smaller or bigger focus on public accountability and fight against corruption.

However, according to the political scholars, when observing the PPs one may think that in the politically correct programmes and the PP leader speeches the aims for public accountability, transparency are used as instruments when they are needed and are not a value everyday: the communication becomes more active only during the elections and

¹⁰⁶⁰ Results of a representative survey. Carried out by VILMORUS, 3-12 June 2011, sample – 1001 respondents. Internet access:

<http://www.vilmorus.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=2&cntnt01returnid=20>

¹⁰⁶¹ Transparency International, Global Corruption Barometer 2010. Transparency International, 2010, 49. Internet access: http://www.google.lt/url?sa=t&rct=j&q=&esrc=s&source=web&cd=8&ved=0CE4QFjAH&url=http%3A%2F%2Ftimenewsfeed.files.wordpress.com%2F2010%2F12%2Fti_globalcorruption-barometer-20102.pdf&ei=04KaT5ydNszS4QTP6uHuDg&usg=AFQjCNHpVN3xEt66IIjPii OPj2E46VvYgQ

¹⁰⁶² Results of a representative survey. Carried out by VILMORUS, 6-12 June 2010, sample - 1005 respondents. Internet access: <http://www.bernardinai.lt/straipsnis/2010-06-10-apklausa-daugiau-nei-puse-lietuvos-gyventoju-pritartu-partiju-uzdraudimui/46133/comments>.

¹⁰⁶³ A. Ramonaitė, „Why people do not join the party? Lithuanian people attitude to party membership analyze.“

there are no mechanisms that would make these objectives true, for example, public hearings¹⁰⁶⁴.

¹⁰⁶⁴ Author's interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.

11. Media

Dr. Deimantas Jastramskis

Summary

The work and independence of the media in Lithuania are covered by favourable legal framework; however, insufficient restrictions on the media concentration, inefficient state policy towards the media and complicated economic conditions of the media organisations reduce the media content variety. The transparency of the media organisations in the country is insufficient, whereas the ethics self-regulatory system is not effective enough. Media accountability is legally well covered; however, it is not extensively developed in the media practise. Investigative journalism is not developed in Lithuania, whereas the attempts of the media to inform the public on corruption issues and their impact are quite limited. It is quite complicated for the media to obtain unbiased and quality information on the work of the authorities.

The chart below provides for the media assessment in terms of the state of play (from the point of resources and independence), internal media management and its role in the national integrity system. Further you will find the qualitative analysis of each of the characteristics and the list of bibliography used in the study.

Media Total pillar score: 58/100			
	Indicator	Law	Practice
Capacity 69/100	Resources	75	50
	Independence	100	50
Governance 54/100	Transparency	75	25
	Accountability	100	50
	Integrity mechanisms	50	25
Role 50/100	Investigate and expose cases of corruption practice	50	
	Inform public on corruption and its impact	50	
	Inform public on governance issues	50	

Structure and organisation

The structure of this part of the study from the organisational point of view consists of public information producers and disseminators in Lithuania, content wise –of the Lithuanian news media (press, radio, television and the internet).

Private media subjects on the market (where the owners are natural and legal persons) as well as the national broadcaster and the media of public organisations are regulated and monitored by the media self-regulatory institutions: The Radio and Television Commission of Lithuania, The Office of the Inspector of Journalist Ethics, Ethics Commission of Journalists and Publisher. Public information policy is coordinated by the Ministry of Culture of the Republic of Lithuania.

Capacity

11.1.1. Resources (law)

To what extent does the legal framework provide an environment conducive to a diverse independent media?

Score: 75/100

In Lithuania production and (or) dissemination of information is allowed to all persons¹⁰⁶⁵ except for the State and municipal institutions and agencies (except for research and educational establishments), banks and political parties that may not be producers of public information and/or their participants; however, they may publish non-periodical informational publications and have the information society media intended to inform the public¹⁰⁶⁶. Even though the disposal of the media property to legal personalities related to politics is formally restricted, the politicians like other natural persons, the participants of legal personalities may obtain and manage the media channels.

There are no special legal acts in Lithuania that would restrict the ownership concentration of the media organisations or the parts of the market that they occupy. The dominating position on the media market like in other areas of economy (except for the retail trade), is defined when the market share of the subject of economy is no less than 40%¹⁰⁶⁷. In Lithuania one person may own 100% of the shares of the media organisation (internal property concentration is not restricted) and to concentrate up to 40% of the media market irrespective of the type of the media.

The Law amending the Law on the Provision of Information to the Public (hereinafter referred to as LALPIP) defines the “journalist”, however there are no legal requirements for the persons who want to get involved in journalism in Lithuania.

When establishing press or internet media, one needs no licenses in Lithuania. The persons who want to work in the radio and television programme broadcasting and re-broadcasting business must acquire the licenses that are issued by the Radio and Television Commission of Lithuania (RTCL) in accordance to the established procedure. Programme broadcasting of the national broadcaster – Lithuanian National Radio and Television (LRT) is not licensed¹⁰⁶⁸. Licensing procedures in general are clear and transparent¹⁰⁶⁹; the RTCL decisions may be appealed against to the court. However, the Association of the Lithuanian

¹⁰⁶⁵ The Law amending and supplementing the 2, 22, 24, 27, 27¹, 33, 36 Articles of the Law of Information to the Public, article 2, 2010.

¹⁰⁶⁶ The Law amending the Law on the Provision of Information to the Public, article 22, 2006.

¹⁰⁶⁷ The Law amending the 3 Article of the Law on Competition, article 1, 2009.

¹⁰⁶⁸ The Law amending the 2, 5, 19, 22, 25, 26, 28, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 44, 47, 48, 49, 50, 52, 54 Articles of the Law on the Provision of Information to the Public and its Annex supplementing the Law with Articles 34¹, 34², 40¹ and with New Third Section, article 8, 2010.

¹⁰⁶⁹ Artūras Račas, *Television in Europe: Follow-up reports 2008*, Lithuania, 2008:24.

Radio and Television has addressed the Parliament “On the possibly non-transparent financial activity of the Radio and Television Commission of Lithuania”, with the demand for transparency and details in submitting financial statements of the RTCL¹⁰⁷⁰.

The state makes no legal restrictions in establishing media organisations and the media, however, due to insufficient restriction of the property concentration of the media the legal environment towards the independent media variety was not assessed as the most favourable.

11.1.2. Resources (practice)

To what extent is there a diverse independent media providing a variety of perspectives?

Score: 50/100

In 2010 28 national, regional and local TV broadcasters broadcasted 37 TV programmes in Lithuania, whereas 48 national, regional and local radio broadcasters – 54 radio programmes¹⁰⁷¹. In 2009 there were 297 newspapers and 493 magazines published in Lithuania¹⁰⁷². The internet media is well established on the national, regional and local level but in many of the regional municipalities the internet media cannot compete with the traditional local media. The distribution of the media in Lithuanian regions is determined by the economic and demographic factors.

Highest income generating media organisations are *UAB MG Baltic Media*, *UAB Lietuvos rytas* group and *UAB Respublikos leidiniai* group and have ownership links with other media channels and other organisations owned by the same owners. The wide coverage of these and other media organisations on the media market (horizontal, vertical and cross-sectoral competition) and other fields of economy (inter-branch competition) narrows down the variety of the media content on the national, regional and local levels.

In the face of high media competition on a small advertising market¹⁰⁷³, many media organisations are not financially capable to generate high quality content. Financial capacity of the magazine and journal publishers was weakened by the abolished VAT privilege to periodicals in 2009 (VAT increased from 5% to 21%). Also, in 2009–2010 Lithuanian state institutions were one of the main advertising clients in the media and the biggest in the press¹⁰⁷⁴. Therefore quite a major part of the media income that guarantees non-loss making activity is determined by not only competitive advantages of the product/ on the geographic market but by the income from the state institutions received for advertising.

The qualification problem of the journalists remains relevant under such a situation¹⁰⁷⁵. On the one hand the economically not capable media organisations cannot hire highly qualified specialists or invest into their professional development, on the other hand in financially capable, internal and external ownership concentrated organisations with economic interests the work of the qualified professionals is limited by the ownership-organisational and economic-political interests.

¹⁰⁷⁰ The Association of the Lithuanian Radio and Television, *On the the Possibly Nontransparent Financial Activities of the Association of the Lithuanian Radio and Television*, 6 June 2011.

¹⁰⁷¹ The Association of the Lithuanian Radio and Television, *Activity Report of the Association of the Lithuanian Radio and Television*, 2011, 2011:13,23.

¹⁰⁷² National Library of Lithuania, *Statistics of Lithuanian Press*, 2010:11.

¹⁰⁷³ Author's interview with Dainius Radzevičius, the Chairman of the Lithuanian Journalist Union, 30 May 2011.

¹⁰⁷⁴ TNS LT, *Annual Review on Media Surveys 2009, 2010; Annual Review on Media Surveys 2010, 2011*.

¹⁰⁷⁵ Author's interview with Dainius Radzevičius, 30 December 2011.

The Media organisations that work under economic difficulties and are financially dependent on the authorities, individual politicians and the concentrated business interests have no opportunities to cover the overall political situation and to provide comprehensive picture of the social groups and their interest on the media. There are only individual economically capable media organisations that administer the media that provide relatively full picture of political-social news.

11.1.3. Independence (law)

To what extent are there legal safeguards to prevent unwarranted external interference in the activities of the media?

Score: 100/100

The Constitution of the Republic of Lithuania stipulates that everyone has a right to hold opinions and freely express those, to obtain and disseminate information (Art. 25), whereas censorship of mass information is prohibited (Art. 44.)¹⁰⁷⁶. The right to collect, obtain and publish information is stipulated in the LALPIP and the Law amending the Law on the Right to Obtain Information from the State and Municipal Institutions and Organisations (2005). The Constitution also stipulates that freedom to express opinions and disseminate information is incompatible with slander and disinformation (Art 25), whereas according to LALPIP, it shall be prohibited to disseminate disinformation and information which is slanderous and offensive to a person or which degrades his honour and dignity. (Art. 19)¹⁰⁷⁷.

The independence of editorial offices and journalist work are regulated by the LALPIP (Art. 5, 7). The producer or disseminator of public information, their participant or a journalist shall have the right to keep the confidentiality of the source of information and not to disclose it, except for the cases where, by a court decision, it is necessary to disclose the source of information for vitally important or otherwise significant public interests (Art. 8).¹⁰⁷⁸

In Lithuania private persons (except for the banks) may obtain and manage any type of the media. Legal persons or legal persons established in the states of the European Economic Area and organizations which do not possess the status of legal person as well as branches of such legal persons and organizations which do not possess the status of legal person established in the Republic of Lithuania and in other states of the European Economic Area may be engaged in licensed radio and/or television programme broadcasting and/or re-broadcasting activities in the Republic of Lithuania¹⁰⁷⁹.

Even though the RTCL that issues the licenses is accountable to the Parliament, its activity is formally protected from the direct political influence. More than two thirds of its members (9 out of 13) are delegated by the public organisations to the RTCL (4 delegated by the politicians: 3 by the Parliament and 1 by the President¹⁰⁸⁰, whereas the RTCL work is financed from the commercial broadcaster funds¹⁰⁸¹. By issuing licenses the RTCL

¹⁰⁷⁶ The Constitution of the Republic of Lithuania, articles 25,44, 1992.

¹⁰⁷⁷ The Law amending the Law on the Provision of Information to the Public, article 19, 2006.

¹⁰⁷⁸ Ibid., articles 5, 7, 8.

¹⁰⁷⁹ The Law amending and supplementing the 2, 22, 24, 27, 27¹, 33, 36 Articles of the Law of Information to the Public, article 2, 2010.

¹⁰⁸⁰ The Law amending the Law on the Provision of Information to the Public, article 47, 2006.

¹⁰⁸¹ The Law amending the 2, 5, 19, 22, 25, 26, 28, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 44, 47, 48, 49, 50, 52, 54 Articles of the Law on the Provision of Information to the Public and its Annex supplementing the Law with Articles 34¹, 34², 40¹ and with New Third Section, article 25, 2010.

establishes technical broadcasting conditions, whereas the content of the broadcasted programmes are regulated by the legal acts.

The Lithuanian media in the event of natural disasters, major accidents or epidemics as well as war or state of emergency, producers and disseminators of public information must, in cases specified by laws and/or the Government and according to the procedure established thereby, publish the official state notifications free of charge and in an efficient manner. Also, In the event of war or state of emergency, the Seimas may, by a law, impose restrictions and/or other obligations on the activities of producers and disseminators of public information..¹⁰⁸²

The media independence and free functioning principles enshrined in the legal acts and the special cases established when the media may be imposed with certain duties allows to draw a conclusion that the media of the country is formally legally protected from the external intervention into its activity.

11.1.4. Independence (practice)

To what extent is the media free from unwarranted external interference in its work in practice?

Score: 50/100

The activity of the Lithuanian media subjects are regulated and monitored by the three self-regulatory institutions established by the LALPIP: The Office of the Inspector of Journalist Ethics, RTCL, Ethics Commission of Journalists and Publishers (ECJP). The Inspector of Journalist Ethics is appointed by the Parliament (upon the proposal of the ECJP). This is the result of the majority's political will; however, this Official cannot take part in the political activity during his/ her term of office. The Office of the Inspector of Journalist Ethics, like the RTCL, is accountable to the Parliament. However, differently from the RTCL, the activity of the Office of the Inspector of Journalist Ethics and the Inspector are funded from the state budget. The ECJP is a self-regulatory institution that consists of journalist organisations, media organisation associations and other public organisation representatives and it is not accountable to the political authorities. The work of this Commission is funded by the Press, Radio and Television Support Fund (PRTSF).

One may say that the establishment of the media self-regulatory institutions on the state initiative (with regard to the legal acts) as well as the presence of the media regulatory authorities accountable to the Parliament are a case in point that formally media self-regulation is significantly influenced by the state. Also, three organisations that regulate and monitor the media system subjects demonstrate the over-bureaucracy in media regulation and monitoring function¹⁰⁸³.

Media censorship is prohibited and as a state managed function does not exist in Lithuania. However, the information that reaches the public space through the media experiences different political, economic, organisational and personal level filters.

In Lithuania some editorial office owners, as well as editors and journalist are active in politics and the media administered by them disseminate quite a biased political content. This is very obvious in regional municipalities where the main shareholders of the local media organisations, the heads of editorial offices become municipal councillors and heads of the regions.

¹⁰⁸² The Law amending the Law on the Provision of Information to the Public, article 20, 2006.

¹⁰⁸³ Deimantas Jastramskis, "Features of the Model of the Lithuanian Media System", *Informacijos mokslai*, No. 55, 2011:61.

Without direct political control of the media organisations and with the dominating commercial media, one of the main providers of the political media content are advertisers. The carried out survey of the national dailies demonstrated that the main dailies publish more favourable news on the politicians who as compared to other politicians bring more advertising contracts to the editorial offices¹⁰⁸⁴. In such a way the big part of the media content becomes politically biased.

One of the important factors of the state economic policy towards the media is state funding for the media organisations. The state in Lithuania supports the cultural and awareness-raising projects of the public information producers. This support is allocated through the public institution PRTSF, where the shareholders are 16 public organisations and the Ministry of Education and Science and the Ministry of Culture¹⁰⁸⁵. Even though the PRTSF funds from the state budget are allocated by the Parliament, the state influence in distributing the support to different media organisations is minimal. The media organisations have a freedom of choice which projects to submit for state financing, so content quality wise the state support is a positive factor (especially to the regional media that are allocated with the support from the separate programme). Only those media organisations are eligible for the state support that during the last calendar year prior to the allocation of the support to the projects have not infringed the established legal and ethical norms.

Self-censorship of journalists is a wide problem¹⁰⁸⁶. It is determined by organisational-economic factors. There were cases when in one of the biggest commercial TV stations there was a list of companies provided and the news journalists could not disseminate negative information on those companies. It becomes quite problematic for the journalists in many media organisations to defend their freedom of expression without fearing negative consequences at work. There were individual cases when the journalists won cases in courts against the former employers that dismissed them due to the fact that they defended their freedom of expression¹⁰⁸⁷, and this proves that legally the rights of the journalists may be defended.

The Constitutional right to freely obtain and disseminate information is not always sufficiently ensured¹⁰⁸⁸. In some cases the information dissemination faces bureaucratic obstacles (for example, the 2008 Parliamentary Board decision (revoked in 2009) on the change of the procedure of the accreditation of the journalists)¹⁰⁸⁹. Even though the Law on Administrative Violations states that the heads of the state and municipal institutions may be imposed with the fines for the refusal to provide information or preventing the journalists from carrying out their duties, the journalists legally defend their right to obtain information very rarely¹⁰⁹⁰. This is determined by the complicated legal procedure and the limited resources of the editorial offices to aim for justice.

Physical threats or physical violence cases against the journalists are very rare. However, the economic pressure on the journalists is huge. Also one of the measures to

¹⁰⁸⁴ Deimantas Jastramskis, *The Relationship between the Structures of the Ownership of Media Organization and the Expression of Partiality of Media Means* (research of Lithuanian national dailies implemented during the Presidential campaign of 2004). PhD thesis, 2009:110-120.

¹⁰⁸⁵ Press, Radio and Television Support Fund, *Joint Owners*. 2011. Internet access: www.strfondas.lt.

¹⁰⁸⁶ Author's interview with Dainius Radzevičius, 30 May 2011.

¹⁰⁸⁷ Dainius Radzevičius, "The Dismissal of D. J. Butkevičienė from the Position of the Director of News Division of Joint Stock Company „Tele-3“ was Unlawful", *Dainius.org*, 31 March 2010. Internet access: <http://dainius.org/?s=butkevi%C4%8Dien%C4%97>.

¹⁰⁸⁸ Author's interview with Dainius Radzevičius, 30 May 2011.

¹⁰⁸⁹ Baltic News Service, "The Board of the Seimas Cancelled the Regulations that Limited the Work of the Journalists". *Delfi.lt*, 29 January 2009.

¹⁰⁹⁰ "Lithuanian Journalism: Days and Works. January 1990-December 2007". *Almanac „Journalism 1990-2007“*, 2008:190.

reduce journalist social benefits is a widespread practise not to enter into labour or authorship contracts but to force them to work as freelancers with regard to the certificates issued by the State Tax inspectorate.

The discussed and analysed political and economic factors of intervention in the media work process shows that the media independence from external actors is not ensured but the situation cannot be assessed as extremely critical from this point of view.

Governance

11.2.1. Transparency (law)

To what extent are there provisions to ensure transparency in the activities of the media?

Score: 75/100

Legal persons who are publishers of local, regional and national newspapers and magazines or managers of the information society media, must submit to the Ministry of Culture the data on their participants who have the right of ownership to or control at least 10 % of all the shares or assets), administrative bodies and members thereof as well as information about property relations and/or joint activity linking them with other producers and/or disseminators of public information and/ owners. If the participants of the legal persons are the legal persons registered in Lithuania or other foreign country the participants of these subjects shall be indicated.¹⁰⁹¹ The broadcaster and re-broadcasters must provide data on the owners and heads of organisations to the RTCL. Upon selling or otherwise transferring at least 10 % of the broadcaster's or re-broadcaster's shares (interests, member shares), a licence holder must, not later than within 30 days of the transfer of ownership rights, inform thereof the RTCL¹⁰⁹². If the broadcaster or the re-broadcasters fail to submit the data about the property owners, the RTCL may refuse the license or terminate it. If the press or the internet media organisations fail to provide the data on their owners to the Ministry of Culture, no liability is stipulated for them.

The LALPIP provides that the producers of public information in disseminating information to the public may not distort correct and impartial information and opinions (Art 22.). The journalists shall refuse an assignment by the producer, disseminator of public information, their participant or a responsible person appointed by them if such an assignment compels to violate the laws or the Code of Ethics of Lithuanian Journalists and Publishers (Art. 41.)¹⁰⁹³. The law provides that the public information producer shall have the rules of procedure and/or internal code of ethics¹⁰⁹⁴.

The legal norms that stipulate the disclosure of the data of the media organisation owners and the functioning of the editorial offices do not create sufficient conditions for the transparent management of the media organisations (transparent editorial behaviour).

11.2.2. Transparency (practice)

To what extent is there transparency in the media in practice?

¹⁰⁹¹ The Law amending and supplementing the 2, 22, 24, 27, 27¹, 33, 36 Articles of the Law of Information to the Public, article 3, 2010.

¹⁰⁹² The Law amending the Law on the Provision of Information to the Public, article 22, 2006.

¹⁰⁹³ Ibid., articles 22, 41.

¹⁰⁹⁴ Ibid., article 23.

Score: 25/100

The RTCL accumulates, organises and publishes the information about the broadcasters, re-broadcasters, their owners and the directors. However, if the owners of the broadcasters and re-broadcasters are legal persons, their property managers are not indicated, i.e., the main owners of the patronising companies are not disclosed.

The data on the periodical press and the internet media owners and directors is accumulated, organised and published by the Ministry of Culture. However, not all media organisations provide the data stipulated by the law on the property owners and their property relations linking them with other producers, disseminators or owners of public information (there is no liability for the non submission of this data). Also, like in the case of broadcasters, the property managers of legal persons (of media organisation establishers) are not disclosed.

The editorial houses of the press and the internet publish the names of the editors, other members of staff as well as their contact details, however, the broadcasters provide quite little of this type of information.

Only the individual versions of the service relationship between journalists and rights governed by / is governed by rules set out in the organization Most versions do not draw up the rules governing the work of journalists between different interests and trade relations transparency. The information about the editorial office policy and internal working conditions is not published. Only individual editorial offices indicate that in their work they adhere to the Code of Ethics of Lithuanian Journalists and Publishers.

Since the property relations of the Lithuanian media subjects are only partially publicised, internal norms of behaviour and rules of the editorial offices are most often not developed and at the same time published. So, one may say that the management transparency of the media organisations is quite low.

11.2.3. Accountability (law)

To what extent are there legal provisions to ensure that media outlets are answerable for their activities?

Score: 100/100

The Inspector of Journalist Ethics is a state official in charge of public administration that monitors and controls the activity of the public information producers and disseminators. The function of the RTCL is to control and regulate the work of radio and television broadcasters.¹⁰⁹⁵ Both of the institutions monitor the work of the media system subjects from the legal point of view. The ethical aspect is assessed by the ECJP that deals with the complaints on the information published in the media and assess whether the media violated the Code of Ethics of Lithuanian Journalists and Publishers¹⁰⁹⁶. None of the institutions can by the law control the media content prior to the publishing.

Any natural person whose honour and dignity have been degraded by false, inaccurate or biased information published about him in the media, also any legal person whose professional reputation or other legitimate interests have been damaged by published information which is false, inaccurate or biased shall have the right of reply, denying false information or correcting published information, or shall have the right to demand that the

¹⁰⁹⁵ The Law amending the Law on the Provision of Information to the Public, article 47, 49, 2006.

¹⁰⁹⁶ Ibid., article 46.

producer and/or disseminator of public information issue a refutation of false information in accordance with the procedure¹⁰⁹⁷. After having received the refutation, the medium must, free of charge, publish the refutation, or announce it in any other adequate way, of a size and in the form equivalent to the size and form of the false information, degrading the honour and dignity of a natural person or damaging the professional reputation of a legal person. This must be done within the period of two weeks, with the exception of those media the periodicity of which is less frequent.¹⁰⁹⁸

The Office of the Inspector of Journalist Ethics request that a producer or disseminator of public information refute in accordance with the established procedure published false information, degrading the honour and dignity of a person or damaging his professional reputation, legitimate interests, or provide that person with a possibility to reply and deny such information¹⁰⁹⁹. The Law also provides that the ECJP decisions concerning the violations of professional ethics must be published immediately in the same media where the Commission has established these violations. If a producer and/or disseminator of public information fail to publish within two weeks the decision of the Commission, the decision shall be announced on the first programme of the National Radio of Lithuania and on the webpage of the Commission.¹¹⁰⁰

The discussed legal norms demonstrate that the legal acts of the country are quite exhaustive in defining the mechanism of the media accountability.

11.2.4. Accountability (practice)

To what extent can media outlets be held accountable in practice?

Score: 50/100

In 2009 when administrative liability was stipulated for the non-compliance to the decisions of the Office of the Inspector of Journalist Ethics, the number of cases of compliance to these decisions (also on publishing inaccurate information) increased from 7,7%. (in 2009 to 58,3% (in 2010)¹¹⁰¹. However, the 2010 report of this official acknowledges that the protection of human rights is quite problematic.

According to the ECJP members, the ECJP decisions on the violations of ethics are recognised by the media and many has been done in the area of self-regulation.¹¹⁰² However, the media that are recognised as unethical publicly announce their distrust with the ECJP¹¹⁰³. According to the assessment of the media expert Romas Sakadolskis, this Commission has no moral authority among the journalist community¹¹⁰⁴. This is the case as

¹⁰⁹⁷ The Law amending the Law on the Provision of Information to the Public, article 15.

¹⁰⁹⁸ The Law amending the 2, 5, 19, 22, 25, 26, 28, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 44, 47, 48, 49, 50, 52, 54 Articles of the Law on the Provision of Information to the Public and its Annex supplementing the Law with Articles 34¹, 34², 40¹ and with New Third Section, article 24, 2010.

¹⁰⁹⁹ The Law amending the 46, 49, 50 Articles of the Law of Information to the Public, article 3, 2009.

¹¹⁰⁰ The Law amending the 28, 46 and supplementing the 27¹ Article of the Law of Information to the Public, article 3, 2008.

¹¹⁰¹ The Office of the Inspector of Journalist Ethics, Activity Report of the Office of the Inspector of Journalist Ethics 2010 and Analytical Review for the Year of 2009-2010 „Guidelines for the Development of the Culture of Information in Democratic Society, 2011: 25-26.

¹¹⁰² V. Mačiulis, “From the Zero of Yesterday till the Lot of Today’s Improvement“. Ethics Commission of Journalists and Publishers, 2009-2010: 77-78.

¹¹⁰³ Baltic News Service, “A Firm Position of the Ethics Commission of Journalists and Publishers could provoke the conflict in the media“, *Lrytas.lt*, 24 May 2011.

¹¹⁰⁴ Author’s interview with Romas Sakadolskis, the lecturer of the Institute of Journalism, Vilnius University, 25 May 2011.

the ECJP is obliged by the law and is not established by the initiative of the journalists and publishers as well as due to the fact that among those interested in media self-regulation there is no uniform decision whether the ECJP has to include the representatives of the journalists and publishers^{1105 1106 1107}.

Despite the fact that the Lithuanian Journalist Union established the Ethics Commission in 2009, the aim of which is to assess the Professional activity of its members, the contribution of the media organisations into the system of self-regulation is quite poor. The media of the country have no Ombudsmen that would deal with the consumer complaints¹¹⁰⁸, whereas less than one fifth of the regional and local press representatives are of the opinion that such an official should work in the editorial office.¹¹⁰⁹

The information published in the media that is false, inaccurate or biased information is very rarely refuted upon the initiative of the editorial offices. There are also cases when the court decisions imposing the refutation of the information that is false are not implemented.¹¹¹⁰

The editors of the main newspapers most often do not communicate directly with the readers. The editors of the websites do this sometimes. Most often the communication is on the social media. More intense contact with the readers is observed in some regions; however in the national media these trends are only being developed.¹¹¹¹

The accountability system of the media should be essentially improved; therefore its activity is assessed as not very efficient. The direct accountability of the editorial offices to the readers has not been sufficiently developed.

11.2.5. Integrity mechanisms (law)

To what extent are there provisions in place to ensure the integrity of media employees?

Score: 50/100

The Code of Ethics of Lithuanian Journalists and Publishers (hereinafter referred to as the Code) is approved in the general meeting of the journalists and publishers. The procedure of the adoption of the Code is provided in the LALPIP. This law establishes that information producers, disseminators and journalists must adhere to the norms of professional ethics established in the Code¹¹¹².

The Code regulating the professional ethics of the two different groups in the area of public information has no comprehensive objectives as it is recommended in the documents of such nature. If one was to assess the provisions and the norms of the Code from the aspect of proportionality it becomes clear that it is more a collection of legal norms and not the document of professional community that declares the principles of ethics and moral values.¹¹¹³

¹¹⁰⁵ Ibid.

¹¹⁰⁶ L. Slušnys, "Ethics Commission". *Ethics Commission of Journalists and Publishers*, 2009-2010:3-4.

¹¹⁰⁷ A. Gelžinis, D.Radzevičius, "I See a Lot of Signs of Improvement". *Ethics Commission of Journalists and Publishers*, 2009-2010:10.

¹¹⁰⁸ Author's interview with Romas Sakadolskis, 25 May 2011.

¹¹⁰⁹ J. Mažylė, "Regional Journalists about Self-Regulation and Professional Ethics", *Almanac „Journalism in 2009“*, 2010:63.

¹¹¹⁰ A. Adomaitienė, "Is it hard to apologize?" *Almanac „Journalism in 2009“*, 2010:44.

¹¹¹¹ Author's interview with Romas Sakadolskis, 25 May, 2011.

¹¹¹² The Law amending the Law on the Provision of Information to the Public, article 43, 2006.

¹¹¹³ J. Mažylė, „Applying Legal and Ethical Norms in the Code of Ethics of Lithuanian Journalists and Publishers, *Informacijos mokslai*, vol. 51, 2009:120–121.

The violations of the norms of the Code are related to the loss of the state support as the PRTSF does not consider the projects of the applicants that in the last calendar year have been recognised as having violated the norms of the Code¹¹¹⁴. This is the only economic measure that can discipline the organisations that do not adhere to the norms of ethics. However, it is not efficient for the financially capable organisations and those who are marked by the high internal concentration and represent one-sided political interests. Since 2011. 21 August. the entry into force of the Public Procurement Act amendment¹¹¹⁵, allowing contracting authorities to reject guilty of breaches of ethics tender offer (in case of supplier recognition a non-compliant ethics norms moment passed less than one year). Those who despite of ethical standards of media organizations, it may become an obstacle to participation in state and municipal authorities in the publicity for competitions.

Even though the law provides that the public information producer must have the rules of internal procedure and (or) the internal Code of ethics¹¹¹⁶, the majority of the Lithuanian editorial offices have no individual codes of ethics (as discussed in Chapter *Transparency (legislation)* of this Study) and there are no efficient Ethics commissions in them¹¹¹⁷.

The fact that the norms of the Code are very much in line with the legal norms as well as the fact that the media organisations distance themselves from the individual self-regulation demonstrates from the point of view of ethics that the regulation of the ethics norms is not properly implemented in the country.

11.2.6. Integrity mechanisms (practice)

To what extent is the integrity of media employees ensured in practice?

Score: 25/100

The implementation of the norms of the Code is quite complicated in practise. As much as 35% of the Lithuanian regional and local press representatives recognise that the norms of ethics are often violated in the press¹¹¹⁸. The year 2010 from the point of view of ethics was quite problematic. Also, a great sore point of the media is the paid for information¹¹¹⁹.

The ECJP found 3 channels of the media as non compliant to the norms of ethics of public information producers: national daily *Lietuvos žinios* regional daily *Šiaulių naujienos* (in 2010) and national television TV3 (in 2011). The LECJP working since 1996 in 14 years (up to 2010) made only two decisions of such kind (on the national dailies *Vakaro žinios* (in 2005) and *LT* (in 2007)).

Even though the Code indicates that the journalist has no right to accept gifts or other favours that may prevent his/her independence, there are cases when the journalists violate this norm of the Code¹¹²⁰.

¹¹¹⁴ General Statutes on the Competition for Partial Financial Support, Provided by the State for Cultural and Educational Projects According to the Applications Submitted to the Press, *Radio and Television Support Fund*. . Resolution of the Government of the Republic of Lithuania, no. 1190, article 11, 2007.

¹¹¹⁵ Law on Public Procurement, articles 10, 33, 85, 92 ir 93. Žin. , No. 85-4137.

¹¹¹⁶ The Law amending the Law on the Provision of Information to the Public, article 23, 2006.

¹¹¹⁷ Author's interview with Dainius Radzevičius, 30 May 2011.

¹¹¹⁸ J. Mažylė, "Regional Journalists about Self-Regulation and Professional Ethics", *Almanac "Journalism in 2009"*, 2010:59.

¹¹¹⁹ L. Meškauskaitė, „The Year of 2010 and Ethics in Journalism“, *Almanac "Journalism in 2010"*, 2010:23.

¹¹²⁰ V. Iktoras Trofimišinas, „In search for the Right Decisions“. *Almanac „Journalism in 2010“*, 2010:24-25.

Quite a few ethical problems are due to insufficient professionalism of the journalists. One of the serious problems of professionalism in journalist practise is that the journalists do not refer to a few sources of information^{1121 1122}. Even though the principle of different positions and opinion balance is formally adhered to, often the interview is carried out in a way that the interviewee says what is needed to say and not what he/she thinks. The editorial offices are often biased and the journalist knows what he/she may publish and what not.¹¹²³

The ECJP works by making decisions on the received complaints, this Commission is not involved in the monitoring of the media. In some cases the decisions made are on the basis of the letter to the editorial office or the director¹¹²⁴ and public statements on the issues of ethics are published. In 2009 the Commission of Ethics of the Lithuanian Journalist Union was established to deal with the complaints and to disseminate the information on the issues of ethics¹¹²⁵. This Commission expanded the area of media ethics self-regulation and public discourse on this topic. However, the ethics self-regulatory system lacks many elements on the level of media organisations and associations. This is not only a matter of the internal norms of behaviour of organisations but a problem of wide social responsibility. Therefore, when assessing the implementation of the media ethics one may say that ethics self-regulatory system is not comprehensively developed and is not functioning properly.

Role

11.3.1. Investigate and expose cases of corruption practice

To what extent is the media active and successful in investigating and exposing cases of corruption?

Score: 50/100

Investigative journalism almost does not exist in practise. Lithuanian journalists are not members to international organisations that unite the investigative journalists. These organisations do not have their representations in Lithuania. Apart from the few exceptions Lithuanian journalists do not take part in the international projects of investigative journalism.¹¹²⁶ September 2011 in Riga created Baltic countries (Latvia, Estonia and Lithuania) investigative journalism center is going to produce publications on topical issues of the region.¹¹²⁷

According to the media expert Mr Sakadolskis there are no exceptional corruption cases that were disclosed and investigated by the journalists. There are quite a few cases when the information provided to the journalists on corruption was well organised but

¹¹²¹ Author's interview with Romas Sakadolskis, 25 May 2011.

¹¹²² Author's interview with Gintaras Aleknonis, a lecturer of Mykolas Romeris University, 23 May 2011.

¹¹²³ Ibid.

¹¹²⁴ L.Slušnys, *Analysis of the Activities of the Ethics Commission in 2009*. Ethics Commission of Journalists and Publishers, 2009-2010:84.

¹¹²⁵ Viktoras Trofimišinas, „In search for the Right Decisions“. *Almanac „Journalism in 2010“*, 2010:24-25.

¹¹²⁶ Author's interview with Romas Sakadolskis, 25 May, 2011.

¹¹²⁷ Baltic News Service, „Are opened to the the Baltic Centre for Investigative Journalism.“ *Bernardinai.lt*, 8 September, 2011. Internet access: <http://www.bernardinai.lt/straipsnis/2011-09-08-pradedas-veikti-baltijos-saliu-tiriamosios-zurnalistikos-centras/68416>.

such cases are disclosed not by the journalists but because the persons or relevant structures wanted to leak this information to the journalists.¹¹²⁸

There are no media, associations, journalism programmes or projects that would focus on investigative journalism.¹¹²⁹

11.3.2. Inform Public on Corruption and its impact

To what extent is the media active and successful in informing the public on corruption and its impact on the country?

Score: 50/100

The topics on corruption can be found on the media agenda only when the special services disclose corruption facts, when the amendments to the laws aiming to curb corruption are initiated or when public organisations publish some data on the level of corruption in the country. Individual initiatives in this regard and provide individual media organizations, but curbing corruption educational program on its own initiative the media does not.

Corruption related to the work of the media itself is quite a debatable and separate topic that recently appeared on the media. The significant stimulus was the 2007 carried out and published survey of Transparency International Lithuanian Chapter *Towards a more transparent Media*. In 2011 media organisations in Lithuania such as *15 minučių*“ and *15 min* managed by the Norwegian corporation *Schibsted* stopped by legal means some non-transparent information dissemination campaigns organised by the state institutions and published an address encouraging state institutions to organise public procurement in a transparently and the representatives of the media business to compete in a fair way¹¹³⁰.

In Lithuanian there are no awareness raising campaigns on corruption and the ways to curb it that would be carried out on the initiative of the media. Therefore, the media efforts to inform on this issue are quite limited.

11.3.3. Inform Public on governance issues

To what extent is the media active and successful in informing the public on the activities of the government and other governance actors?

Result: 50/100

Lithuanian legislature and executive powers are on the constant media attention. However, the information provision is quite selective and some decisions of the authorities are quite widely covered but with a bias¹¹³¹.

The media is prevailingly critical towards the authorities. Some of the media is more critical just to obtain more advertising contracts and once they receive funds from the state institutions, they provide favourable information on them or do not provide the

¹¹²⁸ Author's interview with Romas Sakadolskis, 25 May, 2011.

¹¹²⁹ Ibid.

¹¹³⁰ “The Cancer of Corruption is Corroding Lithuania. It's Time to Act!“, *15min.lt*, 15 April 2011. Internet access: <http://www.15min.lt/naujiena/ziniosgyvai/antikorupcija/korupcijos-vezys-grauzia-lietuva-metasveikti-327-146275>.

¹¹³¹ Author's interview with Gintaras Aleknonis, 23 May, 2011.

unfavourable one. One may say that only some (smaller) part of the media information complies with the objectivity criteria. The economic and political interests of the media owners influence greatly the bias in the media.¹¹³²

Poor funding of the national broadcaster negatively influences the objectivity and comprehensiveness of the provided information¹¹³³. However, this is not the only determining factor. Other factors that make the work of the national broadcaster more difficult (influence the content): efficiency of the LRT management and the LRT administration accountability issues.

Provided the society is willing to have a comprehensive picture on the work of all the areas managed by the state, it needs to cover a lot and different media, although this is not always sufficient¹¹³⁴. So, one may say that it is quite complicated to obtain impartial and high quality information on the work of the state authorities from the media.

¹¹³² Ibid.

¹¹³³ Ibid.

¹¹³⁴ Ibid.

12. Civil Society

Eglė Kavoliūnaitė-Ragauskienė

Summary

Even though it is generally agreed that the state regulation of the NGO sector should be as limited as possible and the freedom of self-regulation should be established, Lithuania lacks laws regulating NGOs' activities. Currently a plethora of laws regulate the establishment and functioning of NGOs, the same laws also apply to organizations of different kind – the institutions, established and governed by the state, groups of private interest, established on professional grounds. On one hand, such environment prevents the organizations, which aim to express their civic will and seek for the common good, from using the support exclusively allocated for the non-governmental sector (as a major part of this support goes to the budgetary institutions and interest groups). On the other hand, when all organizations are taken as a single entity, the trust of citizens as well as of potential donors decreases. In this way, one gets into a closed circle: when NGOs are not properly distinguished from other organizations, citizens lack trust and are not interested in participating in the non-governmental activities. For the reason that NGOs lack human resources, they face difficulties in attracting donors which makes it hard to run any kind of activities effectively.

Civil society			
Overall Pillar Score: 62 / 100			
	Indicator	Law	Practice
Capacity 69 / 100	Resources	75	25
	Independence	100	75
Governance 67 / 100	Transparency	-	75
	Accountability	-	75
	Integrity	-	50
Role 50 / 100	Hold government accountable	75	
	Policy reform	25	

Structure and organization

The precise number of NGOs operating in Lithuania is not known because the available data is not sufficient to identify whether an organization registered as a body carrying out certain activities should be classified as non-governmental. According to the information provided by the Center of Registers, 32 476 NGOs were registered in Lithuania in 2009¹¹³⁵. The major part of NGOs in Lithuania are registered as associations (42,7 per cent), communities (23,4 per cent) and public establishments (16,1 per cent). Due to the complex procedures for

¹¹³⁵ The Feasibility Study on the Subsidy Programme of Non-Governmental Organizations (NGOs) participating in the Partnership Programme of Lithuania and Switzerland, Internet access: http://www.finmin.lt/finmin.lt/failai/Sveicarijos_parama/Galimybui_studija_LT.pdf.

crossing the NGOs off the register¹¹³⁶, there are less actually operating NGOs than it is registered (depending on their status, the number of the actually operating NGOs is by 44-91 per cent smaller than the number of the registered NGOs). The major part (88 per cent) of the NGOs have up to 4 employees. According to the conducted research, around 20 per cent of Lithuania's inhabitants participate in the non-governmental activities in one or another way performing differing levels of activity (being paid or unpaid). However, the extent to which this information is accurate remains unclear because in many large organizations (for example, students, youth organizations) the participation of people is only formal. The majority of Lithuania's NGOs have the multidimensional profile, i.e., they work more than in one field at the same time. The largest number of the NGOs operate in the social sphere (39,8 per cent) and in the field of education (38,6 per cent) (often the same organizations work in both areas at the same time), around 24,1 per cent of NGOs operate in the cultural sphere, 24,1 per cent of NGOs deal with the representation of interests, 16,9 per cent of NGOs work in the area of health and sport (14 per cent of organizations deal exclusively with sport activities), 5 per cent of the NGOs work in the field of children and youth occupation, 4,8 per cent of NGOs are concerned about the environment protection, 3,3 per cent of NGOs operate in the sphere of human rights protection, 2,6 per cent of NGOs are interested in the development of democracy (often the same organization work in the field of human rights protection and democratic development at the same time). NGOs operating in Lithuania have limited financial resources: the annual budget of more than half Lithuania's NGOs constitute up to 30 000 LTL (12 500 USD)¹¹³⁷.

Capacity

12.1.1. Resources (Law)

To what extent does the legal framework provide an environment favourable to civil society?

Score: 75/100

35 article, 1 part of the Constitution of the Republic of Lithuania¹¹³⁸ determines, that „Citizens shall be guaranteed the right to freely form societies, political parties and associations, provided that the aims and activities therefore are not contrary to the Constitution and laws”.

The main problem regarding the legal regulation of non-governmental organizations activities is the absence of NGO concept in the laws that are currently in force and that the activities of these organizations are regulated by different laws. NGOs are most often established as associations¹¹³⁹, public establishments¹¹⁴⁰ or charity and sponsorship

¹¹³⁶ See: The publications issued by Non-Governmental Organizations Information and Support Center regarding the problems of, relevant questions and suggestions for non-governmental organizations; 2011. Internet access: http://www.nisc.lt/files/optional/teisine_baze_siulymai.pdf.

¹¹³⁷ The Feasibility Study on the Subsidy Programme of Non-Governmental Organizations (NGOs) participating in the Partnership Programme of Lithuania and Switzerland. Internet access: http://www.finmin.lt/finmin.lt/failai/Sveicarijos_parama/Galimybiu_studija_LT.pdf.

¹¹³⁸ Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014 (with later additions and amendments).

¹¹³⁹ Republic of Lithuania Law on Associations. Žin., 2004, No. 25-745 (with later additions and amendments).

¹¹⁴⁰ Republic of Lithuania Law on Public Establishments. Žin., 2004, No. 25-752 (with later additions and amendments).

funds¹¹⁴¹. Some organizations belonging to one of these categories cannot be considered as NGOs (for example, the state or municipal public establishments and the like).

The functioning of organizations engaging in specific activities is regulated by separate laws: Law on Trade Unions¹¹⁴², Law on Religious Communities and Associations¹¹⁴³, Law on the Associations of Multi-Family Apartment House Owners¹¹⁴⁴, Law on Associations of Gardeners¹¹⁴⁵ and the like.

All the registered NGOs are legal entities, registered at the State Enterprise Centre of Registers. The procedures for the establishment of NGOs are not too complicated, it lasts from 5 to 10 days¹¹⁴⁶. The main formalities, required for the establishment consist of the preparation of the founding documentation, registration of organization's name at the Centre of Registers, the acknowledgment of documents by notary and their registration at the Centre of Registers. The average fee for the organization establishment varies from 300 to 400 LTL (125-170 USD).

NGOs are registered at the Centre of Registers in accordance with the general procedures followed by other legal entities¹¹⁴⁷. The registrar of the Centre of Registers may refuse to register an NGO only on the following grounds: a lack of documents necessary for the registration, when the submitted documents do not conform to each other, the late submission or the form or contents of the documents fail to comply with the legal requirements. When any of these reasons is present, the registrar sets a time limit for the elimination of defects, and, if the organization fails to perform the task on time, the registrar refuses to register it. Nonetheless, as in the case of registering other legal entities, the organization can appeal against the decision to the administrative court¹¹⁴⁸.

The Law on Associations stipulates that „it shall be prohibited to form and operate the associations whose purpose or methods of operation are to forcibly overthrow or change the constitutional order of the Republic of Lithuania or to violate the territorial integrity of the Republic of Lithuania, to propagate war and violence, authoritarian or totalitarian rule, to incite racial, religious and social dissent, to violate human rights and freedoms, public order and also to perform actions that are contrary to the laws of the Republic of Lithuania and universally-recognised norms of international law, to act in the interest of other states, if these interests contradict the interests of the State of Lithuania”¹¹⁴⁹. The laws do not establish any direct or indirect restrictions for the NGOs to criticize governmental institutions.

¹¹⁴¹ Republic of Lithuania Law on Charity and Sponsorship Funds. Žin., 2004, No. 7-128 (with later additions and amendments).

¹¹⁴² Republic of Lithuania Law on Trade Unions. Žin., 1991, No. 34-933 (with later additions and amendments).

¹¹⁴³ Republic of Lithuania Law on Religious Communities and Associations. Žin., 1995, No. 89-1985 (with later additions and amendments).

¹¹⁴⁴ Republic of Lithuania Law on Associations of Multi-Family Apartment House Owners. Žin., 2000, No. 56-1639 (with later additions and amendments).

¹¹⁴⁵ Republic of Lithuania Law on Associations of Gardeners. Žin., 2004, No. 4-40 (with later additions and amendments).

¹¹⁴⁶ E.g. Microfinance, Association Establishment. Internet access: <http://www.macrofinance.lt/paslaugos/teisines-paslaugos/imoniu-steigimai/asociacijos-steigimas/>; Business 123, Association Establishment. Internet Access: <http://www.imoniusteigimas.lt/imoniu-steigimas/asociacijos-steigimas/>; IP Group, Association Establishment. Internet access: <http://www.ip-group.lt/lt/asociacijos-steigimas/>.

¹¹⁴⁷ Ruling of the Government of the Republic of Lithuania on 12th November, 2003 No. 1407. Žin., 2003, No. 107-4810 (with later additions and amendments).

¹¹⁴⁸ Civil Code of the Republic of Lithuania, article 2.68. Žin., 2000, No. 74-2262 (with later additions and amendments).

¹¹⁴⁹ Republic of Lithuania Law on Associations, article 3, part 2.

The unregistered associations, clubs and organizations of a similar kind are also allowed to function in Lithuania. However, their ability to act freely and attract funding are very limited, i.e., organizations that do not have a status of a legal entity cannot run economic-commercial activities, gain property on their own behalf, conclude contracts, etc. The laws stipulate that only the separately registered natural persons or legal entities are allowed to participate in economic-commercial activities. As long as an organization does not possess a status of legal entity, it cannot acquire rights and obligations on its own behalf.¹¹⁵⁰

As all legal entities, registered NGOs pay income tax and employee-related taxes (personal income tax, state social insurance and compulsory health insurance contributions). However, the Law on Corporate Income Tax provides NGOs with significant exemptions: those NGOs „whose income from economic and commercial activity during the tax period does not exceed LTL 1 million, amounting to LTL 25 000, shall be taxed at a rate of 0% and the remaining part of the taxable profits shall be taxed at a rate of 15%”¹¹⁵¹. Corporate income tax is not applied to different types of income (received not from economic-commercial activities such as membership fees, subsidies, sponsorship, funds received from the budget of the Republic of Lithuania or EU support, etc.). However, many NGOs complain about difficulties caused by the financial accounting rules: even though the same rules are applied for all legal entities, the representatives of NGOs wish that NGOs would subject to the facilitated procedures¹¹⁵². Moreover, one of the major disadvantages regarding the regulation of NGO financing is the absence of rules the state could apply to the regulation of NGO funding. For this reason, the NGO financing opportunities remain complicated¹¹⁵³.

Clear and even development of the sector is complicated by the inconsistencies in laws, which do not ensure favourable conditions for distinguishing NGOs from the organizations of different type. Furthermore, the rules according to which the state provides NGOs with funding lacks supervision. These problems could be solved by adopting the single law on the foundations of non-governmental organizations. Although the state lacks such legislation so far, the Government's decision to approve the Concept of the Development of Non-governmental Organizations led to the attempts to define the concept and qualities of NGOs in a single document¹¹⁵⁴.

12.1.2. Resources (practice)

To what extent do the financial and human resources possessed by CSOs enable them to function and operate effectively?

Score: 25/100

The laws do not include the final list of the types of income that CSOs can receive: they can be paid for the provision of services, sold production, rent of property, CSOs can also receive interests, they can collect membership fees, subsidies, contributions for a special purpose, charity and sponsorship, accept budgetary or EU support, 2 per cent of personal income tax,

¹¹⁵⁰ Civil Code of the Republic of Lithuania, article 2.33, part 1.

¹¹⁵¹ Republic of Lithuania Law on Corporate Income Tax, article 5, part 4. Žin., 2001, No. 110-3992 (with later additions and amendments).

¹¹⁵² Non-Governmental Organizations' Information and Support Centre. Problems, relevant questions and suggestions for NGO, 2011. http://www.nisc.lt/files/optional/teisine_baze_siulymai.pdf.

¹¹⁵³ Author's interview with Director of Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁵⁴ Ruling of the Government of the Republic of Lithuania on 20th January, 2010. Žin., 2010, No. 12-566.

financial support etc. Until Lithuania's accession to the EU in 2004, the main part of the NGO income consisted of the financial support provided by the foreign foundations. However, the financial situation of Lithuania's NGOs, especially those interested in intellectual activities instead of the provision of services, has worsened since the retreat of the foreign foundations (such as Soros, Carnegie foundations as well as foundations of Scandinavian countries and the like) in 2005. The situation is complicated not only by the disruption of the financial support from abroad, but also by the gaps in the state legislation regulating the support provision for the NGOs¹¹⁵⁵: the laws lack the rules for the NGO funding from the state budget¹¹⁵⁶.

The Law on Income Tax of Individuals¹¹⁵⁷ provide natural persons with an opportunity to donate 2 per cent of the sum paid as their income tax to NGOs so as to develop people's civic consciousness (by supporting chosen NGOs). By providing such an opportunity it was aimed to create the favourable conditions for supporting voluntary, non-governmental organizations. However, in practice this provision was distorted as, according to the Law on Charity and Sponsorship¹¹⁵⁸, not only NGOs are registered as the receivers of sponsorship, but this also applies to a wider circle of organizations, including budgetary institutions. According to the data provided by the State Tax Inspectorate, during the period from 2005 to 2009 the budgetary institutions received the biggest share of the income tax paid by individuals (32-38 per cent of the total amount inhabitants donate to the organizations)¹¹⁵⁹. In 2009 the Seimas received the draft law to amend the 34th article of Law on Income Tax of Individuals¹¹⁶⁰, which would have allowed people to allocate 2 per cent of the paid personal income tax only for non-governmental organizations (and not for the state and municipal institutions), but the Government of the Republic of Lithuania did not approve this proposal¹¹⁶¹.

The Concept of the Development of Non-governmental Organizations¹¹⁶² indicates the main financial problems of this sector:

- the failure to distinguish between the right of NGOs to seek public or group benefit, categorizing all the legal entities possessing the status of support receiver as the organizations seeking the public good;
- privileges and sponsorship are available for the majority of NGOs, thus the possibilities for applying, controlling and supervising them are limited;
- absence of clear and transparent criteria for evaluating the activities of NGOs when they participate in the calls for financial support and public procurement of services;
- state and municipality institutions use finances and privileges provided for NGOs.

¹¹⁵⁵ Author's interview with President of Lithuanian Youth Council, 10 May 2011. Author's interview with Henrikas Mickevičius, Director of Human Rights Monitoring Institute, 13 May 2011.

¹¹⁵⁶ Author's interview with Director of Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁵⁷ Republic of Lithuania Law on Income Tax of Individuals. Žin., 2002, No. 73-3085 (with later additions and amendments).

¹¹⁵⁸ Republic of Lithuania Law on the Amendment of the Republic of Lithuania Law on Charity and Sponsorship. Žin., 2000, No. 61-1818, (with later additions and amendments).

¹¹⁵⁹ Information from the website of State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of state Tax Inspectorate, Internet access: <http://www.vmi.lt/lt/index.aspx?itemId=10139389>.

¹¹⁶⁰ The Draft Law on the Amendment of Article 34 of the Republic of Lithuania Law on Income Tax of Individuals, Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=357878&p_query=&p_tr2=.

¹¹⁶¹ Ruling of the Government of the Republic of Lithuania, 2 June 2010, No. 668 on Law on the Amendment of Republic of Lithuania Law, No. XIP-1406. Žin., 2010, No. 65-3230.

¹¹⁶² Ruling of the Government of the Republic of Lithuania on 20th January, 2010. Žin., 2010, No. 12-566.

While implementing the Concept, in 2010 the draft Law on Provision and Control of Financial Support was registered in the Seimas¹¹⁶³, which foresees a possibility to allocate budgetary support only for NGOs (public entities, owned by the state or budgetary institutions, are excluded from the list), prioritizing the public instead of group benefit, and those NGOs that function in the supported fields of activity. So far the destiny of this project remains unclear.

In 2009 the private funding received by Lithuania's NGOs constituted 19,5 per cent of their budget, respectively the contribution of the 2 per cent of the income tax of individuals constituted 12,8 per cent, state and municipal orders – 22,6 per cent, the support of EU and other international foundations – 24,2 per cent, income received from the services provided to the non-public sector – 3,5 per cent and income of other type – 9,3 per cent of Lithuania's NGOs budget¹¹⁶⁴. The funding structure of NGOs differs significantly in terms of the type of their activities: there are many organizations that provide services and the received income enables NGOs to maintain themselves. For example, youth organizations are trying to re-orientate their activities so that they could make ends meet. The majority of these organizations are making efforts to earn money by themselves, for instance, the Lithuanian scouts maintain themselves by organizing summer camps, various sports organizations are organizing trainings and the like¹¹⁶⁵. The major part of the income received by the organizations operating in the field of human rights protection consists of the funds provided by the European Commission, local business, state, and the 2 per cent of the income tax of individuals¹¹⁶⁶. Organizations whose activities cover different fields are mainly funded from the several mentioned sources. There are not many organizations acquiring funding from the single source: such organizations are small, they engage in the short-term activities, and do not play an important role in the NGO sector¹¹⁶⁷.

When there are no chances for NGOs to get necessary funding, they experience difficulties in attracting and retaining human resources; if NGOs had enough funds, it would not be so difficult for them to find the needed professionals¹¹⁶⁸.

The Labour Code does not provide for voluntary work. The voluntary work is currently regulated only according to the civil law, which means that the volunteers do not enjoy the same guarantees as the employees. The proper regulation of voluntary work would create more favourable opportunities for attracting more volunteers and balancing the sources of NGOs funding properly¹¹⁶⁹. If legal conditions were established and NGOs had capabilities necessary to attract volunteers, the number of new volunteers would undoubtedly increase¹¹⁷⁰: the results of opinion polls demonstrate that 15 per cent of the inhabitants who are not

¹¹⁶³ The Draft Law on the Provision and Control of Financial Support of the Republic of Lithuania for non-governmental organizations, Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=56100&p_org=&p_fix=n&p_gov=n.

¹¹⁶⁴ The Feasibility Study on the Subsidy Programme of Non-Governmental Organizations (NGOs) participating in the Partnership Programme of Lithuania and Switzerland.

¹¹⁶⁵ Author's interview with President of Lithuanian Youth Council, 10 May 2011.

¹¹⁶⁶ Author's interview with Henrikas Mickevičius, Director of Human Rights Monitoring Institute, 13 May 2011.

¹¹⁶⁷ Author's interview with Director of 'Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁶⁸ Ibid.

¹¹⁶⁹ Combining the income of non-governmental organizations with the value of voluntary work, the contribution of private sponsors increases from 12 to 30 per cent, and, in this case, NGOs dependence on the received income decreases from 53 to 43 per cent, while their dependence on the budgetary funding decreases from 35 to 27 per cent. (NGO Transparency for Beginners, Transparency International Lithuanian Chapter, Baltic-American Partnership Program, Vilnius, 2008. p.45)

¹¹⁷⁰ Author's interview with Director of 'Non-Governmental Organizations' Information and support Centre, 5 May 2011.

involved in NGO work would like to engage in voluntary activities¹¹⁷¹. Youth organizations do not complain about the lack of volunteers – many people are working at such organizations on the voluntary basis¹¹⁷².

Overall, the current resources of NGOs are poor in terms of funding and human resources. The financial support provided by the foreign foundations for Lithuania's NGOs, which constituted a considerable part of their funds until 2005, has decreased significantly; there are no rules according to which the state would be obliged to provide NGOs with financial support; without sufficient financial resources, NGOs are not able to attract the needed professionals.

12.1.3. Independence (law)

To what extent are the legal safeguards established to prevent unwarranted external interference in the activities of CSOs?

Score: 100/100

Lithuanian law does not foresee restrictions applied exclusively for NGOs. This implies that NGOs promoting different political ideologies, religions, and goals are allowed to function in Lithuania. By exercising freedom of self-expression organizations must not exceed limits, set in the Criminal Code¹¹⁷³ and the Administrative Code¹¹⁷⁴, such as libel, offence, incitement against any nation, racial, religious, ethnic groups or a groups of other kind, the public acceptance of international crimea, acceptance of crimes, made by the Soviet Union or Nazi Germany against the Republic of Lithuania or its citizens, the denial or depreciation of these crimes, etc.

The laws ensure the independence of NGOs from the state institutions¹¹⁷⁵. Besides the supervision of financial accounts, the state institutions have the right to intervene in the activities of NGOs when such organizations are put on trial for the illegal activities or targeted by the investigative operational activities. NGOs are not obliged to include the state or municipal institutions (or their representatives) into their governing bodies. The laws also does not require the representatives of state institutions to attend meetings organized by NGOs.

Lithuanian legal system ensures only the privacy of natural persons in their personal and family lives¹¹⁷⁶. For the reason that the boundaries of confidentiality of legal entities are not defined by law, one can speak only about the ways to ensure it.

To sum up, the legal provisions allowing the state institutions to intervene in the NGOs' activities are absent.

¹¹⁷¹ Results of representative survey of Lithuanian inhabitants carried out by „VILMORUS“, *Participation in Voluntary Activities and the Evaluation of NGO Activities*, September 2010. Internet access: http://www.nisc.lt/lt/files/main/Savanoryste_NVO_tyrimas.pdf.

¹¹⁷² Author's interview with President of Lithuanian Youth Council, 10 May 2011.

¹¹⁷³ Criminal Code of the Republic of Lithuania. Žin., 2000, No. 89-2741 (with later additions and amendments).

¹¹⁷⁴ Administrative Offence Code of the Republic of Lithuania. Žin., 1985, No. 1-1 (with later additions and amendments).

¹¹⁷⁵ E.g. see Republic of Lithuania Law on Associations, Article 14.

¹¹⁷⁶ Constitution of the Republic of Lithuania, article 22; also the Ruling of the Constitutional Court of Lithuania on 21 October, 1999. On the compliance of the 31 January 1991 Supreme Council of the Republic of Lithuania Resolution "On Writing of Names and Family Names in Passports of Citizens of the Republic of Lithuania" with the Constitution of the Republic of Lithuania. Žin., 1999, No. 90-2662; Civil code, article 2.33.

12.1.4 Independence (practice)

To what extent is civil society able to exist and function without undue external interference?

Score: 75/100

Even though the representatives of NGOs have noticed the attempts of the state institutions, especially on the municipal level, to influence the NGOs' activities, the organizations have managed to retain their independence. For example, the promises are made to support only those NGOs whose activities comply with the priorities of the municipalities; hints are made that premises will not be provided if NGO refuses to undertake certain actions; the list of organizations that have to participate in the negotiations with municipal institutions are created by the municipalites themselves and the like¹¹⁷⁷. On the other hand, the state institutions often seek the favour of NGOs so as to improve their chances to approach the citizens¹¹⁷⁸.

The central government institutions do not demonstrate an obvious interest in influencing the NGO activities. However, there are cases of indirect interference: the NGOs working in the field of human rights are told to abstain from interfering in certain matters; the representatives of NGOs who criticise certain politicians or political groupings are portrayed as discrediting the state in order to have a negative impact on their career. Accordingly, such actions or the perceived threat of such actions limit the NGOs' determination to criticize the state institutions¹¹⁷⁹.

The cases of state officials starting judicial actions or threatening to take these actions against the representatives of the NGOs due to their activities have not been noticed in Lithuania. Consequently, it remains unclear whether the state would undertake all the necessary measures to investigate the circumstances of such case.

While talking about the NGO independence from the state and municipal institutions, the reverse relationship should also be taken into account. The research conducted by the Transparency International Lithuanian Chapter reveals that Lithuania's NGOs tend to reward the distributors of support with special services, presents or money to achieve the desired results while competing for the support and services¹¹⁸⁰.

First of all, Lithuania's NGOs lack independence because of economic factors. For this reason, the main goal while seeking for the real independence of NGOs is related to their funding. On one hand, NGO financing from the public funds should be encouraged. On the other hand, NGOs themselves should search for several different sources of the financial support. Furthermore, they should develop their entrepreneurial skills by selling their products and services (especially giving the fact that it is allowed by the Law on the Associations as well as by the Law on Public Establishments). Moreover, they should perform this task by looking for more diverse donors and the like. The regulation of voluntary work would also ensure the financial independence of NGOs to certain extent. Currently only financially strong organizations, having financial sources independent from the state or

¹¹⁷⁷ Author's interview with President of Lithuanian Youth Council, 10 May 2011. Author's interview with Director of 'Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁷⁸ Author's interview with Director of 'Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁷⁹ Author's interview with Henrikas Mickevičius, Director of Human Rights Monitoring Institute, 13 May 2011.

¹¹⁸⁰ NGO Transparency for Beginners, Transparency International Lithuanian Chapter, Baltic-American partnership programme. Vilnius, 2008; P. 17.

municipal institutions, can be considered as independent. However, the number of such organizations is small in Lithuania.

Governance

12.2.1 Transparency (practice)

To what extent CSOs can be considered transparent?

Score: 75/100

Laws provide only limited regulation of the NGOs' transparency issues¹¹⁸¹. According to the laws, the chosen governing body is required to prepare an annual activity report and make it available to all interested natural persons and legal entities (this report must include the information about its activities, financial accountability report approved by the general meeting of members or stakeholders, number of members and employed workers). NGOs are not required to disclose other types of legal information, but NGOs can do it in accordance with the rules provided by their statutes.

Even though NGOs' financial reports are public (especially in the case of small organizations), usually NGOs make them available to people only after receiving their request. According to an expert interviewed during the research, the majority of Lithuania's NGOs are not enough advanced to perceive the necessity to demonstrate the transparency of their activities. The situation should change when the NGOs' sector gets stronger¹¹⁸².

The majority of large and actively operating NGOs disclose the information about their activities on the internet and by holding various promotional events. It is understandable that the publicity has a significant impact on the NGOs' funding. The websites of organizations provide people with the information about their current and forthcoming projects, activities, publications, donors, members and ect¹¹⁸³. Moreover, NGOs often disclose the list of their governing bodies.

12.2.2 Accountability (practice)

To what extent are CSOs accountable to their founders?

Score: 75/100

The legal requirement in the case of NGOs' internal accountability (the accountability of governing bodies to the members, shareholders of organizations and accountability of administration to the governing bodies) are minimal.

There are no legal requirements related to the procedures and intensity of the communication and exchange of information between members and shareholders on the one hand and governing bodies on another, between employees of the organisation and governing bodies. According to the laws, the only imperative requirement for NGOs is to submit the

¹¹⁸¹ Republic of Lithuania Law on Associations, Republic of Lithuania Law on Public Establishments, Republic of Lithuania Law on Charity and sponsorship Funds.

¹¹⁸² Author's interview with Henrikas Mickevičius, Director of Human Rights Monitoring Institute, 13 May 2011.

¹¹⁸³ E.g. See the website of the Baltic Environmental Forum. Internet access: www.bef.lt; website of the Lithuanian Riflemen's Union (<http://www.sauliusajunga.lt/>), website of the Human Rights Monitoring Institute (www.hrmi.lt) and ect.

annual report to the general meeting of organization members and shareholders. This task should be performed by the governing body, specified by the statute.

The assignment or election of a governing body, its competence, term and revocation procedure is set by founders in the establishing instrument. This instrument can only be amended by the general member's (shareholder's) meeting¹¹⁸⁴. As a result, every NGO can decide on the rules of the governing bodies' accountability to its members and shareholders. In fact, the communication between members/shareholders and governing bodies as well as their awareness of the general situation at NGO mainly depend on the organisation itself, the intentions of its members, shareholders and the position of governing bodies. The situation is the same with the communication between the governing bodies and employees of the organization: the law only indicates that the governing bodies hire and dismiss the administration staff of NGO. The other peculiarities and specifics of employees' accountability to the governing bodies are regulated by the statute of NGO.

According to the laws, the composition of NGO governing bodies is not limited to its members or shareholders. However, such situation mostly occurs when an authoritative figure is invited to join the governing bodies. For instance, a bank representative can be a board member of the organizations which promotes youth activities¹¹⁸⁵.

NGO representatives believe, that the majority of these organizations do not pay enough attention to informing society, its members and shareholders about organisation's activities and financial situation. NGOs do not entirely understand and make use of the advantages enjoyed by the non-governmental sector regarding its accountability realisation options. This proves once again the need to train and educate NGOs so as to help them to realise the importance of this sector for the society and its ability to achieve the desired goals.

12.2.3 Integrity (practice)

To what extent is the integrity of COs ensured in practise?

Score: 50/100

The weakness of non-governmental sector makes it difficult to speak of the NGO's self-regulation mechanism. The unique qualities of NGOs should be identified and their legal definition should be provided so as to strengthen the non-governmental sector. As long as NGOs function on the same legal basis as the business associations or state budget-based public institutions, there is no need to speak specifically about the NGOs' integrity. According to the NGO's development concept approved by the government in 2010, the attempts should be made to define NGOs and conditions for their funding.¹¹⁸⁶

Putting aside the regulative obstacles that prevent the development of NGOs' integrity, the economic obstacles remain outstanding. NGOs struggling to find funding tend to operate in such fields and ways that are preferred by their sponsors (regardless whether they are municipalities or private supporters). The establishment of such organizations is

¹¹⁸⁴ Republic of Lithuania Law on Associations, articles 4 and 7-9; Law on Public Establishments, articles 4, 6, 9, 10; Law on Charity and Sponsorship Funds, articles 4,5, 7 and 8.

¹¹⁸⁵ Author's interview with Director of Non-Governmental Organizations' Information and support Centre, 5 May 2011.

¹¹⁸⁶ The decision of the Government of Lithuania of January 20th, 2010 No. 85 "Concerning the confirmation of the conception of NGO development". Žin., 2010, No. 12-566.

conditioned on the economic hardships and reduced opportunities to receive the necessary funds especially after the crisis of 2008¹¹⁸⁷.

The efforts have been made to create the self-regulation mechanism for the non-governmental sector. For instance, the standard for the quality management of NGOs and social non-profit partners¹¹⁸⁸ has been issued. Moreover, the methods for investigating the effectiveness of NGOs' activities have been created¹¹⁸⁹. After the reduction of foreign funding in 2005, the expansion of the sector's self-regulation was weakened, but the NGOs' integration based on the umbrella principle continued further. Currently the umbrella organizations function in the main fields of NGOs' activities: Coalition of Environmental Non-Governmental Organizations, Association of Cultural Organizations, Lithuanian Youth Council, Forum of Lithuanian Disabled, Confederation of NGOs for Children, Forum of Knowledge Economy and the like. The different mechanisms of self-regulation operate in these organizations, they are mostly based on the consistent practice rather than written rules¹¹⁹⁰. Usually, the umbrella organizations do not have the codes of conduct – according to the President of the Lithuanian Youth Council, the Council would need the code of conduct if it could apply sanctions, but this is not the case at the moment¹¹⁹¹.

The quality of NGOs' integrity varies depending on their size, experience, members' and governing bodies' vision of an organization. The majority of NGOs meet the requirements set by the laws, establishing instruments and documents adopted by the general meeting of governing bodies. However, the organizations fostering older traditions also possess the higher number of such self-regulation mechanisms as the codes of conduct. Nonetheless, while talking about the non-governmental sector as a whole, one can notice that the significance of codes of conduct remains undervalued in the same way as the need to declare transparent activities and accountability. Nowadays many NGOs do not have their codes of conduct as they do not see a need for it¹¹⁹².

Role

12.3.1. Hold government accountable

To what extent is civil society successful in holding government accountable for its actions?

Score: 75/100

There are only a few organizations performing a watchdog function and monitoring the government's activities¹¹⁹³. The organizations working in the field of human rights, environment protection and other areas of public interest, such as Human Rights Monitoring Institute, Center for Equality Advancement, Civil Society Institute, Lithuanian Green Movement, Lithuanian Youth Council, Transparency International Lithuanian Chapter and others not only actively deliver their opinion on the draft laws discussed by the Government and Parliament, but also submit their own proposals for the necessary legislation.

¹¹⁸⁷ USAID, The 2009 NGO Sustainability Index, Lithuania, 2010. Internet access: http://www.usaid.gov/locations/europe_eurasia/dem_gov/ngoindex/2009/lithuania.pdf.

¹¹⁸⁸ Management Quality Standard of NGOs and Social, Non-Profit Oriented, Partners. Vilnius, OVC Consulting, 2003.

¹¹⁸⁹ Methodology of the Effectiveness of NGO. Internet access: <http://www.bapp.osf.lt/downloads/TYRIMO%20PROCEDURA.pdf>.

¹¹⁹⁰ Author's interview with President of Lithuanian Youth Council, 10 May 2011.

¹¹⁹¹ Ibid.

¹¹⁹² Author's interview with Director of Human Rights Monitoring Institute, 13 May 2011.

¹¹⁹³ Ibid.

Nevertheless, according to the expert interviewed during the research, these organizations are getting weaker from year to year, and this situation can be related to the constantly decreasing funding: those NGOs that provide services can benefit from the received income, but those working in the sphere of human rights protection need external funding¹¹⁹⁴.

The initiatives and comments of the organizations monitoring the government and operating in the field of human rights, and the answers of state institutions to these initiatives are published on the NGOs' websites¹¹⁹⁵. Moreover, NGOs organize seminars, focus groups and other events that attract not only their members, but also other interested people. Furthermore, many active organizations conduct researches in their field, for example, Human Rights Monitoring Institute carries out the public surveys on the state of human rights, monitors judicial processes, periodically publishes reviews on the protection of human rights in Lithuania, alternative reports for international institutions¹¹⁹⁶. A part of the events, initiatives and researches on the actions and decisions of the state and local government are inevitably related to the research and prevention of the corruption phenomenon. Essentially, the only organization working in the field of corruption analysis is Transparency International Lithuanian Chapter.

NGOs do not have a significant impact on the decisions of state institutions, but there are several ways in which NGOs can influence their activities. One of them is inviting NGOs from abroad to help, when such organizations like *Amnesty International*, *Human Rights Watch* and the like react to the government's intentions. For instance, while changing the Law on the Protection of Minors against Detrimental Effect of Public Information the ban on agitation for homosexual, bigamic or polygmic relationship was added to the project¹¹⁹⁷. In this case, not only Lithuania's NGOs working in the field of human rights, but also *Amnesty International* reacted to the amendment¹¹⁹⁸. Large NGOs often try to influence the political decisions by using different lobbying channels - by talking directly to politicians and people who make decisions, participating in different programs, working groups, suggesting certain clauses of programs, and etc. It is complicated to evaluate the actual impact of such actions because of their continuous nature and it is difficult to see whether the taken decision was conditioned by certain actions¹¹⁹⁹.

There are only few NGOs in Lithuania possessing enough financial and human resources for the independent monitoring and reasoned criticism of the government's actions and decisions.

12.3.2 Policy reform

To what extent is civil society actively engaged in policy reform initiatives on anti-corruption?

¹¹⁹⁴ Ibid.

¹¹⁹⁵ E.g. see: Lithuanian Youth Council documents (Lithuanian Youth Council Website) <http://www.lijot.lt/Page.aspx?pageID=110>; Lithuanian Environmental NGO's Coalition documents (Lithuanian Environmental NGO's Coalition website) <http://www.aplinkosauga.lt/lt/visos-aktualijos>, etc.)

¹¹⁹⁶ See Human Rights Monitoring Institute Website. Internet access: www.hrmi.lt.

¹¹⁹⁷ See Law on Amendment of Republic of Lithuania Law for the Protection of Minors against the Detrimental Effects of Public Information http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=345108&p_query=homoseksualius&p_tr2=1.

¹¹⁹⁸ See E. Digrytė "Foreign Politicians and Organizations Criticise the Law for the Protection of Minors against the Detrimental Effects of Public Information". www.delfi.lt, 15 May 2009. Internet access: <http://www.delfi.lt/news/daily/lithuania/article.php?id=23120967>.

¹¹⁹⁹ Author's interview with Director of Human Rights Monitoring Institute, 13 May 2011. Author's interview with President of Lithuanian Youth Council, 10 May 2011.

Score: 25/100

Transparency International Lithuanian Chapter is the only Lithuania's NGO working directly in the field of anticorruption. The actions taken by other organizations in this area are only sporadic. On the contrary, the organizations working in the sphere of human rights are concerned that the anticorruption measures established by laws might violate human rights, first and foremost people's right to privacy. For example, Human Rights Monitoring Institute criticised the Law on the Amendment of Republic of Lithuania Law on Preventing and Fighting Corruption¹²⁰⁰ and Law on the Amendment of Republic of Lithuania Law on Operational Activities¹²⁰¹, which expanded the opportunities to gather private information about the people, willing to work at the state and municipal enterprises, due to the violation of their right to private life¹²⁰².

Currently NGOs working in separate field (youth, environment protection, women rights and the like) are not strong enough to have a significant impact on the legislators formulating the anticorruption policies.

¹²⁰⁰ Law on the Amendment of articles 2, 5 and 9 of Republic of Lithuania Law on Preventing and Fighting Corruption and Draft Law on adding article 9(1) to the Republic of Lithuania Law on Preventing and Fighting Corruption. Žin., No. 57-2703. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382466.

¹²⁰¹ Law on the Amendment of Republic of Lithuania Law on Operational Activities, Article 17. Žin., No. 57-2704. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382469&p_query=&p_tr2=.

¹²⁰² Author's interview with Director of Human Rights Monitoring Institute, 13 May 2011.

13. Business

Prof. dr. Julija Kiršienė, Siuzana Ščerbina – Dalibagienė

Summary

Recently in Lithuania the focus has been put on improving business environment, reducing administrative burden and eliminating excessive requirements provided for in the legislation; however, despite positive changes emerging in certain areas, no significant results have been achieved. Public administration bodies still enjoy rather vast decision-making powers conferred to them by the legislation; therefore, they encourage more active implementation of the transferral of public services to electronic space and enforcing the one-stop-shop principle. While implementing the European Union requirements, sufficiently rigorous business transparency and accountability requirements have been established in the legislation, to which business in principle adheres. Recently, an increasing common interest in fairness and social responsibility in business has been noticed; however, only large international companies implement it. It is also worthwhile noticing that despite raising the issue of corruption, business itself is rather slow in fighting against it.

Business Total Pillar Score: 56/100			
	Indicator	Law	Practice
Capacities 56/100	Resources	75	50
	Independence	50	50
Governance 63/100	Transparency	75	75
	Accountability	75	75
	Integrity mechanisms	50	25
Role 38/100	Anti-corruption policy engagement	50	
	Support for / engagement with civil society	25	

Structure and organization

In Lithuania, an operating market economy has been established, which evolves as part of the European Union single market. The state economic policy is based

on export-oriented catching up development model.¹²⁰³ In 2010 GDP per capita made 58 in purchase power standards (PPS), which is the 24th position out of 27 EU member states (100 PPS).¹²⁰⁴

The Lithuania's position among the countries of the world and its aims in terms of business conditions are presented in Table 1.

Table 1 Lithuania's position according to the World Bank and World Economic Forum indices

Indices\ year	2009	2010	Intended 2011 ¹²⁰⁵	Intended 2012 ¹²⁰⁶
Business Environment Index ¹²⁰⁷	26 (out of 183 countries)	23 (out of 183 countries)	20	15
Global Competitiveness Index ¹²⁰⁸	53 (out of 133 countries)	47 (out of 139 countries)	41	40

Source: *Doing Business* 2011, 2010, World Bank; *Global Competitiveness Report 2010-2011*, World Economic Forum; *Activity priorities of the Government of the Republic of Lithuania for 2011*.

The majority of business, over 99 per cent, in Lithuania consists of small and medium businesses.¹²⁰⁹ The most widespread business form in Lithuania is a private limited-liability company.¹²¹⁰ It is worth noting that legal norms regulating joint stock and private limited-liability companies are in compliance with the EU legislation.

¹²⁰³ Lithuanian Academy of Science, Institute of Economics, *Renewal of Long-term (until the Year of 2015) Strategy for Lithuanian Economy*, 2007. Internet access:

<http://www.ukmin.lt/lt/strategija/VIRS/Galutinė%20strategija.2007.11.15.doc>

¹²⁰⁴ Website of "Eurostat". Internet access: www.epp.eurostat.ec.europa.eu.

¹²⁰⁵ The Priorities for the Action of the Government of the Republic of Lithuania for the Year of 2011, passed on the 14th of October 2010 by the Resolution of the Government of the Republic of Lithuania No. 1448. Žin., 2010, No. 123-6285.

¹²⁰⁶ Ibid.

¹²⁰⁷ Reports of World Bank, World Bank, *Doing Business 2011*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2011>; World Bank, *Doing Business 2010*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2010>; World Bank, *Doing Business 2009*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2009>.

¹²⁰⁸ World Economic Forum, *Global Competitiveness Report 2010-2011*. Internet access: http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2010-11.pdf.

¹²⁰⁹ Department of Statistics near the Government of the Republic of Lithuania, *Conditions for Small and Medium Business*, 2009:8. Internet access: <http://www.stat.gov.lt/lt/catalog/viewfree/?id=1607>.

¹²¹⁰ Website of Department of Statistics near the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveselections.asp?MainTable=M4010116&PLanguage=0&TableStyle=&Buttons=&PXSID=5389&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14>.

Capacity

13.1.1. Resources (law)

To what extent does the legal framework offer an enabling environment for the formation and operations of individual businesses?

Score: 75/100

All procedures related to starting up a business in Lithuania are regulated in the laws regulating specific business forms as well as fiscal, labour and other laws and secondary legislation but Lithuania does not have one single law that would thoroughly define all steps of starting up a business.

In recent years, Lithuania has taken active steps aimed at simplifying the business start-up process. In order to achieve this goal, legislative amendments were adopted, which accelerate business establishment procedures, and reduce the number and cost of business start-up procedures.¹²¹¹ A possibility to establish businesses electronically without notarial confirmation in certain cases was also created.¹²¹² According to the World Bank, in order to start business in Lithuania in 2010, six procedures were required, which was one procedure fewer than in 2009.¹²¹³ The legislation stipulates in sufficient detail the procedures of establishing and registering a company; however, the affluence of legal acts and requirements provided for in them makes it difficult to identify the additional actions required in order to start a specific activity. The instability of the legal acts regulating business conditions is also worth mentioning, when important business-related decisions are made quickly and without thorough analysis.¹²¹⁴

Company liquidation procedures are properly regulated in the Civil Code, the laws regulating specific business forms as well as secondary legislation. Insolvency issues are regulated in the Enterprise Bankruptcy Law and the Law on Company Restructurization. A lot of attention has recently been drawn to improving these procedures.¹²¹⁵

In Lithuania, all owners are guaranteed equal rights protection.¹²¹⁶ Property right can be restricted in exceptional cases only and only following the procedure set out

¹²¹¹ The procedure of registration of legal persons in the Register of Legal Persons was shortened, the procedure for notification about the beginning of operations of an enterprise for the State Labor Inspectorate was eliminated, the procedures of establishing enterprises were simplified.

¹²¹² Para. 36¹ of *Provisions of the Register of Legal Persons*, approved by a Resolution of the Government of the Republic of Lithuania, No. 1407, 12 November, 2003. Žin., 2003, No. 107-4810.

¹²¹³ World Bank, *Doing Business 2011*.

¹²¹⁴ "The overnight tax reform" could be an example: around 60 amendments to a number of laws were adopted during it. See: Rasa Lukaitytė *The Government of the "Overnight Tax Reform" and Huge Economic Downturn Turns One Year Old*, Delfi.lt, 9 December 2009. Internet access: <http://www.delfi.lt/news/daily/lithuania/naktines-mokesciu-reformas-ir-didziulio-ekonomikos-nuosmukio-vyriausybei--vieneri.d?id=26642611>.

¹²¹⁵ Since 2008, after the amendments of the *Enterprise Bankruptcy Law* (Žin., 2001, No. 31-1010) came into force, proper conditions to speed up the procedures of bankruptcy have been created, altogether strengthening the protection of creditors' rights and increasing the responsibility of bankruptcy administrators. Also, amendments of the *Law on Restructuring of Enterprises* (Žin., 2001, No. 31-1012) came into force in 2010, encouraging to solve more insolvency problems by restructuring. Moreover, *Bankruptcy and Restructuring Administrators Code of Conduct* (Žin., 2010, No. 143-7340) was adopted. This year, draft *Law on Natural Persons Bankruptcy* (Žin., 2011, No. 38-1816) will be considered in the Parliament.

¹²¹⁶ *Civil Code*, 2001, article 4.93 paragraph 1. Žin., 2000, No., 74-2262.

in the law.¹²¹⁷ Intellectual property rights are protected by the Civil Code and specific laws.¹²¹⁸ The protection of those rights is implemented applying civic, administrative and penal measures.¹²¹⁹

Contract implementation is ensured by the Civil Code. Disputes related to failure to implement contracts are solved by the court. In order to save time and resources in solving simple cases of a certain kind, the Civil Code provides for a possibility to apply simplified court order or documentary trial procedures.¹²²⁰ Once the court has adopted its decision, its implementation is taken over by bailiffs, which work on a private basis since 2003 when the French model was adopted. Alternative ways of dispute settlement are also encouraged.¹²²¹

Two years ago, the government actively took the initiative to improve the business environment in the country. Activities of Business Environment Improvement (Sunrise) Commission were renewed¹²²². The government has committed itself to reduce national administrative burden for business in priority areas by 30 per cent until 2011¹²²³. Business Environment Improvement (Sunrise) commission in 2009-2010. Government has submitted more than 140 proposals for improving the business environment, currently in force and meet the 67 deals, for a total there were developed more than 150 laws in 2010, that eliminate the administrative burdens on business projects, many of whom have already been adopted and entered into force¹²²⁴.

The legal acts provide sufficient presumptions for the implementation of business activities in Lithuania, particularly taking into consideration the recently carried out amendments in the regulation of business start-up and termination processes; however, superfluous requirements stipulated in the legal acts are still numerous and the instability of business environment regulation that particularly emerged during the period of crisis is also worth noticing.

13.1.2. Resources (practice)

To what extent are individual businesses able in practice to form and operate effectively?

¹²¹⁷ Art. 4.39 of the *Civil Code* provides that the right of ownership may be limited by the will of the owner, by law, or by court judgment only and in case of doubts regarding the limitation of right of ownership arise, it shall be considered in all cases that the right of ownership is not limited. Para. 2 and 4 of Art. 4.93 and Art. 4.67 provide that property for public needs cannot be taken by force, with the exception of cases established by law and only upon just recompense.

¹²¹⁸ For example, *Law on Copyright and Related Rights* (Žin., 1999, No. 50-1598), *Law on Trade Marks* (Žin., 2000, No. 92-284), *Patent Law*, *Law on Designs* (Žin., 2002, No. 112-4980), *Law on the Protection of Plant Varieties* (Žin., 2001, No. 104-3701) and etc.

¹²¹⁹ The breaches of intellectual property rights are investigated and coordinated nationwide by the Intellectual Property Protection Unit of the Lithuanian Criminal Police Bureau Crime Investigation Chief Board.

¹²²⁰ Code of Civil Procedure, chapters XXII and XXIII. Žin., 2002, No. 36-1340.

¹²²¹ In 2011, the amendments of the *Law on Conciliatory Mediation in Civil Disputes* was adopted (Žin., 2008, No. 87-3462). Moreover, amendments of the *Law on Commercial Arbitration* have been drafted to improve dispute settlement procedures and these amendments are currently in the consideration stage in the Parliament (28 April 2010). Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=370835&p_query=&p_tr2=2

¹²²² Ruling of the Government of the Republic of Lithuania, 25 February 2009, No. 144 “On forming the commission of improvement of business environment (Sunrise Commission)”. Žin., 2009, No. 26-1021.

¹²²³ Ruling of the Government of the Republic of Lithuania, March 4 2009, No. 161 “On the determination of the rate of national administrative burden reduction of business in priority areas and the approval of the list of priorities of the national administrative burden reduction of business”. Žin., 2009, No. 28-1092.

¹²²⁴ See: Ministry of Economy of the Republic of Lithuania, *Report of better regulation of program implementation, 2010*. Internet access: http://www.ukmin.lt/lt/veikla/veiklos_sritys/reglamentavimas/regl_lt/2010m_GR_ataskaita.pdf.

Score: 50/100

The World Bank notes that due to the simplification of business establishment procedures in 2009/2010, Lithuania jumped from the 99th position on the business start-up league table up to the 87th (out of 183 countries).¹²²⁵ In 2009, in order to start a business in Lithuania, seven procedures were required, which would take 26 days, while in 2010 the number of the procedures was reduced by one (i.e. down to six) and the duration was shortened to 22 days.¹²²⁶

The costs of registering a private limited-liability company consist of notary remuneration (LTL 250 – 800 (~USD 100 – 320))¹²²⁷ and a fee to the Register of Legal Entities (LTL 198 (~USD 80))¹²²⁸. In cases when a company is established electronically, only the fee to the Register of Legal Entities applies.

Registering a company in Lithuania is not complicated.¹²²⁹ Most problems arise while obtaining permissions and licenses as well as attempting to comply with the set requirements applied in order to carry out a specific activity. The provisions in the legislation are in many cases confusing and complicated, although the Government has taken active approach, in recent years, in initiating the activity aimed at simplifying legislative requirements applied to carrying out business activity and reducing administrative burden to business.

Submitting a complaint regarding the decisions of public administration bodies is not complicated; however, the efficiency of the examination of complaints is insufficient due to overlong duration of the examination and avoiding substantial solutions to the issue, especially in cases when a higher in rank public administration body is addressed.¹²³⁰

Enterprise liquidation process in Lithuania is currently simplified.¹²³¹ In 2010 the World Bank attributed Lithuania to the ten countries that had improved business termination process the most (Table 2).¹²³² Nevertheless, selling inactive companies in Lithuania still occurs, which is often a result of an attempt to avoid business establishment and liquidation procedures.¹²³³

Table 2 Business termination in Lithuania

	2010	2009	2008
Position (out of 183 countries)	39	36	34

¹²²⁵ World Bank, *Doing Business 2011*, World Bank, *Doing Business 2010*.

¹²²⁶ Ibid.

¹²²⁷ The amount of remuneration for the notary is provided in the Decree of the Minister of Justice No. 57, 12 September 1996. "For notary fee charged for the performance of notarial acts, contracts drafting, advice and technical services". Žin., 1996, No. 87-2075.

¹²²⁸ The amount of fee to the Register of Legal Entities is provided in the Government Decree No. 296, 21 March 2007. "On the salary to the state enterprise Centre of Registers for the use of commercial register data and information, about the remuneration for the commercial register data unit and pay for a certificate confirming the joint data managed by the competent authorities of the provider who participates in procurement procedure, the issue of approval sizes". Žin., 2007, No. 37-1369.

¹²²⁹ Authors' interview with Artūras Mackevičius, Deputy Chairman of the Council of Small and Medium Business, 21 June 2011.

¹²³⁰ Authors' interview with Artūras Mackevičius; authors' interview with Antanas Sidaras, a lawyer of joint stock company „Kraft Foods Lietuva“ for the Baltic states, 21 June 2011.

¹²³¹ Author's interview with prof. dr. Valdonė Darškuvienė, Vytautas Magnus University, 17 June, 2011.

¹²³² World Bank, *Doing Business 2011*.

¹²³³ Authors' interview with prof. dr. Valdonė Darškuvienė, 17 June, 2011.

Duration (years)	1,5	1,5	1,7
Costs (% of assets)	7	7	7
Level of the satisfaction of creditor's claims (cents of dollar)	49,6	49,4	48,0

Source: Doing Business 2011, 2010, 2009, World Bank

The World Bank attributes Lithuania to the ten countries where registering property is the easiest (7th position out of 183).¹²³⁴ According to the data of the World Economic Forum¹²³⁵, the protection of intellectual property rights in Lithuania is less ensured than property rights in general (Table 3).

Table 3 Property rights' protection level in Lithuania in 2010

	Points (min-1; max-7)	Position (139 countries in total)
Property right	4.3	68
Intellectual property protection	3.5	69

Source: Global Competitiveness Report 2010-2011, World Economic Forum

In 2010 Lithuania, according to the data of the World Bank, takes the 39th position out of 183 countries according to the level of ensuring contract implementation. It is above the EU average and Lithuania differs from the high-income OECD countries in the amount of costs only (Table 4).¹²³⁶

Table 4 Ensuring contract implementation in 2010

	Lithuania*	Eastern Europe	High-income OECD countries
Procedures	30	37	31
Duration (days)	275	402	518
Costs (% of claim amount)	23.6	26.7	19.2

* the 2009 numbers are equal

Source: Doing Business 2011, World Bank

Although legal acts provide for conditions for business activities, they are not properly implemented in practice, especially considering the still complex process of business start-up and activity implementation, low level of complaint examination efficiency and that of property right protection in Lithuania.

13.1.3. Independence (law)

To what extent are there legal safeguards to prevent unwarranted external interference in activities of private businesses?

Score: 50/100

¹²³⁴ World Bank, *Doing Business 2011*, World Bank, *Doing Business 2010*.

¹²³⁵ World Economic Forum, *Global Competitiveness Report 2010-2011*.

¹²³⁶ World Bank, *Doing Business 2011*, *Doing Business 2010*.

In Lithuania, the legislation clearly stipulates the principles of non-interference in private relations and subject equality.¹²³⁷ State or local self-government institutions are forbidden to regulate the activity of legal entities by administrative methods not provided for in the legislation.¹²³⁸ It is also forbidden to establish different rights, duties or privileges to single legal entities in legal acts for the purposes of discrimination.¹²³⁹

Business start-up procedures, permit and licence issuance conditions and terms are set out in the law and other legislation. Cases when the refusal to register a company or issue or abolish a licence is allowed are set out in the legislation.¹²⁴⁰ Licensing authorities have no right to introduce any additional requirements apart from those set out in the legislation at their discretion.¹²⁴¹ It is worth noticing that in case of establishing a company, the documents confirming the permission to register a legal entity are confirmed not by civil servants but by notaries working on a private basis.¹²⁴²

Recently, focus in Lithuania was put on transferring public services into electronic space and establishing the one-stop-shop principle. According to the Government, in 2010, 78,1% basic public and administrative services were transferred to electronic space and fully interactive basic electronic services made 60%¹²⁴³; however, business organizations note that it is insufficient and civil servants still enjoy a great power of decision.¹²⁴⁴

According to Law Institute, 152 business control institutions operate in Lithuania.¹²⁴⁵ A few years ago, an active initiative was launched aimed at reducing their number and scope of activity as well as burden for business. Ministry of Economy notes that in 2011, Lithuania had 68 business controlling institutions¹²⁴⁶, but this number significantly decreased not because of their elimination, but because the fact, that they were regrouped and legislative institutions that do not control business, were removed from the list¹²⁴⁷. Nevertheless, entrepreneurs still do not notice significant changes in the business environment, although in recent years number of amendments of laws also were implemented, other incentives were organized, emphasising on functions of control and methodological assistance, rather than criminal functions¹²⁴⁸.

The right of legal entities to and the procedure of an appeal against the actions of public administration body are regulated in detail in the law. Legal entities enjoy a right to address, with regard to the behaviour of supervisory authorities, higher in rank public

¹²³⁷ Art. 2.75 of the Civil Code provides that legal capacity of legal persons may not be imposed limitations in any other manner except as by express provision and procedure of law and legal capacity of an individual legal person may be imposed limitations only by the court judgment.

¹²³⁸ Ibid., article 2.80, paragraph 1.

¹²³⁹ Ibid., article 2.76.

¹²⁴⁰ Ibid., article 2.68, paragraph 1.

¹²⁴¹ Law on Services, paragraph 4, part 1. Žin., 2009, No. 153-6901.

¹²⁴² The Civil Code, article 2.64 paragraph 2, subpar. 4.

¹²⁴³ The Report of the Government of the Republic of Lithuania, 2010. Approved by the ruling of the Government of the Republic of Lithuania, 30 March 2011, No. 371. Internet access: http://www.lrv.lt/bylos/vyriausybes/n0371_ataskaita.pdf.

¹²⁴⁴ Authors' interview with Algimantas Akstinas, General Director of Lithuanian Business Confederation / ICC Lithuania, 27 June 2011.

¹²⁴⁵ Research by the Institute of Law, *Administrative burden for business. Ways to simplify legal regulation of the business*, 2006, Internet access: <http://www.ukmin.lt/lt/veikla/studijos/>.

¹²⁴⁶ L. Gabrilaviciute, "Offers to Reduce the Number of Institutions Controlling Business up to Eight in 2011", 15min.lt, 11 December 2009. Internet access: <http://www.15min.lt/naujiena/pinigai/lietuvos-naujienos/2011-metais-gali-likti-astuonios-versla-kontroliuojancios-institucijos-194-75243>.

¹²⁴⁷ A. Matuliauskas, "State in a control snare." IQ.lt, 26 February 2011. Internet access: <http://iq.lt/titulinis/valstybe-savo-kontroles-zabangose/>.

¹²⁴⁸ Authors' interview with Algimantas Akstinas, 27 June 2011. Also see: A. Matuliauskas, "State in a control snare."

administration bodies, Special Investigation Service and other authorities.¹²⁴⁹ Cases related to the legitimacy of public administration bodies' actions and delaying obligatory actions as well as those related to compensation for damages incurred due to illegal actions of public administration bodies are solved by specialized administrative courts.¹²⁵⁰ Material and non-material damage incurred due to illegal actions of public administration bodies is compensated according to the procedure set out in the Civil Code and other laws.¹²⁵¹

Legal acts stipulate the principal rules that forbid public administration bodies to impede economic entities' business activities by using illegal measures and provide for liability for such actions; however, a number of legal acts exist that provide public administration bodies with a decision right in case of lack of clear criteria for taking the decision.

13.1.4. Independence (practice)

To what extent is the business sector free from unwarranted external interference in its work in practice?

Score: 50/100

Evident examples of civil servants' selfish taking advantage of private business through an abuse of office are inexistent.¹²⁵² However, the institutions controlling business activity in various aspects in Lithuania are still very numerous¹²⁵³ and the checks they perform are frequent, which provides business with a number of inconveniences. According to the surveys of international organizations, in 2005, 26% of companies claimed that unofficial payments are frequent, while in 2008 this was stated by only 3% of companies.¹²⁵⁴ According to the data of the survey, ordered by the SIS, from 2002 the number of companies, that bribed, steadily declined, but after 2008 their number has increased, and in 2011, 34 per cent companies said that they gave a bribe in the past five years, and 17 per cent companies said, that they gave a bribe in the past year¹²⁵⁵. Representatives of businesses also notes the downward trend of unofficial payments¹²⁵⁶. According to companies, the most common forms of corruption in Lithuania are nepotism (79 per cent), bribery and abuse of office (75

¹²⁴⁹ Law on Public Administration, Art. 36⁷, para. 4.

¹²⁵⁰ Law on Administrative Proceedings, Art. 15, part 1. Žin., 1999, No. 13-308.

¹²⁵¹ The Law on Public Administration, article 42. Moreover, amendments to the *Law on Civil Service* (Žin., 1999, No. 66-2130) were adopted in 2010, imposing stricter liability for the civil servants by providing that civil servants are obliged to pay full compensation for the damage caused by their intentional acts.

¹²⁵² Author's interview with Artūras Mackevičius, 21 June 2011.

¹²⁵³ The survey of the Law Institute showed that in 2006 there were 152 of them (Institute of Law, Administrative burdens for businesses, simplifying the legal regulation of business). According to data of Ministry of Economy, in 2011 there are 68 of them (Ministry of Economy, Business controllers are required to achieve efficiency and do not hide under the law).

¹²⁵⁴ European Bank for Reconstruction and Development, report "BEEPS At-A-Glance 2008, Lithuania", January 2010. Internet access: http://siteresources.worldbank.org/INTECAREGTOPANTCOR/Resources/7045891267561320871/Lithuania_2010.pdf.

¹²⁵⁵ In 2002, 52 per cent of companies said, that they gave a bribe in past five years, 27 per cent of companies gave a bribe in a past year. In 2008 – respectively 23 per cent and 12 per cent. See: Vilimorus, *Lithuanian Map of Corruption, 2011*. The study was conducted by the order of the SIS (From July to August, 2011).

¹²⁵⁶ Authors' interview with Artūras Mackevičius, 21 June 2011; Large international companies emphasize the fact, that they conduct business without unofficial payments (authors' interview with Antanas Sidaras, 21 June 2011).

per cent) and decision delays (72 per cent)¹²⁵⁷. Although direct requests for a bribe usually are not present, there are cases when businessmen present gifts in order to hedge against being penalized for minor discrepancies between their activity and legislative requirements.¹²⁵⁸ Cases of abuse of state powers in order to obtain access to private business assets or cases of the state infringing legal norms by abusing its power to economy were not noticed.¹²⁵⁹ However, business representatives draw attention to legal acts adopted in order to fight economic crime, where strict decisions are only simulated since they actually result in more complicated business conditions for all companies while the offenders are not prevented from committing crime.¹²⁶⁰ According to the World Economic Forum irregular payments and bribe scale assessment, Lithuania takes the 50th position (out of 139 countries) and has been given 4.6 points out of maximum 7.¹²⁶¹ Among the procedures with which entrepreneurs usually encountered in the past five years, the most corrupt, in their view, are a healthcare services, customs clearance, administrative proceedings, working conditions verification, granting licenses and permits, fire safety compliance check¹²⁶².

It is not difficult for legal entities to submit complaints against the actions and decisions of public administration bodies but overlong duration of the process is worth mentioning.¹²⁶³ Delay in substantial analysis of complaints is also noted, in cases of addressed to higher in rank public administration body. In cases when a complaint is examined by a public administration body without controlling relationship the complaint examination is more efficient.¹²⁶⁴

Governance

13.2.1. Transparency (law)

To what extent are there provisions to ensure transparency in the activities of the business sector?

Score: 75/100

Financial audit and accountability requirements are detailed in the laws¹²⁶⁵ and are in compliance with the EU law. According to the Worlds Economic Forum audit and accountability standard rigour assessment, Lithuania takes the 43rd position (out of 139 countries) and has been given 5.1 points of maximum 7.¹²⁶⁶ The companies listed in regulated stock exchange are obliged to produce financial reports according to international financial reporting standards (IFRS), while other companies may choose to produce financial reports

¹²⁵⁷ Vilmorius, *Lithuanian Map of Corruption*, 2011.

¹²⁵⁸ Authors' interviews with prof. dr. Valdonė Darškuvienė, 17 June 2011; authors' interview with Artūras Mackevičius, 21 June 2011.

¹²⁵⁹ Authors' interviews with Artūras Mackevičius 21 June 2011; authors' interview with Antanas Sidaras, 21 June 2011.

¹²⁶⁰ Authors' interview with Algimantas Akstinas, 27 June 2011.

¹²⁶¹ World Economic Forum, *Global Competitiveness Report 2010-2011*.

¹²⁶² Vilmorius, *Lithuanian Map of Corruption*, 2011.

¹²⁶³ Authors' interview with Antanas Sidaras, 21 June 2011.

¹²⁶⁴ Authors' interviews with Artūras Mackevičius 21 June 2011; authors' interview with Antanas Sidaras, 21 June 2011.

¹²⁶⁵ In the Law on Financial Statements of Entities (Žin., 2001, No. 99-3516), Law on Consolidated Accounts of Groups of Undertakings (Žin., 2001, No. 99-3517), Law on Audit (Žin., 1999, No. 59-1916).

¹²⁶⁶ World Economic Forum, *Global Competitiveness Report 2010-2011*.

according to business accounting standards or international financial reporting standards.¹²⁶⁷ In 2011 the requirement for government-related companies to manage accounting under International Financial Reporting Standards (IFRS) and the organize annual financial statements audits in accordance with international auditing standards¹²⁶⁸.

In all joint stock companies and, in certain cases provided in the law, other companies, annual financial report audit is obligatory.¹²⁶⁹ Approved annual financial reports and the annual report together with an auditor's conclusions have to be publicised in the Register of Legal Entities.¹²⁷⁰ The company's financial reports, and the preparation and submission of annual report to the Registry of Legal Entities falls within the responsibility of the manager of the company as well as members of managerial and supervisory bodies according to their remit. In case of failure to properly fulfil this duty, they have to compensate for all damage incurred to the company and (or) other persons.¹²⁷¹

In case of failure to submit financial reports or audit conclusions to the Register of Legal Entities, a fine of LTL 1000 – 10000 (~USD 410 - 4100) is imposed.¹²⁷² Moreover, under certain conditions, liquidation of a company can be launched if it fails to provide the Register of Legal Entities with documents of financial liability.¹²⁷³

In Lithuania, there is no Code of Conduct approved by the laws or links to Codes of Conduct adopted by other organizations that would apply to accountants. It is the Law on Audit solely that indicates the fact that auditors shall follow the Code of Ethics of Professional Auditors.¹²⁷⁴

In 2010 there was established an obligation for private companies register of legal entities to provide a list of shareholders¹²⁷⁵. There is currently considered the establishment of such an obligation of other legal forms for companies¹²⁷⁶.

Bank activity in Lithuania is regulated by the Law on Commercial Banks in Lithuania, which stipulates the right of the Bank of Lithuania to inspect banks.¹²⁷⁷ The Bank of Lithuania performs general and targeted bank inspections every year.¹²⁷⁸

The legal acts set out sufficiently stringent business transparency requirements. Provisions regulating financial liability and audit as well as bank activity are established through the implementation of the European Union requirements; however, regulation ensuring business property structure transparency is missing.

¹²⁶⁷ The Law on Financial Statements of Entities, article 15, paragraph 4 – 5.

¹²⁶⁸ Ruling of the Government of the Republic of Lithuania, 14 July 2010, No. 1052 "On the approval of the description of state-owned companies' transparency guidelines and approval of coordinating authority", p. 23, 25. Žin., 2010, No. 88-4637.

¹²⁶⁹ Ibid., article 20.

¹²⁷⁰ Ibid., Art. 21, para. 1. Moreover, paragraph 2 of this article provides that form and texts of the published annual financial reports and the annual notification must be the same as the ones that the auditor's report was based on.

¹²⁷¹ The Law on Financial Statements of Entities, article 27. These provisions were adopted in 2008, implementing the European Parliament and Council Directive 2006/46/EB.

¹²⁷² Administrative Code, article 172². Žin., 1985, No.1-1.

¹²⁷³ Civil Code, article 2.70.

¹²⁷⁴ Law on Audit, article 4, paragraph 1.

¹²⁷⁵ Law on limited companies, article 41¹, paragraph 8 and article 78, paragraph 3. Žin., 2000, No. 19-14.

¹²⁷⁶ For example, for cooperatives, agricultural companies and etc. Ministry of Justice has prepared and submitted for consideration projects of amendments of the Civil Code of the Republic of Lithuania and legal entities distinct legal forms. See: Ministry of Justice, "On the harmonization of the projects of the laws". 11 April 2011, No. 11-1122-01. Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=82693&p_org=8&y=p_fix&p_gov=n.

¹²⁷⁷ Law on the Bank of Lithuania, article 46, paragraph 1, subparagraph 2. Žin., 2006, No. 48-1699.

¹²⁷⁸ Website of the Bank of Lithuania, *The Supervisory Performance Reviews of the Bank of Lithuania*. Internet access: http://www.lb.lt/prieziurines_veiklos_apzvalgos.

13.2.2. Transparency (practice)

To what extent is there transparency in the business sector in practice?

Score: 75/100

All legal entities in Lithuania are registered in the Register of Legal Entities where information on company managerial bodies, contact information of their members, financial reports, annual reports etc. is stored. In 2010, an obligation was introduced to private limited-liability companies to submit their list of shareholders to the Register of Legal Entities. In the beginning of April, 2011, approximately 5% of private limited-liability companies hadn't submitted these lists.¹²⁷⁹ Companies that conceal their shareholders are subject to a fine of LTL 100 - 5000 (~USD 41 - 2050).¹²⁸⁰ Information of business structure of joint stock companies is publicly available.¹²⁸¹

The information and documents of the Register of Legal Entities are of public nature. Every person enjoys a right to immediately obtain certain information free of charge.¹²⁸² Other information and documents can be received for a fee starting, according to the desired information, from LTL 9 (~USD 4) (monthly fee is LTL 100 (~USD 40)).¹²⁸³ In order to obtain more detailed information, larger sums are to be paid; therefore, small businesses find using such information in their daily activities expensive, while large businesses see no difficulties in it.¹²⁸⁴

Financial audit and accountability standards are efficiently applied in Lithuania.¹²⁸⁵ Third-party confirmation of financial records is not applied in Lithuania except the cases when audit is performed in the company.¹²⁸⁶

It is usually large companies with partners or clients abroad that implement corporate social responsibility standards, while small and medium enterprises lack motivation to carry out socially responsible business since it is not given any priority by the people.¹²⁸⁷ Nevertheless, the number of companies interested in these standards is increasing.¹²⁸⁸ This is manifested in the National Responsible Business Awards with an increasing number of participating companies every year.¹²⁸⁹ In most cases, companies express their views on

¹²⁷⁹ "Transparency is Mandatory but not Accessible". *Vz.lt*, 7 June 2011. Internet access: <http://vz.lt/Default2.aspx?BlogID=a7b1f1d2-ea9c-4e24-85c8-2e6dad44699e>.

¹²⁸⁰ The Administrative Code, article 172².

¹²⁸¹ In websites of companies or in the website of the Stock Exchange (Website of "NASDAQ OMX Baltic" www.nasdaqomxbaltic.com).

¹²⁸² Information about the legal status of legal persons and restrictions on the activities of legal persons can be obtained orally or can be accessed in the website of the Center Register of Legal Persons (The website of the Center Register of Legal Persons. Internet access: www.registrucentras.lt).

¹²⁸³ Ruling of the Government of the Republic of Lithuania, 21 March 2007, No. 296. *Žin.*, 2007, No. 37-1369.

¹²⁸⁴ Authors' interview with prof. dr. Valdonė Daršukvienė, 17 June 2011.

¹²⁸⁵ Ibid.

¹²⁸⁶ Ibid.

¹²⁸⁷ A. Žėkienė and J. Ruževičius, „Socially Responsible Investment as a Part of Corporate Social Responsibility“, *Economics and Management*, No. 16, 2011, 628-636.

¹²⁸⁸ J. Ruževičius, „Development of Sustainable and Socially Responsible Business in Lithuania in International Context“, *Economics*, No. 86, 2009, 68-80.

¹²⁸⁹ According to the data of the Ministry of Social Security and Labor, 26 companies participated (43 applications) in the National Responsible Business Awards in 2007; in 2008 - 22 companies (50 applications), 2009 - 40 companies (69 applications), 2010 - 53 companies (83 applications). The participating companies and the number of applications are different, because one company can participate in competitions of several nominations. See: The United Nations Development Programme in Lithuania, "The most responsible companies awarded at Vilnius University." 28 April 2011. Internet access:

fighting corruption by emphasizing the transparency and adherence to the law in their business. Such statements are public and are usually available on the companies' websites¹²⁹⁰.

Business entities usually follow transparency requirements provided for in the legislation; however, deliberate introduction of higher transparency requirements and application of social responsibility standards is in most cases practiced by large international companies only.

13.2.3. Accountability (law)

To what extent are there rules and laws governing oversight of the business sector and governing corporate governance of individual companies?

Score: 75/100

Corporate management provisions are integrated in various laws in Lithuania.¹²⁹¹ There is no single legal act regulating exclusively these issues in Lithuania. The provisions of the European Union directives related to company managerial bodies' activity, their rights, obligations, liability and accountability are properly implemented.¹²⁹²

Since 2004 the stock exchange has adopted a Corporate Governance Code.¹²⁹³ The Code is based on the "comply or explain" principle, which means, that the Code is not obligatory but companies listed on the regulated stock exchange are obliged to indicate a corporate governance code they apply and in case of deviation from it, they are to indicate the specific provisions and the reasons for the deviation.¹²⁹⁴ The company may deviate from the requirements; however, because of the requirement to explain itself to the market investors, it assumes that in the absence of investors' approval of clarification of the company, they will sell the shares, thus creating not legal, but "the market sanction". The duty to follow the provisions of this Code was established in 2010¹²⁹⁵.

Purely single or two-level corporate governance system is not established in Lithuania, some authors call the current one "mixed".¹²⁹⁶ Companies are obliged to have a single-person or a collegial managerial body and a members meeting if start-up documents

http://www.undp.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=101&cntnt01returnid=24&cntnt01returnid=24&hl=en_US.

¹²⁹⁰ The Governance Code of NASDAQ OMX Vilnius companies, paragraph 10.4, recommends for companies to disclose information about the companies and their stakeholders, including employees, creditors, suppliers, local community, relations, including the company's policy on human resources, employee participation in the company's share capital programs and so on. (Listed on the Governance Code of Nasdaq OMX Vilnius companies. Approved by the AB NASDAQ OMX Vilnius Board meeting in August 21 2006, protocol No. 06-72. Internet access: [http://www.nasdaqomxbaltic.com/files/vilnius/teisesaktai/Bendrovio%20valdymo%20kodeksas%20\(galioja%20nuo%202010-01-01\).pdf](http://www.nasdaqomxbaltic.com/files/vilnius/teisesaktai/Bendrovio%20valdymo%20kodeksas%20(galioja%20nuo%202010-01-01).pdf)).

¹²⁹¹ The Civil Code, Law on Companies, Law on Securities (Žin., 2007, No. 17-626), Law on Markets in Financial Instruments (Žin., 2007, No. 17-627), Law on Financial Statements of Entities and other laws.

¹²⁹² Law firm „Miškinis, Kvainauskas ir partneriai“, a study *Managerial System of Companies, Choosing the Managerial Model and Features of Functioning*. 2006. Internet access: http://www.ukmin.lt/lt/strategija/doc/UM_STUDIJA_06-12-14.doc.

¹²⁹³ Corporate Governance Code was prepared, resting upon the recommendation of the European Commission No. 2004/913/EB and 2005/162/EB, (The Governance Code of NASDAQ OMX Vilnius companies).

¹²⁹⁴ The Law on Financial Statements of Entities, article 25, paragraph 3, subparagraph 1 and 2.

¹²⁹⁵ Ruling of the Government of the Republic of Lithuania, 14 July 2010, No. 1052 "On the approval of guidelines that should guarantee transparency of state-owned companies transparency and approval coordinating authority " p. 11. Žin., 2010, No. 88-4637.

¹²⁹⁶ Law Firm, "Miškinis, Kvainauskas and partners" *Managerial System of Companies, Choosing the Managerial Model and Features of Functioning*.

and laws regulating legal entities' activity do not provide for a different structure of bodies.¹²⁹⁷ Joint stock and private limited-liability companies can additionally have a board of directors (managerial body) and/or board of supervisors (supervisory body).¹²⁹⁸

General duties of the managerial bodies' members of legal entities, for instance, acting in a fair and reasonable manner, being loyal, avoiding conflict of interests etc., are set out in the Civil Code¹²⁹⁹ and the competence and functions of the company bodies are detailed in the laws regulating companies of the respective legal form¹³⁰⁰ and start-up documents of the company.¹³⁰¹ The laws do not directly establish whom the managers are accountable to in companies of various legal forms; however, the law stipulates the rights of other bodies in a company with regard to the supervision of the manager's activity, for instance a right to receive information about the company or approve annual reports.¹³⁰² The main form of managers' accountability to shareholders and other bodies in the company is annual report, the preparation of which falls within the remit of the manager.¹³⁰³

Financial measures market is supervised by the Securities Commission established in 1992.¹³⁰⁴ In 1997 it became member of International Organization of Securities Commissions (IOSCO) and in 2004 it joined the Committee of European Securities Regulators (CESR). In 2011 the Law on the reform of financial market supervision system, which foresees the connection between the existing financial market supervisors, including the Securities Commission, and decides to instruct the supervision of the financial market to the Bank of Lithuania from 1 January 2012, was adopted¹³⁰⁵.

Lithuania does not have a specific financial regulator monitoring the activity of all companies but the Securities Commission checks whether the issuers with publicly presented securities manage their bookkeeping and prepare financial reports in compliance with the applied requirements of bookkeeping and financial reporting.¹³⁰⁶

Considering the fact that the majority of company accountability and corporate governance requirements are established through the implementation of the European Union legislation and the financial measures supervisory body, the Securities Commission, follows the same principle in its activities, it can be stated that existing legal norms regulate the accountability and companies' corporate governance to a sufficiently comprehensive level.

13.2.4. Accountability (practice)

To what extent is there effective corporate governance in companies in practice?

Score: 75/100

¹²⁹⁷ The Civil Code, article 2.82, paragraph 2.

¹²⁹⁸ The Law on Companies, article 19, paragraph 2.

¹²⁹⁹ The Civil Code, article 2.87.

¹³⁰⁰ For example, Law on Companies (Žin., 2000, No. 64-914), Law on co-operative Societies (co-operatives) (Žin., 1999, No. 20-488), Law on Agriculture Partnerships (Žin., 1991, No. 13-328), Law on Individual Enterprises (Žin., 2003, No. 112-4991), Law on Partnerships (Žin., 2003, No. 112-4990).

¹³⁰¹ The Civil Code, article 2.82, paragraph 1.

¹³⁰² For example, The Law on Companies, article 16, paragraph 1, article 16¹, article 18, article 19, article 10, article 20, article 34, paragraph 8.

¹³⁰³ Ibid., article 37, paragraph 10, subparagraph 2.

¹³⁰⁴ The Law on Markets in Financial Instruments, article 69 – 70, The Law on Securities, article 42.

¹³⁰⁵ The Law on Markets in Financial Instruments. Žin., 2011, No. 145-6811.

¹³⁰⁶ The Law on Securities, article 42, paragraph 1, subparagraph 5.

The companies listed on regulated stock exchange virtually follow corporate governance standards set out in Lithuania.¹³⁰⁷ Managerial bodies of the companies report to the shareholders; however, the rights of minor shareholders are not sufficiently implemented. The World Economic Forum, while evaluating the accountability of companies' managerial bodies to the shareholders, gives Lithuania 4.9 points (max 7) placing it as high as on the 35th position out of 139 countries; however, the protection of minor shareholders' interests in Lithuania is ranked significantly lower, namely, 4.0 points (85th position).¹³⁰⁸

According to the data of the World Bank, no changes regarding the level of investor protection (Table 5) have taken place in the country recently and in 2010 Lithuania takes only the 88th position out of 183 countries in this field.¹³⁰⁹ However, scientists believe that the level of investors' protection is higher than specified by the World Bank and would be evaluated by 7 points, as it is important to take into account the harmonization of the national legislation with European Union law and processes of the development of corporate governance practices in recent years in Lithuania¹³¹⁰.

Table 5 Investor protection level in Lithuania in the year 2007 - 2010

Investor protection	Points* (0-10)
Disclosure Index	5
Director Liability Index	4
Ease of shareholder claim submission	6
Strength of Investor Protection Index	5,0

* In 2007, 2008, 2009, 2010 Lithuania received the same number of points.

Source: Doing Business 2008, 2009, 2010, 2011, World Bank

Setting a board of supervisors, as a supervisory body, is not widespread in the companies. In small businesses they are not composed due to close relationship between shareholders and the manager resulting from the size of business, while large companies are inclined to form boards of directors, leaving their activity supervision to shareholders.¹³¹¹

The World Economic Forum assesses the efficiency of the regulation and supervision of securities stock exchange in Lithuania with 4.4 points (max 7) which is the 57th position out of 139 countries¹³¹²; however researchers give her a similar position as the Scandinavian countries¹³¹³, taking into account external (which is in line with European Union law), and the internal (which is in line with the rules of the Nasdaq OMX Group¹³¹⁴)

¹³⁰⁷ Authors' interview prof. dr. Valdonė Darškuvienė, 17 June 2011.

¹³⁰⁸ World Economic Forum, *Global Competitiveness Report 2010-2011*.

¹³⁰⁹ World Bank, *Doing Business 2008*, World Bank, Bank, *Doing Business, 2009*, World Bank, Bank, *Doing Business, 2010*, World Bank, Bank, *Doing Business, 2011*.

¹³¹⁰ Authors' interview prof. dr. Valdonė Darškuvienė, 18 August 2011.

¹³¹¹ Authors' interviews with Antanas Sidaras, 21 June 2011.

¹³¹² World Economic Forum, *Global Competitiveness Report 2010-2011*.

¹³¹³ According to the data of World Economic Forum, *Global Competitiveness Report 2010-2011*, according to the regulation and oversight of the stock Exchange, Sweden ranks 2nd, Finland – 7th, Denmark - 14th.

¹³¹⁴ Nasdaq OMX Group, Inc., is the largest operator of the exchange in the world. It organizes trading, provides technologies for exchanges and offers a range of services to public companies in more than 50 countries,

regulation and oversight of the Lithuanian stock exchange¹³¹⁵. The Securities Commission's is assessed as effective¹³¹⁶.

No state actions aimed at encouraging companies to disclose significant anti-corruption information were noticed.¹³¹⁷

Corporate governance standards are usually followed in the companies listed on regulated stock exchange and the accountability of the companies' managerial bodies to shareholders is evaluated positively but the rights of minor shareholders are not properly implemented.

13.2.5. Integrity mechanisms (law)

To what extent are there mechanisms in place to ensure the integrity of all those acting in the business sector?

Score: 50/100

Sector business codes of conduct are usually not set out in the legislation in Lithuania with an exception of those of the implementers of certain state-supervised activities¹³¹⁸; however, an initiative of business entities to compile sector codes of conduct and voluntarily commit to following them has recently been spreading.¹³¹⁹ Sector codes are characterised by establishing a mechanism for ensuring the main principles of the activity of companies operating in a specific sector as well as their application.

Applying obligatory anti-corruption codes in business is not a widespread practice in Lithuania¹³²⁰; therefore, it is not possible to evaluate the content or particularity of their provisions. The companies usually state their anti-corruption attitudes in their codes of ethics, if they have one, and they are sufficiently detailed, covering conflicts of interest, gift policy, anonymous disclosure policy etc.¹³²¹ In order to ensure the application of the norms of the code of ethics, the companies in many cases employ application supervision officers or transfer the function to the lawyers of the company¹³²²

It is worth noting that the codes of conduct of the companies and other aspects of company responsibility prevail in large companies. Small and medium businesses in most cases do not apply neither codes of conduct nor anti-corruption rules.¹³²³

The laws in Lithuania are mostly aimed at regulating the issues of corruption in the public sector.¹³²⁴ The National Anti-Corruption Programme notes that no thorough

including the USA, Sweden, Finland, Denmark and others. Nasdaq OMX Group owns 96.34 per cent of Nasdaq OMX Vilnius (Website of "NASDAQ OMX Baltic", *About Us*. Internet access: <http://www.nasdaqomxbaltic.com/en/exchange-information/about-us/>).

¹³¹⁵ Authors' interview with prof. dr. Valdonė Darškuvienė, 18 August 2011.

¹³¹⁶ Authors' interview with prof. dr. Valdonė Darškuvienė, 17 June 2011.

¹³¹⁷ Ibid.; authors' interviews with Antanas Sidaras, 21 June 2011.

¹³¹⁸ For example, Bankruptcy and Restructuring Administrators Code of Conduct, Non - Associated Brokers of Public Trading in Securities Code of Conduct.

¹³¹⁹ For example, Lithuanian Life Insurance Companies Association Code of Ethics, Drugs Marketing Code of Ethics, Consumer Credit Service Code of Ethics, Assessors of Property Association Professional Ethics Guidelines, Insurance Brokers Association Code of Ethics, Business Consultants Code of Ethics, etc.

¹³²⁰ Authors' interview with Algimantas Akstinas, 27 June 2011.

¹³²¹ Example for such codes would be codes of conduct of joint stock company „TEO“, Orlen, Kraft Foods and others.

¹³²² Authors' interview with Antanas Sidaras, 27 June 2011.

¹³²³ Authors' interview with Artūras Mackevičius, 21 June 2011.

surveys into the manifestation of corruption in private sector have been carried out in Lithuania; therefore, evaluating the prevalence of this phenomenon and identifying directions and means of anti-corruption effect is impossible.¹³²⁵ Nevertheless, the new programme, adopted this year, provides for a plan to carry out a survey into the manifestation of corruption in private sector by the 3rd quarter of 2013 and to present proposals regarding the fight against corruption in the field.¹³²⁶ The Criminal Code provisions regarding the liability for bribery in the private sector are obscure and raise uncertainty.¹³²⁷ The liability for bribing a foreign civil servant is established.¹³²⁸ In cases of bribery, mediation in bribery and subornation, not only physical persons but also legal entities are subject to liability.¹³²⁹

The laws do not provide for a requirement for applicants to public contracts to have programmes of ethics and mechanisms of compliance with them. However, certain anticorruption rules are provided for in the Law on Public Procurement.¹³³⁰

The legal acts provide for weak mechanisms ensuring the fairness of all business sector participants and the regulation of bribery in the private sector is vague; however, an increasing interest among business entities is noticed to voluntarily commit to the application of higher standards of behaviour.

13.2.6. Integrity mechanisms (practice)

To what extent is the integrity of those working in the business sector ensured in practice?

Score: 25/100

The level of ethics in the companies' behaviour in 2010 in Lithuania was assessed with 3.9 points out of maximum 7, which is the 69th position out of 139 countries¹³³¹ but an increasing common interest in fairness in the private sector has recently been noticed.¹³³² The large international companies are the leaders in the field. The companies that decide to apply codes of ethics usually do apply them. In such companies the employees supervising the application of the codes usually have conditions and mandate to act efficiently, and the anonymous disclosure policy is similarly efficient.¹³³³ In order to

¹³²⁴ Although The *Law on Prevention of Corruption* (Žin., 2002, No. 57-2297), article 1, provides that the law lays down the basic principles, objectives and tasks of the prevention of corruption in both the public service and the private sector, there are no concrete norms regarding bribery in the private sector in it.

¹³²⁵ The National Fight Against Corruption Programme 2011-2014, adopted by the Lithuanian Parliament decree No. XI-1457, 16 June 2011, paragraph 16. Žin., 28 June 2011, No. 77-3727.

¹³²⁶ Measure No. 67 of the Implementation Plan, National Fight Against Corruption Programme, adopted by the Lithuanian Parliament decree No. XI-1457, 16 June 2011.

¹³²⁷ Criminal Code, articles, 225, 226 and 227.

¹³²⁸ Ibid., articles 227 and 230.

¹³²⁹ Ibid., articles 225, 226 and 227.

¹³³⁰ The *Law on Public Procurement* (Žin., 1996, No. 84-2000), article 33, paragraph 1, provides that the contracting authority shall reject a tender and a request if the supplier (legal person) has had an enforceable judgment over the last 5 years for the following criminal acts: bribery, bribery of an intermediate, graft. the *Law on Public Procurement*, article 24, paragraph 2, subparagraph 5, provides the requirement to submit the supplier's declaration in the established form to the effect that he has not given and does not intend to give the state employees (personnel) of the contracting authority any money or presents, has not rendered them any services or other remuneration for the conditions provided or not provided in relation to the actions favourable for the award of contracts.

¹³³¹ World Economic Forum, *Global Competitiveness Report 2010-2011*.

¹³³² Authors' interviews with Algimantas Akstinas, 27 June 2011; authors' interviews with Antanas Sidaras, 21 June 2011.

¹³³³ Authors' interview with Antanas Sidaras, 21 June 2011.

implement codes of ethics and prevent cases of bribery, the companies establish internal mechanisms such as rules specifying certain norms of the code, anonymous disclosure procedures, and employees ensuring their application monitoring as well as organize employee training on issues of fairness.¹³³⁴

Companies that commit to apply sector codes of conduct also put effort in order to ensure their efficient application. However, cases of failure to follow them have been noted. For example, some retailers chose not to apply to the Code of Shopping Networks' good business practices and to work during holidays, such as Easter or Christmas, or depart agreements with suppliers¹³³⁵. Another example relates to a pharmaceutical company, which did not comply with the Code of Ethics for Pharmaceutical Marketing¹³³⁶.

A black list of companies that are or have been engaged in corruption or money-laundering does not exist in Lithuania; however, the Register of Legal Entities is provided with the information of legal entities that themselves or their employers or authorised representatives which have by a final judicial decision been recognized as having committed criminal offences of corrupt nature.¹³³⁷

Integrity Pacts are not widespread in Lithuania.¹³³⁸ The legal acts only stipulate an obligatory requirement for the suppliers in cases of public procurement to declare their anti-corruption attitudes.¹³³⁹

The attitude of business representatives towards bribery is changing to a positive direction. The number of cases of bribery is decreasing both in Lithuania and abroad.¹³⁴⁰ No cases of the application of sanctions for bribery while doing business abroad have been noticed.

Role

13.3.1. Anti-Corruption policy engagement

To what extent is the business sector active in engaging the domestic government on anti-corruption?

Score: 50/100

The issue of fight against corruption is usually raised in meeting between business organizations and the Government. Both business organizations state it¹³⁴¹, and it is visible in

¹³³⁴ Ibid.

¹³³⁵ For example, "The Action of the Tradesmen Made the Providers Indignant", *Diena.lt*, 7 November 2007. Internet access: <http://www.diena.lt/dienrastis/ekonomika/prekybininku-akcija-papiktino-tiekejus-115186>; "Your broker", "The Tradesmen Decided Not to Keep in Line with the Code of Conduct." *Alfa.lt*, 7 March 2007. Internet access:

http://www.alfa.lt/straipsnis/174967/Prekybininkai.nusprendenilaikyti.garbes.kodekso=2008-03-07_09-45/.

¹³³⁶ "KRKA warned". *Laikrastisopozicija.lt*, 17 December 2009. Internet access: <http://laikrastisopozicija.com/archive/252-spta-krka->.

¹³³⁷ The Law on Prevention of Corruption, article 11, paragraph 2.

¹³³⁸ Authors' interview with Algimantas Akstinas, 27 June 2011.

¹³³⁹ The Law on Public Procurement, article 24, paragraph 2, subparagraph 5.

¹³⁴⁰ Authors' interview with Artūras Mackevičius, 21 June 2011; authors' interview with Algimantas Akstinas, 27 June 2011.

¹³⁴¹ Authors' interview with Algimantas Akstinas, 27 June 2011.

publicly presented feedback on meetings between business organizations and the Government.¹³⁴² The National agreement signed by the Government and social partners including business organizations in 2009¹³⁴³ presents fight against corruption as a separate issue. In order to reduce the level of corruption, the Government in the agreement undertook to take specific measures such as simplifying the issuance procedure for permits, licences and other documents and improve the public procurement procedure. Nevertheless, it is worth mentioning that single-sided commitments from the Government prevail, while business organizations usually do not present any commitments from their side. Public calls from business organizations to fight against corruption usually are included among other requirements that the business organizations publicly present.¹³⁴⁴

According to data of survey ordered by the SIS, in 2011 21 per cent of businesses companies believe that they can contribute to a reduction of corruption¹³⁴⁵. It should be noted that this figure is the highest since 2005 (2005 – 19 per cent, 2008 - 16 per cent)¹³⁴⁶. It is significant that more and more companies say that they report on corruption to the appropriate authorities (2005 – 21 per cent, in 2007 and – 25 per cent, 2011 – 34 per cent)¹³⁴⁷. However, according to the data of the SIS, in 2011 7 allegations (out of 29 pre-trial investigations) were started because of the breach of business interest, and the remaining 22, because of interests outside the business¹³⁴⁸.

According to data of the National Network of Responsible Business, at the end of 2011, Lithuania has more than 40 members that have signed the United Nations Global Compact¹³⁴⁹. However, it also should be noted, that according to data of the website of the United Nations Global Compact, 5 members have not presented a progress report¹³⁵⁰, which casts doubts on some of the members' responsibilities in implementing the Global Compact.

13.3.2. Support for/engagement with civil society

To what extent does the business sector engage with/provide support to civil society on its task of combating corruption?

¹³⁴² For example, see: Government of the Republic of Lithuania, „In Investor's Forum, Taking Place in the Government Building Attention for Transparency in Economy Was Shown". Press release, 14 March 2011. Internet access: <http://www.lrv.lt/naujienos/aktualijos/?nid=8367>.

¹³⁴³ Government of the Republic of Lithuania, *National Agreement*, 2009. Internet access: http://www.lrv.lt/bylos/Nauijenos/Aktualijos/20091028_susitarimas.pdf.

¹³⁴⁴ Authors' interview with Algimantas Akstinas, 27 June 2011; see also, BNS, "Businesses urges the government to fight corruption not with the help of plenty of measures, but their implementation". *15min.lt*, 10 December 2010. Internet access: [http://www.15min.lt/naujiena/ziniosgyvai/antikoruacija/verslo-atstovai-valdziaarina-](http://www.15min.lt/naujiena/ziniosgyvai/antikoruacija/verslo-atstovai-valdziaarina-Corruption-to-fight-at-measures-abundance-and-their-IMPLEMENTING-327-128271)

[Corruption-to-fight-at-measures-abundance-and-their-IMPLEMENTING-327-128271](http://www.15min.lt/naujiena/ziniosgyvai/antikoruacija/verslo-atstovai-valdziaarina-Corruption-to-fight-at-measures-abundance-and-their-IMPLEMENTING-327-128271); "Investors Forum - suggestions on how to combat corruption and the shadow." *Bernardinai.lt*, 15 March 2011. Internet Access: <http://www.bernardinai.lt/straipsnis/2011-03-15-investuotoju-forume-siulymai-kaip-kovoti-su-seseliu-irkorupcija/59559>.

¹³⁴⁵ Vilimorus, *Lithuanian Map of Corruption*, 2011.

¹³⁴⁶ Ibid.

¹³⁴⁷ Ibid.

¹³⁴⁸ According to data of the SIS, in 2009 14 pre-trial investigations by the statements on the breach of the business interests were started (total 42); 2010 - 10 (total 25).

¹³⁴⁹ In 8 December 2011 43 members, see also: United Nations Global Compact, Participants and Stakeholders. Internet access: http://www.unglobalcompact.org/participants/search?business_type=all&search=&commit_cop_status=all&Country%5B%5D=115&joined_after=12%F01%2F2007&joined_before=12%2F08%2F2011&keyword=&listing_status_id=all&organization_type_id=&page=1&per_page=100§or_id=all.

¹³⁵⁰ Ibid.

Score: 25/100

Business sector is not characterised by active participation in providing support to civil society to fight against corruption.¹³⁵¹ However, the organization of joint events between non-governmental organizations and business organizations can be noticed, for instance, to mark the International Anti-Corruption Day.¹³⁵² It also included the “White Wave”¹³⁵³ and “Kysiai.lt”¹³⁵⁴ projects. The goal of the “White Wave” is to promote transparent business practices in Lithuania. The President of the Republic is the tutor of this initiative. Companies, that participate in the project, are awarded by the “White Wave” sign, if they are properly accountable to the staff, transparently participate in public procurement, fairly pay taxes and want to inform their customers and partners with a special sign of transparency. Although the project began in 2007, however in 2011, only 35 companies participated in this project¹³⁵⁵. Another project “Kysiai.lt” aims to contribute to the fight against corruption in Lithuania and invites individuals and companies to inform about cases of bribery on this website¹³⁵⁶. This project also introduces the campaign “Business Against Corruption”, which invites to join companies, that believe that the corruption in state institutions have negative effects on business and hampers the development of new investment. However, since this project was started to implement in 2008, this year there are only 14 companies that joined this campaign¹³⁵⁷.

Various businesses or business organizations usually do not provide financial support to civil society’s initiatives to fight corruption¹³⁵⁸.

¹³⁵¹ Authors’ interviews with Algimantas Akstinas, 27 June 2011; authors’ interviews with Antanas Sidaras, 21 June 2011; authors’ interviews with Artūras Mackevičius, 21 June 2011.

¹³⁵² Authors’ interview with Algimantas Akstinas, 27 June 2011.

¹³⁵³ Website of the “White Wave”. Internet access: www.baltojibanga.lt

¹³⁵⁴ Website of the “Kysiai.lt”. Internet access: www.kysiai.lt

¹³⁵⁵ Website of the “White Wave”, *Members*. Internet access: <http://www.baltojibanga.lt/lt/nariai.html>

¹³⁵⁶ Website of the “Kysiai.lt”, *About Kysiai.lt*. Internet access: <http://www.kysiai.lt/apie-kysiai.lt.html>

¹³⁵⁷ Website of the “Kysiai.lt”, *Business against corruption*. Internet access: <http://www.kysiai.lt/verslas-pries-korupcija.html>

¹³⁵⁸ Authors’ interviews with Algimantas Akstinas, 27 June 2011; authors’ interviews with Antanas Sidaras, 21 June 2011; authors’ interviews with Artūras Mackevičius, 21 June 2011.

Conclusions

Summing up the analysis of the integrity of individual public and societal sectors presented in this work, the national integrity system of Lithuania can be considered quite effective, and it is continuously improving. Many important changes to the system took place while working on this book. This shows that the State recognizes the importance of the issues discussed in the book, and that they continue to search and find the ways to deal with these issues.

On the other hand, the anti-corruption activities carried out by Lithuanian entities are characterised by quite a few shortcomings. This results from a number of factors, and some of them call for additional attention.

First of all, the legislative action, as one of the means of anti-corruption, is given too much prominence in Lithuania. The legal basis of the majority of the public and societal sectors discussed in the book basically requires no further improvement, which is one of the essential strengths of the overall integrity system. However, such focus on improving and developing regulation, rather than monitoring the functioning of the existing legal standards and increasing their effectiveness results in a large gap between the so-called paper reality (legal standards) and the actual situation (application of legal standards; effectiveness of anti-corruption mechanisms). This requires a wider perception and drafting a new piece of legislation is but one of the ways of addressing certain issues, rather than their solution.

The majority of problems identified by the authors of the book concern the role of individual sectors, and this is considered one of the major weaknesses of the overall integrity system. The assurance of integrity is clearly oriented towards enhancing the internal strengths of individual sectors, while paying far less attention to increasing their systematic role. The overly persistent pursuit of individual institutional objectives while ignoring the overall goals [Lith. *Žinybiškumas*], and the lack of cooperation hinder the formation of the single structure of a national integrity system; instead, this leads to the existence of a group of individual pillars, rather than a system.

To sum up, the individual segments of the national integrity system discussed in this book can be described by the following key characteristics:

- Although there is adequate mechanism for the legal regulation of the legislative power in place, it calls for improvement in terms of addressing the issues of accountability (cooperation with and the actual accountability to the public) and integrity mechanisms (assurance of the effectiveness of the Code of Conduct for State Politicians) in a more consistent manner. The Seimas of the Republic of Lithuania should step up its activities with regard to the executive oversight, and the initiation and implementation of the fundamental legal reforms.
- The executive branch has been quite effective at fulfilling its commitments to the State; nevertheless, this branch of the Government should improve its operation by ensuring the right to the well-governed public sector in a more consistent manner, by presenting activities and initiatives of the Government to the public in a more comprehensible and clear manner, by encouraging the public involvement in the discussion of decisions adopted by official authorities.
- Courts face a lack of financial resources. This impacts the effectiveness and quality of judicial work. The low level of legal education of the public and prevailing negative stereotyping of courts, which results from the insufficient spread of information, adds to the critical attitude towards activities of the courts, the external pressure, in particular when dealing with the so-called

resonant cases, also the disapproval of and disregard of court decisions, which, on some occasions, is demonstrated directly. It is necessary to find ways and measures to make the judiciary more open and comprehensible to the public, meanwhile, the public, currently occupying a defensive position, could gradually become a reliable ally.

- The public sector is built on the principle of loyalty of civil servants to their institution, rather than their loyalty to the State; thus, mechanisms for ensuring transparency, accountability and the functioning of integrity mechanisms, despite adequate legal standards, are very limited in terms of the scope of their effectiveness.
- Lithuanian law enforcement is quite effective and plays a significant role in improving the prevention and control of corruption. However, protection of law enforcement officials against political pressure is insufficient, economic safeguards of their activities are also inadequate, meanwhile, some of the legal standards allow different entities who are dissatisfied with the activities of law enforcement officials influence them, while allegedly abusing legal instruments. The approach towards the functional assurance of integrity mechanisms is excessively formalistic.
- Activities of the Central Electoral Commission (CEC) of the Republic of Lithuania are to be seen in a positive light. Yet, the CEC should find the ways to extend its activities in terms of the financial control of political parties and political campaigns, which is currently limited to the formal analysis of documents. This requires strengthening the analytical capacities and competencies of the CEC. Membership in the CEC is based on the principle of proper representation of the entities concerned in the commission, rather than the independence of its members; the overly large focus on this principle raises additional questions regarding the assurance of the independence of the CEC.
- The National Audit Office of Lithuania (NAOL) plays a significant role in the field of anti-corruption, and accurately performs its tasks. Nevertheless, it should be noted that the NAOL tends to focus on ensuring the quantity of audits, which may affect their quality. Also, it is important to note that the audits are conducted using methodologies that provide limited possibilities to quickly respond to the emerging relevant economic and social risk factors.
- The Seimas Ombudsmen's Office of Lithuania follows the key anti-corruption regulations. Nevertheless, the overall effectiveness of the Ombudsmen's Office is questionable due to insufficient actual preventive actions of the ombudsmen. The Ombudsmen's Office should enhance its cooperation with the public and the implementation of good practice. It should be noted that the public has a controversial and inadequate understanding of the ombudsmen and their decisions.
- Anti-corruption agencies of Lithuania are involved in a number of significant projects in the field of anti-corruption. Yet they should enhance their activities, in particular, in terms of corruption prevention and anti-corruption education. It is also worth considering the possibility of giving decisions of the Chief Official Ethics Commission greater legal power.
- The Lithuanian legal framework creates an environment that is favourable to political parties; however, the financing and activities of political parties and political campaigns are inadequately controlled. It should be noted that the variety of financial sources making up the budgets of political parties is insufficient: up to 2012, large corporate donations, as well as State support

constituted the major share of their budgets; as of 2012, changes in the legal regulation have led to an increase and the excess significance of appropriations from the State budget. Political parties should be encouraged to build their budgets largely on small individual donations. This would motivate political parties to open up to the public; consider the significance of their good reputation, and political parties would be more interested in increasing their accountability. The implementation of a strategy of opening up to the public would also help address other issues, such as the significant lack of trust in political parties, a relatively accidental aggregation of interests, and finally, the internal elite qualities and low activity of the lower structures of political parties.

- The legal and institutional environment of the Lithuanian mass media requires improvement. Neither the independence of journalists nor accountability of mass media entities or their transparency is ensured. Integrity mechanisms are ineffective in the mass media. Conditions for developing investigative journalism are unfavourable in Lithuania, which leads to the insufficient exposure of cases of corruption, and the lack of awareness of the public on corruption and its impact. The briefing of the public on governance issues is rather selective.
- Lithuania has very few non-governmental organizations (NGOs) that play a significant role at the public or State level. The Lithuanian legal framework is not the best system to encourage the establishment and activities of NGOs; the business sector is not a significant supporter of the initiatives of civil society, meanwhile, the public itself is not active enough and thus fails to make use of the NGOs to spread civil initiatives.
- Although Lithuania is taking steps in the creation of a business-friendly legal environment, the majority of initiatives in this direction are very fresh and require huge efforts to ensure their proper implementation. The business sector lacks awareness of the values of transparency and ethics. The State control system of the business sector is rather complex; meanwhile, self-control initiatives of the business sector have only started emerging.

The above observations cover only some of the characteristics of the national integrity system, thus they are to be considered as an introduction to the key conclusions that are presented in the form of recommendations in the following chapter, rather than the main conclusions of the whole paper.

Recommendations

Capacities. Resources:

- Professional training of employees should be given significantly more attention. It should be noted that in some of the fields of public governance, e.g. police, even the legislation does not recognize the importance of adequate training. While prosecutors are required to have a university degree in legal studies and investigators of the Special Investigation Service (SIS) of the Republic of Lithuania ought to have a university degree, the legislation requires police investigators to have at least a college diploma or non-university higher education. It is therefore necessary to introduce prerequisites of education for police investigators as the quality of pre-trial investigation depends on their performance.
- Employees who received professional training at the expense of the State budget too often and too soon go on to work for private companies. It is therefore advisable to create legal and financial leverages that would allow the preservation of employees who received professional training at the expense of the State in the public sector or recover the funds invested in professional training of human resources.
- It is of no less importance to give attention to increasing the motivation of employees of the public sector to properly do their job: developing systems for motivating employees, improving their social and economic situation and assuring adequate remuneration for their work should receive significantly more attention. For example, measures should be taken to reduce remuneration differences between employees occupying similar positions or doing jobs that require similar skills (e.g. judges of the different types of courts).
- It is important that civil society, the mass media, the business sector and political parties are also provided with adequate resources. In this regard direct State support for the execution of individual functions of public interest should be extended and regulated adequately. There is no regulation of the State support provided to the NGOs, however, such regulation is necessary.
- It is necessary to find ways to encourage individuals and enterprises to increase their financial support for the fulfilment of the functions of public interest. Although legislation of the Republic of Lithuania provides that residents of the Republic of Lithuania may allocate 2% of the residents' income tax to support selected NGOs (this is aimed at promoting the sense of public spirit in individuals), practically, more than one third of this revenue goes to the budgetary agencies that are considered to be beneficiaries of the support, rather than the NGOs.
- Obstacles created by excess State regulation should be reduced to create the necessary resources for the entities involved in the integrity system. The administrative burden should be further reduced, the launch and execution of business should be simplified and the issues that arise when applying for permits, licences and taking steps to meet the legal requirements to perform certain economic-commercial activities should be addressed.
- Obstacles resulting from the lack of State regulation should be reduced to create the necessary resources for entities involved in the integrity system. Lithuania does not have any specific legislation restricting the concentration of ownership of mass media organisations or their share in the market. It is necessary to establish additional legal restrictions on the concentration in the mass media market, i.e., to establish that the economic entity is to be considered as dominant if it occupies no less than 30% of the mass media market; to introduce restrictions on the concentration of internal ownership

of mass media organizations, depending on their market share; to introduce restrictions on the concentration of the mixed types of mass media.

- It is necessary to eliminate interference resulting from inconsistent legal regulation that hinders the assurance of necessary resources. Inconsistency in legislation does not allow differentiating NGOs from other organizations, therefore, regulation of the activities and financing of NGOs should be covered by a single piece of legislation specific for this group of organizations. Also, it should be noted that the legal environment of Lithuania is extremely favourable for the founding and operation of political parties: relatively simple establishment procedures lead to the abundance of political parties, which hinders the understanding of the public about the political parties; meanwhile, the State faces difficulties liquidating political parties that no longer meet legal requirements and exist on paper only; thus, legal regulation of this field should be improved too.
- It is necessary to eliminate interference resulting from the instability of legal regulation that hinders the assurance of necessary resources. The economic crisis unveiled the regulatory instability of the business environment. Regulation of the business environment should be given more attention to ensure its stability.

Capacities. Independence:

- Economic and social guarantees to ensure independence of individuals employed in the public sector should be strengthened. Regulations on the recruitment of employees of the public authorities do not provide for any specific rules prohibiting political pressure. Regulations on the promotion of civil servants or employees working under an employment contract do not provide for any safeguards against the unacceptable pressure against the person. It is necessary to create safeguards for the protection of employees from the political pressure, also to ensure their impartiality and political neutrality.
- Economic and social guarantees to ensure independence of individuals employed outside the public sector should be strengthened. Special focus should be given to improving regulation of professional safety and the social guarantees of journalists.
- Economic and social guarantees to ensure independence of non-state organizations should be strengthened. There have been attempts to influence the activities of NGOs, in particular, at the municipal level. Quite often Lithuanian NGOs pay off distributors of support by providing them their services, bringing presents and giving money, thus seeking favourable results of the procurement procedures and of the competitions to receive support. NGOs should therefore receive greater attention, to ensure their independence and to clearly define rules on their funding at the local level.
- Economic and social guarantees to ensure the independence of public authorities and organizations should be strengthened. Funding on a yearly basis restricts the independence of public authorities and impedes the implementation of their functions. Therefore, the possibility of giving up the principle of funding on a yearly basis should be considered.
- Entities involved in the integrity system should step up their efforts to ensure their independence. For example, NGOs should search for several different sources (rather than a single source) of funding and develop their entrepreneurship. Political parties should do their best to ensure that the major share of their budgets is made up of minor individual donations. This would motivate political parties to open up to the public and increase their accountability. When taking extremely radical decisions on the legal restriction of support from private entities, all the consequences, i.e., the resulting need for increased funding of political parties from the State budget, together with all the negative consequences of cartelization, should be taken into consideration, in the first

place; also, a functional control mechanism, corresponding to the more rigorous rules, should be introduced to prevent support that is no longer legitimate from reaching political parties via other channels.

- Excess discretion over decision-making in the public sector has to be curbed. It is necessary to draw attention to the fact that the agency recruiting a civil servant plays a crucial role in the preparation of tasks of the recruitment procedure. The crucial role of the head of the recruiting agency in the preparation of these tasks has to be eliminated.
- Excess discretion over decision-making concerning the business sector has to be curbed. It is necessary to ensure that legislation which grants entities of the public administration the right to decide on the issues of business regulation lays down clear criteria for such decision-making. Also, it is vital to ensure more effective handling of complaints regarding actions and decisions of public administration entities, focusing on the shorter duration of proceedings and possibilities for the impartial hearing of complaints. The business oversight system has to be improved through addressing the issues of the overly larger number and the functional coordination of business regulatory authorities, also through the introduction of a common principle for all regulatory institutions, encouraging them to advise rather than penalise enterprises on the first year of their activity.
- Guarantees to protect individuals employed in the public sector from political pressure should be expanded. In individuals cases - regardless of whether they are exploring possibilities of improving the quality of law enforcement activities or intervening in the investigation of resonant cases - ad-hoc commissions of the Seimas raise doubts. Politicians discussing ongoing trials in public or demonstrating their interest in a specific lawsuit cause law enforcement officials undue stress.
- Guarantees against unfounded pressure on the entities involved the integrity system from the mass media and social groups should be expanded. This issue is particularly evident in the law enforcement and judiciary sector. Details of the private lives of officials involved in resonant cases that are disclosed in the mass media, also protests violating legal regulations are considered an illegal form of influence on prosecutors; *despite* the fact, participants of such campaigns are not incriminated of being involved in illegal activities. The issue of public pressure based on the personal characteristics of an individual exists both in the public, and the societal sectors. Besides, when addressing these issues, effective measures for raising public awareness should be employed. For example, the public is critical towards the work of judges basically due to insufficient legal education and the lack of knowledge about the specifics of the judiciary activities; in the public, there is a prevailing though misleading belief regarding the high earnings of judges. The personal skills of law enforcement officials and judges to withstand public pressure should be improved. For example, the selection procedure of judges should focus both on the expertise of the candidates and their personal characteristics, also their ability to carry out their tasks under external pressure objectively and impartially (it is worth considering the possibility of introducing cognitive tests in the judicial selection procedure).
- Possibilities in eliminating legal provisions that allow the interested parties to pressure civil servants, in particular, law enforcement officials, by making use of legal instruments should be considered. There have been cases where suspects (the accused) initiated proceedings by private prosecution, asking the court to adjudge the officials investigating their case guilty of defamation or other offences. Proceedings by private prosecution do not involve any pre-trial investigation, and if the claim meets requirements, judicial proceedings usually begin right away, turning the official into a defendant and often removing them from their duties. Actors in the proceedings make

use of their right to bring action damages against officials who are carrying out their professional duties in the context of criminal proceedings, by way of civil procedures. Such cases make prosecutors or pre-trial investigators vulnerable.

Governance. Transparency

- Violations of the right to a well-governed public sector, including the right to obtain information from public authorities, are frequent; therefore, efforts need to be made to strengthen material and procedural guarantees for the exercise of this right. Transparency requirements established in Lithuanian law should be expanded. For example, there are detailed requirements for announcing competitions to fill positions in the civil service, but there are not even basic transparency requirements for persons employed in the public sector on an employment contract basis. Such requirements should be established.
- Introduction of transparency practices in the non-governmental sector also need special attention. The rule of law provides for only minimal regulation of transparency matters for all forms of NGOs and the majority of Lithuanian NGOs have not yet progressed much to understand the need for demonstrating how transparent their activities are. Business entities as a rule follow transparency requirements provided for in legislation but the practice of voluntary application of higher transparency and corporate social responsibility standards is most of the times limited to large companies. A solution to the problem, *inter alia*, could be raising awareness among the NGOs on the advantages of transparency, encouraging business entities (small and medium enterprises in particular) to apply higher transparency requirements and social responsibility standards.
- In some areas, though, the reverse problem is observed, namely, that of extremely detailed requirements of transparency. For example, extremely detailed regulation of requirements for financial statements of political parties. Meeting these requirements requires that political parties and political campaigns require greater internal administrative resources (which are not always available). A lack of these resources (in particular in terms of competence) is showcased in the financial statements of political parties: some of the parties fail to submit the statements altogether, some provide statements that are incorrect or not diversified. Hence the need to define at least minimum professional requirements for treasurers of political parties and political campaigns.
- Regulation of business ownership transparency needs to be improved. Particular attention needs to be given to the regulation of media ownership and interest declaration. It is proposed to establish a public register of media organisations and members of their holding companies controlling at least 10 per cent of all shares or assets; to regulate the procedure for declaring public and private interests of members of media organisations controlling at least 10 per cent of all shares or assets; to better tie non-compliance with legal provisions by media entities to their administrative liability.
- Public authorities should pay greater attention to informing society on their activities. Not all public authorities have websites (for example, quite a large number of courts do not have one). Information to the public quite often is presented incoherently, “unfiltered”, and in a manner which makes it quite difficult to understand. For example, arguments behind one or another court judgement more often than not are difficult for the general public to understand because of the complex legal language and low literacy of citizens in legal matters. Another example: on the website of the Central Electoral Commission one can find, with relative ease, and download annual financial statements (income and expenditure statements) of all political campaigns and of many political parties, as well as other documents. But unprocessed statements get lost in all that body of data and ordinary citizens find it difficult to navigate them (it should be pointed out that no party with members in the Seimas provides their financial statements and other funding documents on their websites). These issues of making the information more systemic and better understandable could be addressed by forming analytic divisions within institutions whose information is of critical significance to the public (for example, in the Central Electoral Commission). Even though court judgments are published on the Internet, the judicial

information search system LITEKO remains insufficiently efficient. Moreover, public authorities tend to unreasonably overestimate the importance of the Internet as a source of information. More efforts should be made to inform the public on the possibilities of finding relevant information on the Internet. Another area that needs separate attention is informing people who do not have access to this source of information (for example, the elderly, people living in remote areas) by employing a greater variety of sources, not just the Internet (for example, radio, television).

- Even in cases when the rule of law defines sufficiently details requirements for transparency, in practice there is still room to avoid them. Practice shows, for example, that there are ways to circumvent legal requirements on the provision of information on financial and other private interests (transparency lacking funds could be accounted through self-employment mechanisms, tradecraft, held in foreign countries, etc.). The electronic case allocation system in courts of law raises doubts leading to concerns over the transparency of the system and objectivity of judges. Monitoring of the system should be continued to identify flaws in the system.
- Sanctions that are established in law for non-compliance with transparency requirements should be reviewed: some of them are inefficient. For example, political parties failing to submit financial statements may be disciplined only through budgetary discharges – there are no stricter sanctions to political parties that fail to submit financial statements and are not eligible for state funding.

Governance. Accountability

- Accountability standards need to be revised. For example, members of the Seimas bear no special (separate) duties in cases of conflicts of interest. There are no separate rules enforced on the members of the Seimas regarding gifts, services and hospitality, post-employment and no obligation to disclose relations with lobbyists. The problem of accountability standards is also relevant to the non-governmental sector. For example, a lot of problems in accountability regulation exist in the institutional system of media regulation and self-regulation. It is recommended to reorganise the Lithuanian Radio and Television Commission, the Office of the Inspector of Journalist Ethics, and Ethics Commission of Journalists and Publishers by optimizing their functions; for professional unions of journalists and media organisations and their associations initiate agreements regarding the development of an efficient self-regulation system.
- Regulation of public participation in the public authority decision making processes needs to be specified. The rule of law requires less transparency in the pre-plenary legislation drafting and hearing stage in the Seimas as compared to the plenary hearing. Reservations in the Statute of the Seimas allow for legislation drafting and hearing procedures in the Seimas prior to the plenary be only partly public, and for the restriction of the power of committees and commissions in the Seimas to chose, at their discretion, whom to consult. Regulation of lobbyist activities is also faulty. Actual lobbying activities performed by persons or groups of persons who are not on the list of lobbyists constitute a rather usual practice. It should be stressed that public participation in the decision making processes by executive power is regulated by different pieces of legislation in some important areas, for example, as far as Seimas Ombudsmen are concerned, the rule of law does not stipulate any forms of public involvement. Efforts need to be made to find ways for allowing members of the public to participate in the decision making processes in courts of law. It is also important to note that (except for the possibility to appeal procedural judgments of courts) no other measures are applied that would contribute to better quality of court performance. It is worth encouraging non-governmental organisations to get involved in the monitoring of court performance, evaluating such performance, publicizing failings observed, holding discussions and consultations with representatives from judicial authorities and other professionals. As for decision making in the business sector, there is a problem of interests of minority shareholders being neglected; greater attention should be paid to ensure that the rights of minority shareholders are protected.

- To ensure accountability of entities in the integrity system it is essential that a systemic assessment of the efficiency of sanctions for non-compliance with applicable requirements is in place. For example, practice still shows frequent occasions of political parties using donations not accounted for in the party's financial statements: promotional articles without the appropriate marking during an election campaign, advertising and other services at dumped prices. Violations do get recorded but perpetrators get away with nominal penalties. It is likely that a great number of legal sanctions aren't effective enough. It is regretful that at the moment no actual assessment of how effective sanctions are is done; there is even no official statistics on the number of violations committed and the number of public sector employees brought to account for misconduct. It is also worth noticing that in some cases there is even no defined liability for non-performance of certain important duties. For example, despite the fact that every member on a public procurement commission is required to sign a statement of impartiality, violation does not result in actual liability.
- It is of particular importance that Lithuania has no sufficient conditions to encourage people to whistleblow on cases of corruption. There is no integrated system for the protection of whistleblowers. The provisions of whistleblower protection are implemented only in the area of criminal law: there is no special regulation of whistleblower protection in the civil service or labour relations areas. The law stipulates that complaints brought before public authorities need to be made in writing and be identifiable: if this requirement is not met a complaint may be dismissed. It is feasible to expand the options for giving anonymous messages on cases of corruption. The possibility of establishing confidential channels needs to be discussed (for example, such an internal message channel could be established within the Central Electoral Commission to ensure safe delivery of messages by the staff on the secretariat, county, municipal or regional commissions). Members of the public have very limited possibilities to question results of public procurement: the law stipulates that the only person entitled to make claims regarding the public procurement procedure is the bidder – no other person has the possibility to complain of improperly conducted public procurement tenders.
- Capacities of public agencies to ensure accountability in the integrity system need to be strengthened. There are not enough resources to ensure efficient control of asset, income and private and public interest declarations by civil servants. Capacities of the Central Electoral Commission to ensure control of public procurements are also insufficient. The capacities that are available to the Central Electoral Commission suffice just to inspect statements of political parties, meaning, that cases of political parties using shadow funds “not directly circulating in the system”, i.e. support in the form of promotional articles without appropriate marking during an election campaign, advertising and other services at dumped prices, are virtually never investigated. The efficiency of finance market oversight should be strengthened.

Governance. Integrity Mechanisms

- To achieve the effective application of the rules of ethics, the rules themselves need to be revised. In some cases they are not clear enough, are defined in general principles only, are insufficiently specific (for example, Declaration of Private Interests specifies a vague requirement, namely, that persons need to disclose other details or circumstances which could, to their best knowledge, result in a conflict of interests). Anti-corruption training held for civil servants are a matter of formality; moreover, civil servants are not motivated to attend this training. Ethical norms themselves get little attention, for example, the Code of Conduct for the National Audit Office of Lithuania that was approved by the Auditor General governs ethics of the service but it is not even available on the website of the Office. As for the NGO sector, codes of conduct are rather rare and the majority of NGOs are not willing or do not see the need to introduce them.
- The efficiency of private interest control needs to be improved. The procedure for declaring private interests should be simplified (for example, an option of declaring private interests electronically could be introduced), the publicity of private interests ensured (for example, by establishing a register for private interests).

- Also procedures for the investigation of violations of ethics need to be specified; efforts should also be made to ensure that independent persons participate in the investigation of ethics violations (in Ethics Commissions), to broaden powers of the Chief Official Ethics Commission (granting the right to investigate activities by people no longer employed in the civil service); business organisations should also pay greater attention on how to ensure compliance with sectoral business codes of conduct and anti-corruption codes. Liability for violations of rules of ethics should be clearly defined (for example, making a blacklist of companies that engage or have engaged in corrupt practices and money laundering), incentives to behave in an ethical manner introduced (for example, introduce the requirement that companies participating in a public procurement tender have ethics programmes and mechanisms to ensure the implementation thereof, provide advantages to transparent companies participating in public procurement, etc.). It is also essential to shape the practice of assessing the actual impact of ethics requirements: it is often difficult just to find information on the number and nature of ethics violations, and outcomes of their investigation.

Role

- Legislative power should pay greater attention and initiate essential legal reforms to achieve ethical practice, transparency and accountability in the public sector, and expand the currently fragmented control of executive power.
- Law enforcement institutions should strive for more efficient activities by way of improving anti-corruption legal framework and public sector governance.
- The role of courts of law in the integrity system should be increased by increasing awareness among the general public on the activities of courts. Also measures need to be taken to remove any conditions conducive to corruption. Pre-trial investigation and judicial investigation processes need to be automated. Such automation would help to address the issue of too slow and static investigation of cases and hearings in a court of law (creating a medium that is conducive to corruption motives, namely, a prolonged process provides better opportunities to terminate it).
- As for the public sector, efforts need to be made to improve oversight of compliance with public procurement terms, giving particular attention to guarantees so that the terms of public procurement tenders are not tailored to fit certain suppliers or certain procurement only. More attention should be paid to educating the public, collaborating with public institutions, civil society organisations and private organisations in fighting corruption.
- Law enforcement institutions should optimize criminal prosecution in corruption cases. Efforts need to be made to ensure that investigations of offences justify the costs. Often the media covers cases of detention or charges pressed even though the outcome of these cases on most occasions is not clear. It should be noted that in some cases important information collected during a pre-trial investigation by means of simulation is not admitted as evidence in a court of law which subsequently leads to the inability to enforce criminal liability of the defendant. Therefore a great deal more attention needs to be paid to comprehend and understand the doctrine of provocation established by the European Court of Human Rights. There is also the need to clarify functions of pre-trial investigation institutions entitled to investigate acts of corruption and to establish an actual ratio between the qualifications, work load and remuneration of officers. Prosecution should clearly define priority activities which would let them delegate the investigation of offences to appropriate institutions: specialized (Special Investigation Service) or general (police). Statistic systems need to be improved also: information on offences provided by the prosecution, the SIS and the police have to be comparable; the issue of attributing offences to corruption practices in information systems needs to be resolved.
- Seimas Ombudsmen should pay a lot more attention to the development of best practices. To date these activities have been of a limited scope.
- The National Audit Office should improve its activities in investigating offences and ensuring that appropriate sanctions are imposed. The National Audit Office conducts a national audit based on its own approved audit recommendations (methods) which are not, though should be, regularly updated to reflect relevant economic and social risk factors of the entities audited.

There should also be an efficient selection system for entities audited and such a selection system should include economic and social risk factors. To achieve effective national audit the focus of such an audit should be quality and the prioritisation of areas to be audited. The system of collaboration between internal audit services of public sector institutions and the National Audit Office needs to be improved. Efforts should be made to ensure that national audit findings are not limited to *post factum* situations but also serve as a basis in planning the implementation of reforms in the public sector or conducting mid-term efficiency evaluation of these reforms. The role of the National Audit Office in the integrity system could be strengthened through the understanding that the National Audit Office is not a “punitive” but rather “preventive” institution.

- Anti-corruption agencies should intensify corruption prevention activities, pay more attention and allocate more resources to research and training relevant to the field.
- The Central Electoral Commission has limited capacity to ensure control of political campaign funding, administration of elections does not prevent greater numbers of election violations. Therefore there is a need to find ways to optimize both the work of the Central Electoral Commission and build the capacities (including financial) of other institutions, namely, State Tax Inspectorate, the police, municipal administrations, vested with related powers.
- Political parties should aggregate and represent interests of society groups in a more coherent manner. Political party platforms in Lithuania reflect visions by a small group of people and are not linked with the representation of interests of different groups in society. Also, political agendas are made in an incremental manner, that is, in the simplest manner of solving arising problems with limited competencies. This problem stems from the fact that positions of the electorate are ideologically incoherent leading to the situation where, in terms of coincidence of attitudes, populist parties that are able to sense popular sentiments represent voters the best, are the parties that perform worst as far as consistence of ideological attitudes goes. On the other hand this situation does not motivate political parties to make platforms that are coherent and focus on the representation of interests of specific clearly defined groups in society. Political parties should focus more on anti-corruption commitments. Public accountability and transparency goals declared in political party manifests and speeches by political party leaders are employed rather instrumentally when the situation calls for it and in everyday activities are not regarded as a value: communication intensifies only in the election period. There are still no mechanisms to give meaning to these principles, for example, functioning public questionnaires.
- The media should improve the practices of informing the public on governance matters. This could be achieved only through fundamental changes in the policy of information provision to the public (principal coordinator being the Ministry of Culture) and creation of favourable economic and legal conditions for the media system to function. The independence of the national broadcaster (LRT) from political system entities needs to be ensured. To achieve this it is recommended to legally link the scope of funding from the national budget with a certain economic indicator thus eliminating the practice of restricting LRT independence when the amount of funding from the national budget every year depends on the will of the political majority in the Seimas.
- Civil society organisations are too weak to have any significant impact in shaping national anti-corruption policies. Lithuania has only several NGOs with sufficient financial and human resources to independently and justifiably monitor and critique actions and decisions by the national government. Therefore efforts need to be made to strengthen the NGO sector.
- The business sector pays too little attention to anti-corruption policies. This policy area is dominated by one-way obligations of the Government whereas business organisations most of the time do not commit to any obligations on their side. More than 40 business entities have signed the UN Global Compact but not all of them have provided progress reports within the Global Compact framework. The business sector could support civil society organisations more in implementing anti-corruption initiatives.

IX. LITERATURE

II. About the National Integrity System in Lithuania

1. *Special Eurobarometer 374. Corruption*. Conducted by TNS opinion & social at the request of Europe Commission, 2012. Internet access: http://ec.europa.eu/public_opinion/archives/ebs/ebs_374_en.pdf.
2. Transparency International, *Anti – Corruption Plain Language Guide*. Transparency International Secretariat: Berlin, 24. Internet access: http://www.transparency.org/publications/publications/other/plain_language_guide.
3. “Transparency International“, *National Integrity System assessments. National Integrity System background, rationale and methodology*. Interneto prieiga: http://www.transparency.org/files/content/nis/NationalIntegritySystem_Background_and_Methodolog.pdf.
4. Vilimorus, *Lithuanian Corruption map, 2011*. The research ordered by the SIS (from July to August of 2011). Internet access: http://www.stt.lt/documents/soc_tyrimai/Korupcijos_zemelapis.pdf.

III. Lithuania: Country Profile

1. Freedom House, *Freedom in the World 2011*. <http://www.freedomhouse.org/template.cfm?page=363&year=2010>.
2. Bertelsmann Stiftung, *BTI 2010 — Lithuania Country Report*. Gütersloh: Bertelsmann Stiftung, 2009. Internet access: <http://www.bertelsmann-transformation-index.de/en/bti/country-reports/laendergutachten/eastern-central-and-southeastern-europe/lithuania/>.
3. Leibniz Institute for Social Sciences, *European Values Study 2008 4th wave. ZA4800: EVS 2008: Integrated Dataset*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=4800>.
4. The results of a survey carried out by UAB „Vilimorus“ in June, 2011. Internet access: <http://www.vilimorus.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=2&cntnt01returnid=20>.
5. Gaizauskaitė I. “The Need for Trust in Post-Communist Lithuania: An Institutional Perspective“ // Blasko A.M., Janušauskienė D. (eds.) *Political Transformation and Changing Identities in Central and Eastern Europe*. Washington, D.C.: Council for Research in Values and Philosophy, 2008.
6. “Viešai.lt“ index. Internet access: <http://www.viesai.lt/vyriausybes-veiklos-indeksas/>
7. Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.
8. The Ruling of the Constitutional Court of the Republic of Lithuania on the compliance of paragraph 2 of article 5, article 27, item 4 of paragraph 7 (wording of 8 october 2002) of article 29, item 1 of paragraph 2 (wording of 26 June 2011) of article 56 of the Republic of Lithuania Law on Tax Administration with the Constitution of the Republic of Lithuania and on the compliance of item 2 of Government of the Republic of Lithuania resolution No. 1073 „On the indirect establishment of the tax base“ of 3 september 1998, also of the chapter „cases of the indirect establishment of the tax base“ and the chapter „methods of the indirect establishment of the tax base“ of the methods of the indirect establishment of the tax base which were confirmed by the said government resolution with the constitution of the Republic of Lithuania and paragraph 2 of article 5 of the republic of Lithuania law on tax administration. Žin., 2003, 109–4887.
9. The World Bank Group, *Worldwide Governance indicators*. Internet access: http://info.worldbank.org/governance/wgi/mc_chart.asp.
10. Vilimorus, “What do the residents think about the human rights in Lithuania.“ Representative survey of Lithuanian residents. Carried out by Vilimorus at the request of Human Rights Monitoring Institute. Internet access: http://www.hrmi.lt/uploaded/PDF%20dokai/Vilimorus_Apklausos_Rezultatai_20101210.pdf.
11. Garkauskas P. Prosecutor about the arrests in Kaunas: number of detainees can increase, *BNS, www.Delfi.lt*, 16 January 2012;.
12. Garkauskas P. “Criminal responsibility may threaten to the mayor of Lazdijai.“ *www.Delfi.lt*, 4 November 2011.
13. „Vice minister A.Škikas is suspected of bribery and arrested for 14 days“. *ELTA, BNS and Lrytas.lt* 23 January 2010. Internet access: <http://www.lrytas.lt/-12641664941263259970-ky%C5%A1io-pa%C4%97mimu-%C4%AFtariamais-viceministras-a-skikas-suimtas-14-dien%C5%B3-papildyta-video.htm>.
14. European Parliament resolution of 17 September 2009 on the Lithuanian Law on the Protection of Minors against the Detrimental Effects of Public Information. Internet access: <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2009-0019&language=EN>.

15. European Parliament resolution of 19 January 2011 on violation of freedom of expression and discrimination on the basis of sexual orientation in Lithuania Internet access: <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2011-0019&language=EN&ring=B7-2011-0031>.
16. *Discrimination in the European Union: Perceptions, Experiences and Attitudes. Special Eurobarometer* 296. European Commission, 2008. Internet access: <http://ec.europa.eu/social/BlobServlet?docId=769&langId=en>.
17. Department of statistics. "M3010215: Population at the beginning of the year by ethnicity." Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveelections.asp?MainTable=M3010215&PLanguage=0&TableStyle=&Buttons=&PXSID=3236&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>.
18. Law of the Republic of Lithuania on Equal Treatment. Žin., 2003, No. 114-5115.
19. European Court of Human rights case. L. v. Lithuania, No. 27527/03. Internet access: <http://cmiskp.echr.coe.int/tkp197/view.asp?item=4&portal=hbkm&action=html&highlight=L.%20|%20v.%20|%20Lithuania%2C%20|%20no.%20|%2027527/03&sessionId=73755083&skin=hudoc-en>.
20. *World Development Indicators 2011*. Washington, DC: World Bank, 2011.
21. Annual Report of the President, President of the Republic of Lithuania in the Seimas, 19 April 2001. Internet Access: <http://adamkus.president.lt/pmp2001.phtml>.
22. Speech of A. Butkevičius, member of the Seimas, leader of the opposition, in Seimas commemoration of Independence Day of Lithuania, 11 March 2011. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=4465&p_d=108394&p_k=1.
23. Website of the Central Electoral Commission. Internet access: www.vrk.lt.
24. Algirdas Butkevičius, Head of the Lithuanian social Democratic Party, Speech in XXX Party Congress, 2011, part 1. Internet access: <http://www.lsdp.lt/lt/naujienos/2150-lsdp-pirmininko-algirdo-butkeviciaus-pranesimas-xxx-suvaziavime-1-dalis.html>.
25. *European Values Study 2008 4th wave. ZA4800: EVS 2008: Integrated Dataset*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=4800>.
26. "STT director: corruption increased in the police and custom." *BNS, Delfi.lt*, 8 June 2010. Internet access: <http://www.delfi.lt/news/daily/lithuania/stt-vadovas-padaugejo-korupcijos-policijoje-irmuitineje.d?id=33263209#ixzz1tKgB6V00>.
27. World Bank, *World Development Indicators, GDP (current US\$)*. Internet access: <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD/countries>.
28. "Baltic tiger. Lithuania has the fastest-growing economy in Europe". *The Economist*, Jul 17th 2003. Internet access: http://www.economist.com/node/1929205?story_id=1929205.
29. *The A.T. Kearney Global Services Location Index™, 2011*. Internet access: <http://www.atkearney.com/index.php/Publications/offshoring-opportunities-amid-economic-turbulence-the-at-kearney-global-services-location-index-gsli-2011.html>.
30. Gwartney, James, Robert Lawson, and Joshua Hall (eds.). *Economic Freedom of the World 2010 Annual Report*. Vancouver, B.C.: Fraser Institute, 2010. Internet access: <http://www.freetheworld.com/2010/reports/world/EFW2010-ch1-ch2.pdf>
2010 Quality of Life Index. Internet access: <http://www1.internationalliving.com/qofl2010>.
31. Invest in Lithuania, *Developed infrastructure*. Internet access: <http://www.investlithuania.com/lt/investuok/isvystyta-infrastruktura>.
32. World Development Indicators database, *World Bank. Gross domestic product 2010, PPP*. Internet access: http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP_PPP.pdf.
33. UNDP. *Human Development Index and its components*. Internet access: http://hdr.undp.org/en/media/HDR_2010_EN_Table1_reprint.pdf.
34. Council opinion on the updated convergence programme of Lithuania, 2005–2008 m. (2006/C 82/10). Internet access: <http://eur-lex.europa.eu/Notice.do?mode=dbl&lang=en&ihtmlang=en&lng1=en.lt&lng2=cs,da,de,el,en,es,et,fi,fr,hu,it,lt,lv,nl,pl,pt,sk,sl,sv,&val=424781:cs&page=>.
35. Department of statistics, M4010116: *Number of registered and in operation economic entities at the beginning of the year by legal form*. Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveelections.asp?MainTable=M4010116&PLanguage=0&TableStyle=&Buttons=&PXSID=5389&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>.
36. "STT detained Administrative Director of Panevėžys municipality. ", *BNS Delfi.lt*, 2009.
37. Internet access: <http://www.delfi.lt/news/daily/lithuania/article.php?id=25836341&categoryID=7>.

38. Department of statistics, *M4010243: Number of enterprises in operation and number of employees at the beginning of the year by size class of enterprises, economic activity (NACE 2)*. Internet access: <http://db1.stat.gov.lt/statbank/selectvarval/saveselections.asp?MainTable=M4010243&PLanguage=0&TableStyle=&Buttons=&PXSID=13369&IQY=&TC=&ST=ST&rvar0=&rvar1=&rvar2=&rvar3=&rvar4=&rvar5=&rvar6=&rvar7=&rvar8=&rvar9=&rvar10=&rvar11=&rvar12=&rvar13=&rvar14=>.
39. Department of statistics of Lithuania. Press release: *Number of Enterprises in bankruptcy increased by 58 per cent in 2008*. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=6831>.
40. Department of statistics of Lithuania. Press release: *Number of enterprises in bankruptcy increased by 92.6 per cent in 2009*. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=7968>.
41. Department of statistics. Press release: Bankruptcy of Enterprises. *Number of enterprises in bankruptcy decreased by 11.3 per cent in 2010*. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=9160>.
42. G. Sakalauskas, *Registered and latent crime: trends, comparative aspects and background factors*. Vilnius: Law Institute, 2011.
43. Eurostat, *Crime trends in detail. Data from January 2012, most recent data: Further Eurostat information, Main tables and Database*. Internet access: http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Crime_trends_in_detail#Homicide_.28T able_.3.29.
44. Eurostat, *Tables, Graphs and Maps Interface (TGM) table Suicide death rate, by age group - Males crude death rate per 100 000 persons from 15 to 19 years*. Internet access: <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tsdph250>.
45. Department of statistics of Lithuania. Press releases: *International migration. 83200 Lithuanian residents declared emigration in 2010*. Internet access: <http://www.stat.gov.lt/lt/news/view/?id=9060>.
46. Lithuanian Seimas. The eleventh (11) session. 9 December 2004. transcript. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=239020&p_query=%F0voger%F8%20lietuv a&p_tr2=2; Lithuanian Seimas. Thirty-seventh session. 1994. 29 November. Transcript. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=246858&p_query=%F0voger%F8%20lietuva&p_tr2=2.
47. Samoškaitė E., Černiauskas Š., “Radviliškis district mayor A.Čepononis and his colleague have been arrested“. *Delfi.lt, BNS*, 19 December 2011. Internet access: <http://www.delfi.lt/news/daily/lithuania/radviliskio-r-meras-acepononis-ir-jo-kolega-uzdaryti-i-arestine.d?id=53133775>.
48. “Vice ministre of ministry of Agriculture Aušrys Macijauskas is suspected of abusing his official position“. *15min.lt*, 14 June 2011. Internet Access: <http://www.15min.lt/naujiena/aktualu/nusikaltimaiirnelaimes/stt-zemes-ukio-viceministras-ausrys-macijauskas-galimai-piktnaudziavo-tarnybine-padetimi-59-155775#axzz1p06J0njW>.

IV. Corruption Profile Analysis in Lithuania

1. Transparency International, *Corruption Perceptions Index 2010. Results*. Internet access: www.transparency.org/policy_research/surveys_indices/cpi/2010/results.
2. Transparency International, *Corruption Perceptions Index 2011*. Internet access: <http://archive.transparency.org/content/download/64426/1030807>.
3. Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.
4. Annual Report of Dalia Grybauskaitė, President of the Republic of Lithuania, 8 June 2010. Internet access: http://www.president.lt/lt/prezidento_veikla/metinis_pranesimas/2010_m..html.
5. Prison Department under the Ministry of Justice of the Republic of Lithuania, *Imprisonments amount, composition (by crime, age, punishment period and others) and their changing*. 28 January 2011. January – December 2010 data. Internet access: <http://www.kalejimudepartamentas.lt/getfile.aspx?dokid=8A3D4611-EB5C-447B-99C6-46F2F276FB85>.
6. “Transparency International“ Lithuanian Chapter, *Lithuanian Corruption Map 2008*. Internet access: http://www.transparency.lt/new/images/1kz2008_prezentacijafinal.pdf.
7. Global Integrity, *Global Integrity Report: 2008 Assessment, Lithuania: Integrity Indicators Scorecard*. Internet access: <http://report.globalintegrity.org/Lithuania/2008/scorecard>.
8. Ministry of Economy of the Republic of Lithuania, *Problems of Public Procurement and Ways of solution*. Internet access: http://www.ukmin.lt/lt/dokumentai/Vies_pirkimai.pdf.
9. R. Juozapavičius (ed.), *How to make public procurement more transparent?* Vilnius: Eugrimas, 2006. Internet access: http://www.transparency.lt/new/images/viesieji_pirkimai_maketas.pdf.

10. UAB "Konsultus", *Not only queues are getting bigger, but also illegal payments*, 12th October, 2010 – 16th November, 2010, at the request of National Health Insurance Fund. *Lietuvos sveikata*. Internet access: <http://www.lsveikata.lt/pagrindinis/naujieinos/2618-gydymo-staigose-didja-ne-tik-eils-bet-ir-priemokos.html>.
11. "Transparency International" Lithuanian Chapter, *Transparency in the construction sector*. January of 2008. Internet access: http://www.transparency.lt/new/images/statybu_skaidrumo_ataskaita.pdf.
12. J.T. Noonan, „Struggling Against Corruption.“ W.C. Heffernan & J. Kleinig, *Private and Public Corruption*. Lanham, MD: Rowman & Littlefield, 2004.
13. A. Zagainova, "Challenges of anticorruption policies in post-communist countries." http://www.sed.manchester.ac.uk/research/events/conferences/documents/Redesigning_The_State_Papers/Zagainova.pdf.
14. *Study on Corruption within the Public Sector in the Member States of the European Union. Final Report*. Internet ace: http://ec.europa.eu/home-affairs/doc_centre/crime/docs/study_corruption_in_the_public_sector_in_eu_ms_en.pdf.
15. J. Palidaukaitė, "Spread of Corruption in Lithuania: Between soviet Legacy and Market Pragmatism." *Public Policy and Administration*, No. 18, 2006.
16. Gesis. Leibniz Institute for the Social Studies. ZA3793: *EVS - European Values Study 1999/2000 (release 2, May 2006) – Lithuania*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=3793>.
17. Gesis. Leibniz Institute for the Social Studies. *European Values Study. 2008 4th wave. ZA4768: EVS 2008: Lithuania*. Internet access: <http://info1.gesis.org/dbksearch19/Docs.asp?no=4768>.
18. Garkauskas P. Prosecutor about the arrests in Kaunas: number of detainees can increase, *BNS, www.Delfi.lt*, 16 January 2012.

V. Analysis of Anti-corruption Activities in Lithuania

1. National Audit Office of Lithuania. *Performance Audit Report*. National Anti-Corruption Programme. 29 February 2008, No. VA-P40-6-5. Internet access: <http://www.stt.lt/documents/NKKP%20valstybinio%20audito%20ataskaita.pdf>.
2. S. Gudavičius, "The Prime Minister has forgotten the most important promise." *Kauno Diena*, 27 September 2007. Internet access: <http://kauno.diena.lt/dienrastis/lietuva/premjerar-pamirso-svarbiausiapazada-51089#axzz1tLA3tYVj>.
3. Group of States against Corruption (GRECO). Third Evaluation Round. Compliance Report on Lithuania. "Incriminations (ETS 173 and 191, GPC 2)", "Transparency of Party Funding". Adopted by GRECO at its 51st Plenary Meeting (Strasbourg, 23-27 May 2011). Internet access: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2011\)7_Lithuania_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2011)7_Lithuania_EN.pdf).
4. "The Prime Minister: I will resign, if the corruption will not reduce." *BNS, Delfi.lt*, 9 November 2006. Internet access: <http://www.delfi.lt/news/daily/lithuania/article.php?id=11169562>.
5. Transparency International, *Global Corruption Barometer 2010*. Internet access: <http://www.transparency.org/content/download/57399/918005>.

VI. National Integrity System Assessment: Lithuania

1. Legislative

1. S. Gudavičius. "The Struggle for inviolability". *Kauno diena*. 12 April 2010. Internet access: <http://kauno.diena.lt/dienrastis/lietuva/vargai-del-seimo-nariu-nelieciamybes-344628>.
2. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014 (with later amendments and additions).
3. The ruling of the Constitutional Court of the Republic of Lithuania on the 9th of November, 1999. Žin., 1999, No. 99-2863.
4. The ruling of the Constitutional Court of the Republic of Lithuania on the 15th of January, 2009. Žin., 2009, No. 6-170.
5. Activity report of the Office of the Seimas, 2009. Internet Access: http://www3.lrs.lt/home/ataskaitos/Seimo_kanceliarija_ataskaita2009.pdf
6. Statistics of the work of the Seimas, 2008 – 2011. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=252&p_d=113776&p_k=1.
7. The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.

8. Law on Petitions. Žin., 1999, No. 66-2128 (with later amendments and additions).
9. Board of the Seimas of the Republic of Lithuania decision No. SV-S-198 of 3 April 2009. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=2928p_k=1.
10. Chief Official Ethics Commission, *Declarations Search*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=453&Itemid=49.
11. Chief Official Ethics Commission, *Register lobbyists*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=371&Itemid=41.
12. Republic of Lithuania Law on Lobbying Activities. Žin., 2000, No. 56-1644 (with later amendments and additions).
13. The Commissioner is on the top of the most popular politics, but she is still silent. *Lietuvos rytas*, 25 January 2000.
14. "The electorate is disappointed in promises of political parties and looking for a new rescuers". *Lietuvos rytas*, 29 January 2011. Internet access: <http://www.lrytas.lt/-12962866681295654912-nusivyl%C4%99-daugumos-partij%C5%B3-pa%C5%BEadais-rink%C4%97jaigr%C4%99%C5%BEiasi-%C4%AF-naujus-gelb%C4%97tojus.htm>.
15. Rules of Procedure of the Seimas Commission for Ethics and Procedures. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=6223&p_d=83347&p_k.
16. Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659 (with later amendments and additions).
17. The ruling of the Constitutional Court of the Republic of Lithuania on 21th November, 2006. Žin., 2006, No. 127-4849.
18. I. Degutienė, Speaker of the Seimas: Draft Laws on Anticorruption are Going Forward successfully. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=6125&p_k=1&p_d=98388.

Interview

1. Author's interview with a member of Seimas of the Republic of Lithuania, 12 May 2011.
2. Author's interview with a docent of the Institute of International Relations and Political Science, Vilnius University, 8 May 2011.

2. Executive

1. Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659.
2. Law on Government. Žin., 1994, No. 43-772 (with later amendments and additions).
3. Analysis of the Public Policy and Management Institute, *Lithuania's integration into the EU impact on qualified Lithuanian public sector employees working abroad*. Internet access: <http://www.vpvi.lt/lt/lietuvos-integracijos-es-poveikis-kvalifikuot-lietuvos-vie-ojo-sektoriaus-darbuotoj-i-vykimui-dirbti-u-sien/?start=0&subject=&area=13>.
4. "I. Degutienė: interpretations must not become a political games to ministres". Žin., 9 March 2011. Internet access: http://vz.lt/rss/straipsnis/2011/03/09/Degutiene_interpelicijos_ministras_neturi_tapti_poli.
5. Lithuania Presidential Decree of 18 June 2008 No. 2K-490 approved by the Office of the President of the Republic of Lithuania provisions of 6.7 p.. Žin., 2008, No. 71-2732 (with later amendments and additions).
6. Government of the Republic of Lithuania in September 2009 Resolution No. 9. 992, approved by the Prime Minister of the Staff Regulations of 6.26 p.. Žin., 2009, No. 109-4580 (with later amendments and additions).
7. Order of the Chancellor of the Prime Minister, 20 January 2010, No. V-7 (with later amendments and additions).
8. The Republic of Lithuania Budget Law Article 11. 1. Žin., 1 August 1990, no. 24-596 (with later amendments and additions).
9. Lithuanian Ministry of Finance, *Simply about finances*. Internet access: http://www.finmin.lt/web/finmin/ekonominis_rastingumas.
10. R. Vainienė, *The 2012 budget: why avoid public debate*. "Delfi.lt. 18 October 2011. Internet access: http://www.delfi.lt/news/ringas/lit/rvainiene-The_2012_Budget_and-why-avoid-viesu-diskusiju.d?Id=50,820,002.
11. Annual Report of the Seimas Ombudsmen Office, 2010. Internet access: <http://www.lrski.lt/files/402.pdf>.

12. Amendment of Law on Public Administration. Žin., 2011, No. 4-125.
13. Resolution of the Government of the Republic of Lithuania on the approval of the rules for lawmaking. Žin., No. 1244, 30 september, 2009.
14. A. Ramonaitė, “Hyperaccountable democracy“, when citizens and the press apply a lot higher standards of accountability for politicians and not for other citizens“. Internet access: www.tspmi.vu.lt/doc/340-nepasitikejimas-vyriausybe.pdf.
15. Annual Report of the President of the Republic of Lithuania, Dalia Grybauskaitė. Internet access: http://www.president.lt/lt/prezidento_veikla/metinis_pranesimas/2011_m.html.
16. Decision of the Constitutional Court of the Republic of Lithuania on 23th February, “For Lithuania
17. The Constitutional Court in 1 July 2004 order on Lithuanian Seimas Statute (22 December 1998 version) Article 15, paragraph 4, of conformity with the Constitution of the Republic of Lithuania“. Žin., 2011, No. 24-1180.
18. The Ruling of the Constitutional Court of the Republic of Lithuania on 1st July 2, “The Republic of Lithuania Seimas Statute (22 December 1998 version) of Article 15 4 of conformity with the Constitution of the Republic of Lithuania“. Žin., 2004, No. 105-3894.
19. Ruling of the supreme administrative court of Lithuania, 10 January 1998. Žin., 1998, No. 5-99.
20. Civil Service Department of the Lithuanian Ministry of Interior Civil Service Law and related enforcement and implementation of the 2010 report. Internet access: <http://www.vtd.lt/index.php?-1475748911>.
21. Law on the Code of Conduct for state Politicians. Žin., No 102-3938, 2006.
22. Lithuanian Supreme Administrative Court 1 February 2008 Ruling in the administrative case No. A765-55 / 2008.
23. Lithuanian Supreme Administrative Court 9 July 2009 Ruling in the administrative case No. A556-749 / 2009.
24. Lithuanian Supreme Administrative Court in 27 June 2011 order in the administrative case No. A662-2406 / 2011.
25. Annual Report of the COEC, 2010. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.
26. The Seimas of the Republic of Lithuania 14 May 2009 Resolution No. XI-259 “On the resolution of the Seimas “On the Lithuanian National Anti-Corruption Programme“ for replacement“. Žin., 2009, No. 60-2346.
27. The Ruling of the Constitutional Court of the Republic of Lithuania on 23 November. Žin., No. 101-2916, 1999.
28. The Ruling of the Constitutional Court of the Republic of Lithuania on 25 May 2004. Žin., No. 85-3094, 2004.
29. Concept for the Improvement of the Framework of the Executive system of the Republic of Lithuania, 11 November, 2009, No. 1511. P. 54.
30. State Management Improvement (Sunset) Commission 2010-2011 report. Internet access: <http://www.lrv.lt/bylos/veikla/veiklos-ataskaitos/saulelydis-final.pdf>.
31. Lithuania Law on Prevention of Corruption. Žin., 2002, No. 57-2297 (with later amendments and additions).
32. Transparency International Lithuania Chapter, Corruption Perceptions Index 2011. 1 December 2011. Internet access: http://www.transparency.lt/new/images/ti_ksi_2011.pdf
33. Special Investigation Service of the Republic of Lithuania. *Corruption risk analysis*. Internet access: <http://www.stt.lt/lt/menu/korupcijos-prevencija/korupcijos-rizikos-analize/>.
34. 19 May 2004 Government Resolution No. 607 approved the units and individuals, state or municipal institutions engaged in corruption prevention and control activities and cooperation rules. Žin., 2004, No. 83-3015.
35. “R. Šimašius: corruption can be reduced by validation of premiums.“ Delfi.lt, 6 January, 2011. Internet access: <http://www.delfi.lt/news/daily/Health/rsimasius-korupcija-galima-mazinti-iteisinantpriemokas.d?id=40478795>.
36. “R. Šimašius: sollution of corruption problems - better, but still a long way to good.“ *Ekonomika.lt*, 29 October 2010. Internet access: <http://www.ekonomika.lt/naujiena/r-simasius-korupcijos-problemu-sprendimas-geriau-bet-iki-gerai-dar-toli-1277.html>.
37. “R. Šimašius: corruption cannot be cancel just by strict penalties.“ *15min.lt*, 13 July 2010. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/rsimasius-korupcijos-grieztomis-bausmėmis-nepanaikinsime-56-107113#axzz1lbQXTN00>.
38. “R. Šimašius: searching for good solutions in municipalities“. *Teisingumas.lt*, 18 February 2011. Internet access: <http://www.teisingumas.lt/naujienos/straipsniai-interviu/r-simasiusgeru-sprendimu-savivaldybese-paieskos>.

39. Criminal Code of the Republic of Lithuania, Law of Amending Articles 3, 67, 72, 190 and Supplementing the Code 72, 189. Žin., 2010, No. 145-7439.
40. Law on property declaration. Žin., 1996, No. 50-1197 (with later amendments and additions).

Interview

1. Author's interview with a Prime Minister's Office official (hereinafter interview with Prime Minister's Office official), 3 June 2011.
2. Interview with PPMI expert, 29 June 2011. (Expert of the Public Policy and Management Institute)

3. Judiciary

1. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014. Law on Courts. Žin., 1994, No. 46-851.
2. Nacional Courts Administration, Judicial Council. Žin., 2002, No. 31-1130. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-taryba/teismu-savivalda-teiseju-taryba-apie>.
3. Nacional Courts Administration, *About Administration*. Internet access: <http://www.teismai.lt/lt/administracija/apie-administracija/?type>.
4. Law of the Republic of Lithuania on salaries of judges. Žin., 2008, No. 131-5022.
5. Ruling of the Constitutional Court of the Republic of Lithuania on 28th March, 2006. Žin. 31 March 2006, No. 36-1292; Law on Courts, Article 11, part 3.
6. Ruling of the Constitutional Court of the Republic of Lithuania on 22th October 2007. Žin., 25 October 2007, No. 110-4511.
7. Ruling of the Constitutional Court of the Republic of Lithuania on 14th February, 2011. Žin., 17 February 2011, No. 20-967.
8. Law on state pensions for judges. Žin., 2002, No. 73-3088
9. National Courts Administration. Report of Activities of Courts and Institutions of Self-governance of Courts of 2010. "Courts Funding". Internet access: http://www.teismai.lt/dokumentai/apzvalga_2010_88_psl.pdf.
10. Nacional Courts Administration, salaries of the judges 27 September 2011. Internet access: <http://www.teismai.lt/lt/teisejai0/teiseju-atlyginimai/>.
11. Ministry of social security and Labour of the Republic of Lithuania, Remuneration for work, Internet access: <http://www.socmin.lt/index.php?1452431613>.
12. Department of Statistics, Internet access: <http://www.stat.gov.lt/lt/news/view/?id=6819>.
13. National Courts Administration, *State Pensions or Judges*. Internet access: <http://www.teismai.lt/lt/teisejai0/teiseju-valstybines-pensijos>.
14. M. Grajauskaitė, Chief specialist at National Courts Administration, "Analysis of Judicial Activities Division", 25 November, 2011.
15. The Seimas of the Republic of Lithuania. "The proposed one-year postponement of Registrar's of the Court validation", 8 November 2011. Message VIR (the plenary). Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=4445&p_d=117347&p_k.
16. Resolution of Seimas, 16 June 2011, No. XI-1457. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402714.
17. National Courts Administration, Annual report 2009. Internet access: http://www.teismai.lt/dokumentai/bendroji_informacija/teismu%20veiklos%20apzvalga2009_aktuali.pdf.
18. Ruling of the Judicial Council, 18 April 2011, No. 21P-4.
19. „After the decision of the President about N. Venckienė, two judges of the Judicial Court of Honour voluntarily resigned from the Office - Viktoras Kažys ir Stasys Gagys“, BNS, 29 April 2011. Internet access, <http://www.15min.lt/naujiena/aktualu/lietuva/po-prezidentes-sprendimo-del-neringos-venckienes-is-teiseju-garbes-teismo-pasitrauke-teisejai-viktoras-kazys-ir-stasys-gagys-56-148339#axzz1iZlxv3gq>.
20. "National Families and Parents Association issued an appeal for the "March for Equality"", Bernardinai.lt, 27 March 2010, <http://www.bernardinai.lt/straipsnis/2010-03-27-nacionaline-seimu-ir-tevu-asociacija-isplatino-kreipimasi-del-eityniu-uz-lygybe/42590>.
22. BNS. "After the decision on the concept of family Adomėnas called The Constitutional Court junta",

- 29 september 2011, internet access, http://www.alfa.lt/straipsnis/12562668/Po.sprendimo.del.seimos.koncepcijos.Adomenas.KT.pavadino.teisine.chunta=2011-09-29_10-10.
23. "The president on D. Kedys daughter's residence: the use of violence is intolerable", ELTA, 29 December 2011, <http://www.delfi.lt/news/daily/kedys/prezidente-apie-dkedzio-dukros-gyvenamaja-vieta-prievartos-naudojimas-netoleruotinas.d?id=53503507>.
 24. „I.Degutienė: judgment on D. Kedys' daughter shall be carried out, but without trauma for the child“, *Delfi.lt*, 1 January 2012, <http://www.delfi.lt/news/daily/kedys/idegutiene-teismo-sprendimas-del-dkedzio-dukros-turi-buti-vykdomas-bet-netraumuojant-vaiko.d?id=53612763>.
 25. "The President asks the Judicial Council to evaluate the judge, who established the residence of D. Kedys daughter", ELTA, 29 December 2011, Internet access: <http://www.delfi.lt/news/daily/kedys/prezidente-teiseju-tarybos-praso-ivertinti-dkedzio-dukros-gyvenamaja-vieta-nustaciusi-teiseja.d?id=53503235>.
 26. Right to Know "": what is the impact of failure to comply with the court decision on makes citizens, the judiciary and the entire legal system?" *Delfi.lt*, January 4, 2012 *Lrytas.lt*. Internet access: <http://www.lrytas.lt/-13256796801324523160-teis%C4%97-%C5%BEinoti-koki%C4%85-%C4%AFtak%C4%85-teismo-sprendimas-nevykdydas-daro-pilie%C4%8Diams-teismams-ir-visai-teisinei-sistamai.htm>.
 27. Paulius Garkauskas, "L.Stankūnaitė were accepted with a prayer in Garliava", *Delfi.lt*, 27 December 2011. Internet access: <http://www.delfi.lt/news/daily/kedys/lstankunaite-garliavoje-sutikta-malda.d?id=53402857>.
 28. "The Court's ruling was not implemented – daughter of D. Kedys and L. Stankūnaitė stayed in Garliava on friday". 5 January 2012, *Lrytas.lt*. Internet access: <http://www.lrytas.lt/videonews/?id=13252512861323490617>.
 29. The Law on Amendment of Lw on law and other laws of publication and entry into force of procedure. *Žin.*, 2002, No. 124-5626.
 30. "The candidate for President of the Supreme Administrative Court spoke about political pressure on the court." *Diena.lt*, 3 September, 2010. Internet access: <http://www.diena.lt.naujienos/lietuva/kandidatas-ivlat-pirmininkus-prasneko-apie-politiku-spaudima-teismui-297075>.
 31. Judicial Council. Resolution 10 October 2008, No. 13P-178- (7.1.2) On the allocation of cases the use of information technology for temporary approval of the rules.
 32. Judicial Council. Resolution 25 March October 2011, No. 13P-29-(7.1.2). Approval of the rules governing the allocation of cases to judges and judicial panels.
 33. Judicial Council. Resolution 9 September 2005, No. 13P-378. Procedure of courts judgement, rulings and orders publication online confirmation. See: The Judicial Council Resolution 25 March 2011, No. 13P-28- (7.1.2). With regard to procedures of courts judgement, rulings and orders publication online confirmation.
 34. Judicial Council. Resolution 9 September 2005, No. 13P-378. Procedure of courts judgement, rulings and orders publication online confirmation, paragraph 10.
 35. Law of the Republic of Lithuania on Declaration of the Property and Income of Residents, article 2. *Žin.*, 2003, No. 123-5583.
 36. Judicial Council. Resolution 17 December 2010, No. 13P-177 to (7.1.2). Resolution on the approval of the courts open to the public plan.
 37. *Valstybės žinios*, announcements: <http://www.valstybes-zinios.lt/vpp3/lt/Docs.filesShow/2>.
 38. LITEKO, Lithuanian Courts information system. Internet Access: <http://liteko.teismai.lt/tvarkarasciai>
 39. Lithuanian Supreme Administrative Court, 2009 statistics. *Cases received and analyzed by the Court*. Internet access: <http://www.lvat.lt/veikla/statistika.aspx>.
 40. Lithuanian Supreme Administrative Court, 2009 statistics. *Judges Workload*. Internet access: <http://www.lvat.lt/veikla/statistika.aspx>.
 41. SIC representative survey carried out at the request of TEO LT "Residents about telecommunications", *Teo.lt*, 2010. Internet access: <http://www.teo.lt/node/279>.
 42. Special investigation service, 10 June 2011, For the period 2009-2010. Findings of effectiveness of the national anti-corruption program for monitoring, implementation of 50 measures "Establishing clear and transparent procedures for the allocation of cases to judges using modern information technology," p. 28. Internet access: [http://www.stt.lt/documents/nkkp/NKKP-veiksmingumo-isvada-\(patikslinta\)-2011-06-10-4-01-2306.pdf](http://www.stt.lt/documents/nkkp/NKKP-veiksmingumo-isvada-(patikslinta)-2011-06-10-4-01-2306.pdf).
 43. Seimas Resolution 16 June 2011, No. XI-1457, the National Anti-Corruption Programme 2009-2010, paragraph 9.2. "Works of judicial and law enforcement institutions". Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=402151.

44. Algimantas Šindeikis, "Do councilors will increase confidence in the judiciary?", *Veidas.lt*, 21 October 2011. Internet access: <http://www.veidas.lt/ar-tarejai-padidins-pasitikejima-teismais>.
45. "Offers not to consider amendments to the Constitution because of associate judges", *BNS*, 17 February 2011. Internet access: <http://www.delfi.lt/news/daily/law/siulo-kol-kas-nesvarstyti-konstitucijos-pataisu-del-teismo-tareju.d?id=42110325>.
46. Non-partisan democratic movement, "Associate judges and corruption cases", 21 October 2011. Internet access: http://www.demokratija.eu/index.php?option=com_content&view=article&id=1075:medalinskas&catid=4:k-tema&Itemid=5, Alvydas MEDALINSKAS, <http://www.lzinios.lt>.
47. Nacional Courts Administration, Members of the Judicial Court of Honour. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-garbes-teismas/teismu-savivalda-teiseju-garbes-teismas-sudetis>.
48. "The President did not dismiss Venckienė", *Alfa.lt*, 21 April 2011. Internet access: http://www.alfa.lt/straipsnis/11127659/Prezidente.Venckienes.is.pareigu.neatleido=2011-04-21_16-01/of-Ethics-of-Judges.
49. "The candidate for President of the Supreme Administrative Court spoke about the continuation of political pressure." *Diena.lt*, 3 September 2010. Internet access: <http://www.diena.lt/naujienos/lietuva/kandidatas-i-lvatpirmininkus-spoke-about-politician-pressure-on-court-297,075>
50. The Law on Budgeting. *Žin.*, 2004, No. 4-47.
51. The Constitutional Court of the Republic of Lithuania approved that Family Policy Concept provisions are in conflict with the Constitution. The press release, 28 September 2011. Internet access: http://www.lrkt.lt/Pranesimai/txt_2011/L20110928a.htm.
52. Ruling of the Constitutional Court of the Republic of Lithuania, 12 July 2001. *Žin.*, 18 July 2001, No. 62-2276; rectification – 10 October 2001, No. 86.
53. SODRA. Internet Access: <http://www.sodra.lt/index.php?cid=336>;
54. Law on Civil service. *Žin.*, 1999, No. 66-2130 (with later amendments and additions).
55. The National Courts Administration, *Decisions by the Judicial Ethics and Discipline Commission*. Internet access: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-etikos-ir-drausmes-komisija/tedk-sprendimai>.
56. The Constitutional Court of the Republic of Lithuania. Statistical data on the Constitutional Court received and examined requests and inquiries. 15 November 1993-2011. Internet access: http://www.lrkt.lt/Stat_bendra.html.
57. Transparency International Lithuanian Chapter, "Lithuania is the leader in bribery in the European Union" 9 December 2010. Internet access: http://www.transparency.lt/new/index.php?option=com_content&task=view&id=11041&Itemid=25
58. Civil Law Convention on Corruption ("Personal protection"). *Žin.*, 2006, No. 126-5733.
59. National Courts Administration, statistics of Courts, Internet Access: <http://www.teismai.lt/lt/teismai/teismai-statistika>.
60. Law on Administrative Proceedings. *Žin.*, 1999, No. 13-308.
61. Code of Criminal Procedure of the Republic of Lithuania. *Žin.*, 2002, No. 37-1341 (with subsequent amendments and supplement).
62. Code of Civil Procedure, chapters XXII and XXIII. *Žin.*, 2002, No. 36-1340 (with subsequent amendments and supplement).
63. Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. *Žin.*, 1997, No. 67-1659.
64. SIC. "Residents on telecommunications", a representative survey is made by the request of TEO. 2010. Internet access: <http://www.teo.lt/node/279>.
65. Website of National Courts Administration.
66. Website of the Chief Official Ethics Commission. Internet access: <http://www.vtek.lt/>.
67. Povilaitis, N., "The crow protecting home of Kedžiai and Venckai are not preparing to disperse", *Lrytas.lt*, 19 May 2010.. Internet access: <http://www.lrytas.lt/-12742068181273736280-ked% C5% Bei% C5% B3-and-VENCKUS% C5% B3-house-protecting-protester% C5% B3-minianesiruo% C5% Alia-disperse-nuotraukos.htm>.

Interview

1. Author's interview with the professor of Vilnius University Faculty of Law, 3 October 2011.
2. Author's interview with the judge of the supreme Administrative Court of Lithuania, 27 september 2011.

3. Author's interview with representatives of the Human Rights Monitoring Institute, 27 September, 2011.

Consulting

1. Written Information given by Milda Grajauskaitė, Chief specialist at National Courts Administration, Analysis of Judicial Activities Division, 25 November, 2011.
2. Head of the Administration Department, Special Investigation service, NIS study discussion with experts, 2 December 2011, Vilnius.
3. Gintaras Kalinauskas, advisor to the Prime Minister, NIS study discussion with experts, 2 December 2011, Vilnius.
4. Director of Public Procurement Office, NIS study discussion with experts, 2 December 2011, Vilnius.

4. Public sector

1. Law on Civil Service (with later amendments and additions). Žin., 2002, No. 45-1708.
2. Public Service Department of the Lithuanian Ministry of Interior website, *The number of people, People who have the status of civil servants*. Internet access: <http://www.vtd.lt/index.php?1471208505>.
3. For example, Law on Basic Size of Official Salary of State Politicians, Judges, State Officials and Civil Servants, valid for the year of 2011, No. 86-4514.
4. Website of Civil Service Department. Internet access: <http://www.vtd.lt/index.php?19758709>.
5. The Republic of Lithuania Government Resolution "On the budgetary institutions and organizations of workers labor payment improvement of the procedure". Žin., 1993, No. 28-655.
6. The Republic of Lithuania Government Resolution "On approval of the basic monthly salary and the basic monthly wage". Žin., 2009, No. 100-4187.
7. Department of Statistics under the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/default.asp?w=1280>.
8. Aistis Rusteika, a senior specialist in the Department of Service Conditions, Civil Service Department under the Ministry of Internal Affairs, "How we will improve social guarantees for the civil servants?", *The Topicalities of Civil Service*, No. 16, July 2009.
9. Law on Public Administration. Žin., 2006, No. 77-2975.
10. Labour Code of the Republic of Lithuania with later amendments and additions, No. 64-2569, 2002.
11. Law Amending the 26, 29, 31, 31(1), 32, 45 Articles of the Law on the Government. Žin., 2009, No. 29-1139.
12. Decree of the President of the Republic of Lithuania on Returning the Law Amending Supplementing the 26, 29, 31, 31(1), 32, 45 Articles of the Law on Government Adopted by the Seimas of the Republic of Lithuania for the Seimas of the Republic of Lithuania for Repeated Considerations. Žin., 2009, No. 19-751, 2009.
13. Law Amending and Supplementing the 3, 22, 24, 26, 29, 30, 31, 32, 33, 37, 40, 41, 44, 45 Articles of the Law on Government, Amending and Supplementing the Title of the Chapter No. 10 and Supplementing the Law by 31(1), 44(1) Articles. Žin., 2002, No. 41-1527.
14. Criminal Code of the Republic of Lithuania (with later amendments and additions). Žin., 2000, No. 89-2741.
15. Law on the Chief Official Ethics Commission (with later amendments and additions). Žin., 2008, No. 81-3176.
16. Law on the Adjustment of Public and Private Interests in the Civil Service (with later amendments and additions). No. 18-431, 2000.
17. Law on Public Procurement. Žin., 2006, No. 4-102.
18. Resolution of the Government of the Republic of Lithuania Resolution on Amending the Resolution of the Government of the Republic of Lithuania of 18 April 2003, no. 480 On the Approval of the Description of the General Requirements for the Websites of State and Municipal Institutions and Establishments (with later amendments and additions). Žin., 2009, No. 49-1959.
19. Website of the Chief Official Ethics Commission, *Declarations search*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=367&Itemid=35
20. Central Information System of Public Procurement, Internet access: <https://pirkimai.eviesieji.pirkimai.lt/>.
21. Information of Civil Service Department, *Competitions in civil service*. Internet access: <http://www.vtd.lt/index.php?-485345967>.
22. Website of the Special Investigations Service, *Report about Corruption*. Internet access: <http://www.stt.lt/lt/praneskite-apie-korupcija/praneskite-apie-korupcija/>.

23. Information from the website of the State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania. Internet access: <http://www.vmi.lt/lt/?itemId=10240282>.
24. Law on the Special Investigations Service. Žin., 2000, No. 41-1162, 2000.
25. Law on Financial Crime Investigation Service. Žin., 2002, No. 33-1250.
26. Law on the Prosecutor's Office. Žin., 2003, No. 42-1919.
27. Law on Internal Control and Internal Audit. Žin., 2002, No. 123-5540.
28. Law on Amending the Law on state Control. Žin., 2001, No. 112-4070.
29. Law on Civil Service. Žin., 1999, No. 66-2130.
30. Information from Report of Civil Service Department, 2009. Internet access: <http://www.vtd.lt/index.php?-173973716>.
31. The resolution of the Government of the Republic of Lithuania "On the Adoption of Rules on the Ethics of Civil Servants' Activities", (with later amendments and additions), No. 968, Žin., Žin., 24 June 2002, No. 65-2656.
32. The resolution of the Government of the Republic of Lithuania "On the Adoption of Rules on the Ethics of Civil Servants' Activities", (with later amendments and additions), No. 968, Žin., Žin., 24 June 2002, No. 65-2654.
33. Transparency International, *Global Corruption Barometer 2010*. Internet access: http://www.transparency.org/policy_research/surveys_indices/gcb/2010/results.
34. Resolution of the Seimas of the Republic of Lithuania, no. IX-711, 17 January 2002 On the Adoption of the National Anti-Corruption Programme, 10-355, 2002.
35. Lithuanian Republic National Anti-Corruption program for 2011-2014. Approved by Seimas of the Republic of Lithuania Resolution 16 June 2011, No. IX-711 (Seimas Resolution 16 June 2011, No. XI-1457 version). Žin., 28 June 2011, No. 77-3727.
36. The bill for the Law on Whistleblower's protection. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382134&p_query=&p_tr2=.
37. Special Investigation Service of the Republic of Lithuania, *Anti-corruption public education and awareness*. Internet access: <http://www.stt.lt/lt/menu/antikorupcinis-svietimas/>.
38. A written answer of Civil Service Department to the submitted questions, 22 June 2011.
39. Activity report Public Procurement Office of 2010. Internet access: http://www.vpt.lt/admin/uploaded/2011/vp/VP_Ataskaita_2011-04-19.pdf.
40. Decree of the director of Public Procurement Service, no. 1S-181, 31 December 2010. Žin., 2011, No. 5-190.
41. Law on Administrative Violations. Žin., 1985, No. 1-1.
42. Lithuania Law on Prevention of Corruption. Žin., 2002, No. 57-2297.
43. Website of "Valstybės žinios" website, *The annual individual (family) property declarations, published in a special supplement of "Valstybės žinios"*. Internet access: <http://www.valstybes-zinios.lt/vpp3/lt/Docs.filesShow/2>.

Interview

1. Author's interview with the representative of the Department of Corruption Prevention of Special Investigation Service Corruption Prevention Board, 13 June 2011.
2. Author's interview with the representative of Non-Governmental Organizations' Information and Support Center, 5 May 2011.
3. Author's interview with Henrikas Mickevičius, Director of Human Rights Monitoring Institute, 13 May 2011.
4. Author's interview with the representative of Legislature and Methodics Department of Public Procurement Office, 16 June 2011.
5. Author's interview with the representative of Institute of International Relations and Political Science, Vilnius University, 8 July 2011.
6. Author's interview with prof. dr. Algis Krupavičius, Director of Kaunas University of Technology, Policy and Public Administration, 12 July 2011.
7. Author's interview with a person, who promote public interest in the courts in cases when people are dismissed from civil service, 14 June 2011.

5. Law Enforcement Agencies

1. Criminal Code of the Republic of Lithuania. Žin., 2000. No. 89 – 2741 (with later amendments and additions).

2. The Republic of Lithuania Law on Police Activities. *Žin.*, 2000, No. 90-2777 (with later amendments and additions).
3. The Lithuanian prosecutor's office report in 2011. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53358.
4. Law of the Republic of Lithuania, the 2011 State Budget and Municipal Budgets Financial Indicators. *Žin.*, 2010, No. 151-7712.
5. Website of the Police Department under the Ministry of the Interior. Internet access: www.policija.lt
6. Website of the Prosecutor's Office of the Republic of Lithuania. Internet access: <http://www.prokuraturos.lt>.
7. The Lithuanian Prosecutor's Office, *General prosecutors, civil servants and employees working under an employment contract that required average (nominee) monthly wages (with bonuses and premiums)*. Internet access: [http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/ tabid / 407 / Default.aspx](http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/tabid/407/Default.aspx).
8. The Lithuanian Prosecutor's Office, *Distric prosecutors, civil servants and employees working under an employment contract that required average (nominee) monthly wages (with bonuses and premiums)*. Internet access: <http://www.prokuraturos.lt/Veikla/Darbou%C5%BEmokestis/ tabid / 407 / Default.aspx>.
9. Website of teh SIS. Internet access: <http://www.stt.lt>.
10. Lithuanian Special Investigation Service Annual Report of 2011, 7. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53639.
11. Lithuanian Special Investigation Service Annual Report of 2009, 7. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/2009_ataskaita_suparasu.doc.pdf.
12. Klaipeda County Police Headquarters, *Wages*. Internet access: http://klaipeda.policija.lt/index.php?option=com_content&view=article&id=1019&Itemid=50&lang=lt
13. *Certificate of police bodies and crime during 2010*, 6; *Police Annual Report to the public in 2011*. Internet access: <http://www.policija.lt/index.php?id=2875>.
14. The Republic of Lithuania State Control. *State audit report. Statutory domestic services management*. January 2011. No. VA-P-40-3-2, Vilnius. Internet access: http://www.vkontrole.comauditas_ataskaitos.php?type=v.
15. Website of the Republic of Lithuania State Control. Internet access: www.vkontrole.lt.
16. R. Jurka. *Criminal Procedure optimization and caching options and techniques*. Vilnius: the Institute of Law, the 2005.
17. Lithuanian Statute of Internal Service. *Žin.*, 2003, No. 42-1927 (with later amendments and additions).
18. Law of amendment of article 18 o the Constitution of the Republic of Lithuania. *Žin.*, 2003, No. 32-1316.
19. Ruling of the Lithuanian Constitutional Court, 24 January 2003. *Žin.*, 2003, No. 10-366.
20. Ruling of the Lithuanian Constitutional Court, 13 May 2004. *Žin.*, 2004, No. 81-2903.
21. Ruling of the Lithuanian Constitutional Court, 4 April 2006. *Žin.*, 2006, No. 38-1349.
22. The law of supplement and amendment of The Lithuanian Special Investigation Service Statute. *Žin.*, 2011, No. 68-3222.
23. Law on the Prosecution Service of the Republic of Lithuania.
24. The Lithuanian Special Investigation Service Statute. *Žin.*, 2003, No. 38-1656 (with later amendments and additions).
25. Law on Public Service. *Žin.*, 1999, No. 66-2130.
26. Law of the Republic of Lithuania of the damage caused by the authorities' illegal actions, wages and representation in state. *Žin.*, 2002, No. 56-2228.
27. Ruling of the Lithuanian Supreme Court Civil Division of the panel of judges io 21 February, 2011 civil case the Lithuanian Prosecutor General's Office. J. L., case No. 3K-3-62 /2011.
28. Law on the Prosecutor's Office stated that the Prosecutor General. *Žin.*, 1994-10-19, No. 81-1514 (with later amendments and additions).
29. Donauskaitė D. "Law enforcement is kicking", *Atgimimas.lt*, 12 February 2011. Internet access: <http://www.atgimimas.lt/Aktualijos/2010-metai-vasario/Teisesaugininkai-spardosi>.
30. The law of supplement and amendment of Law on the Prosecution Service of the Republic of Lithuania articles 2, 4, 5, 6, 7, 8, 9, 10, 11, 15, 17, 19, 20, 21, 23, 24, 25, 26, 28, 33, 34, 35, 36, 37, 40, 41, 44, 47, 52, supplementing the law with articles 34 (1), 39 (1) and aknowledge article 38 as invalid. *Žin.*, 2011, No. 91-4333.
31. Ruling of the Seimas of the Republic of Lithuania, 21 January 2010, No. XI-671. *Žin.*, 2010, No. 12-562.
32. Ruling of the Seimas of the Republic of Lithuania, 22 October 2009, No. XI-452. *Žin.*, 2009, No. 129-5589. "Family Law Department concluded that [...] Project of Provisional investigation Commission of

- Kaunas District Court Judge J. Furmanavičius and V. Naruševičienė murder may be in conflict with the Constitution, because some questions formulated by V. Kurpuveso may interfere with the ongoing pre-trial investigation.“ (“The Seimas do not hurry to conclude commission to investigate the events in Kaunas.”) *Diena.lt*, 15 October 2009. Internet access: <http://www.diena.lt/naujienos/lietuva/seimas-neskuba-sudarineti-komisijos-kauno-ivykiams-tirti-243262>.
33. Report on legality of Seimas provisional investigation commission, Interior Minister Juozas Bernatoniš publicly brought accusations on Police Commissioner General Vytautas Grigaravičius and his dismissal and certification investigate. IXP-2540 Internet Access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=209953&p_query=&p_tr2=; Ruling of the Seimas of the Republic of Lithuania. *Žin.*, 2010, No. 58-2834.
 34. Ruling of the Seimas of the Republic of Lithuania. *Žin.*, 2006, No. 107-4051.
 35. The European Court of Human Rights. *Butkevičius versus Lithuania paragraph 53* (Case No. 48297/99). Internet access: http://www.tm.lt/dok/Butkevicius_pries_Lietuva_spr.pdf.
 36. Ruling of the Seimas of the Republic of Lithuania “On findings of the Seimas Provisional investigation commission to investigate and determine the circumstances of death of J. Abramavičius“. 5 December 2007 No. X-1350. *Žin.*, 11 December, No. 130-5260.
 37. Stanišauskas G., “Prime Minister’s advisers wander in the jungle of laws“. *Valstietis.lt*, 30 April 2010. Internet access: <http://www.valstietis.lt/ezwebin/print/?node=255180>
 38. Balsytė L., “Kubilius’ dvisors behavior - under the magnifying glass of the Seimas“. *15min.lt*, 30 April 2010. Internet access :<http://www.15min.lt/naujiena/aktualu/lietuva/kubiliaus-patareju-elgesys-popadidinamuju-seimo-stiklu-56-95241>
 39. R. Mikalčiūtė, Ivaškevičius A., “Supporter of D. Kedys protest at the country's public prosecutors“. *15min.lt*, 9 October 2009. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/prie-salies-prokuraturo-protestavo-drasiaus-kedzio-remejai-atnaujinta-20.57-val.-nuotraukos-video-56-59599>
 40. “Parents accused of illegal arbitrary benefits increasing, organized the protest to the General Prosecutor's“. *15min.lt*, 6 January 2010. Internet access: <http://www.bernardinai.lt/straipsnis/2010-01-06-neteisetu-pasalpu-pasididinimu-kaltinami-tevai-nese-protesto-karstus-prie-generalines-prokuraturos/38025/comments/1/asc>.
 41. Račas A., “Coffins to the prosecutor's office: Kubilius social policy funerals“. Internet access: <http://racas.lt/karsteliai-prie-prokuraturos-a-kubiliaus-socialines-politikos-laidotuves/>.
 42. The European Court of Human Rights. *Daktaras versus Lithuania, paragraph 41-45* (Case No.42095/98). Internet access: http://www.tm.lt/dok/Daktaras_pries_Lietuva_spr.pdf; par. 41-45; The European Court of Human Rights. *Butkevičius versus Lithuania paragraph 52* (Case No. 48297/99). Internet access: http://www.tm.lt/dok/Butkevicius_pries_Lietuva_spr.pdf.
 43. Prosecution Service of the Republic of Lithuania, *Finantial statements*. Internet access: <http://www.prokuraturos.lt/Veikla/Ataskaitos/tabid/413/Default.aspx>.
 44. Prosecution Service of the Republic of Lithuania, *Results of the performance*. Internet access: <http://www.prokuraturos.lt/Veikla/Ataskaitos/tabid/413/Default.aspx>.
 45. Websote of the Police Department under the Ministry of Interior. Internet access: <http://www.policija.lt>.
 46. Police Department under the Ministry of Interior, *Results of the performance*. Internet access: <http://www.policija.lt/index.php?id=2875>.
 47. Decision of Lithuanian Seimas National Security and Defence Committee on the Special Investigation Service Activity Report of 2010. 1 June 2011. No. SPR-104-6. Internet access: http://www3.lrs.lt/pls/inter/w5_show?p_r=7745&p_k=1.
 48. Chief Official Ethics Commission, the Chief Official Ethics Commission Annual Report for 2011. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=53213.
 49. Ruling of Lithuanian Supreme Court in a criminal case No. 2K-649/2005.
 50. Inspector of Journalist Ethics Annual Report of 2011. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=395776&p_query=&p_tr2=;
 51. Inspector of Journalist Ethics Annual Report of 2010.
 52. Inspector of Journalist Ethics Annual Report of 2011. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.dok_priedas?p_id=54596.
 53. Human Rights Monitoring Institute, *The limitation of the private life of electronic communications for the investigation of criminal offenses: the problems and possible solutions*. Internet Access: http://www.hrmi.lt/Uploaded/PDF%20dokai/Priv_gyvenimo_ribojimas_el_rysiu_srityje_tiriant_nus20050227_web.pdf.

54. Order of the Lithuanian Prosecutor General of the Republic 10 February n 2011, No. I-48. "On approval of recommendations of data release during pre-trial investigation", p. 14. Internet access: <http://www.prokuratos.lt/Teisin%C4%97informacija/Rekomendacijos/tabid/166/Default.aspx>.
55. "The prosecutor's office do not further comment murder of S. Novikovas case." Klaipeda.diena.lt, 23 June 2011. Internet access: <http://klaipeda.diena.lt/naujienos/kriminalai/prokuratura-s-novikovo-nuzudymo-file-continue-not-comment-360223>.
56. Prosecution Service of the Republic of Lithuania, "Generalization of the target checks on Criminal Procedure Code, that establishes the right for victims (victims of crime) to defend their interests during the investigation", No. 7.7-13, 13 March 2008. 7. Internet access: <http://www.prokuratos.com/nbspnbspIkiteisminiotyrimokontrol%4%97/ITapibendrinimai2008m/tabid/401/Default.aspx>.
57. Prosecutor General's Office acknowledged that the death of V. P. was an accident, but a court order resumed pre-trial investigation. "SSD is obliged to re-examine Pociūnienė's request for compensation", *Bernardinai.lt*, 2011. June 16. Internet access: <http://www.bernardinai.lt/straipsnis/2011-06-06-vsd-ipareigotas-is-naujo-nagrineti-l-pociunienesprasyma-del-kompensacijos/64036>.
58. Website of the National Professional Association of Officers, "The Commissioner-General informed Minister of the Interior on results of the police's fight against corruption. 7 April 2011. Internet access: <http://www.pareigunai.lt/index.php?page=naujienos&id=1036>.
59. Order of the Lithuanian Prosecutor General 30 April 2004, No. I-68. "Approval of Lithuanian prosecutors Code of Ethics for prosecutors and ethics commission's regulations. Internet access: http://www.vtek.lt/index.php?option=com_content&view=article&id=350.
60. The Lithuanian Special Investigation Service officers' Code of Conduct. Approved by the order of the Lithuanian Special Investigation Service Director 12 December 2005. No. 2-232. Internet Access: http://www.stt.lt/files/73_doc_file_1_180442.pdf.
61. The code of ethics of Lithuanian police officials approved by the order of the Lithuanian General Police Commissioner 16 July 2004. No. V-347. *Žin.*, 2004, No. 113-4257.
62. Order of Lithuanian General Police Commissioner 16 June 2005, No. 5-V-365. "On the Order of Lithuanian General Police Commissioner No. V-78 "On the Police Department under the Ministry of Interior Official Ethics Commission, approval of provisions' amendments. Internet Access: www.policija.lt/get.php?f.5166.
63. Website of the Lithuanian Police School. Internet access: <http://www.lpm.policija.lt/>.
64. Lithuanian Seimas Ombudsmen's Annual Report of 2010, 6. Internet access: <http://www.lrski.lt/files/402.pdf>.
65. Website of the Lithuanian Seimas Ombudsmen. Internet access: <http://www.lrski.lt/www.prokuratos.lt/Veikla/Mokymai/tabid/173/Default.aspx>.
66. The Lithuanian Special Investigation Service, The Lithuanian Special Investigation Service Annual report for 2010. 28 February 2011, No. N-16, 2011. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/STT_2010_m_veiklos_ataskaita_03-07.pdf.
67. President of the Republic of Lithuania Dalia Grybauskaitė's Annual report. 7 June 2011. Internet access: http://www.prezidentas.lt/lt/prezidento_veikla/metinis_pranesimas/2011_m.html.
68. "The President: SIS should not engage only small things." *BNS Diena.lt* 2011. 9 June. Internet Access: <http://www.diena.lt/News/Lithuania/President-STT-should-not-engage-only-detail-357441>
69. The Law of the Republic of Lithuania Operational Activities. *Žin.*, 2002, No. 65-2633.9 (with later amendments and additions).
70. The European Court of Human Rights, *Lenkauskienė versus Lithuania* (case No. 6788/02). Internet Access: http://www.tm.lt/dok/LENKAUSKIEN_nutarimas_2005.pdf.
71. The European Court of Human Rights, *Malininas versus Lithuania* (Case No. 10071/04). Internet access: http://www.tm.lt/dok/Malininas_2008_spr_NEGALUTINIS.pdf.
72. The European Court of Human Rights, *Miliniene versus Lithuania*, dec., No. 74355/01, 24 June 2008. Internet Access: http://en.tm.lt/dok/Miliniene_v_Lithuania_JUDG.pdf.
73. The Republic of Lithuania Law, project of the amendment. No. 1791-01. Submitted by the Special Investigation Service. Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=4905&p_query=p_tr2=&p_fix=p_org&p_gov=n.
74. A. Kuznecovaitė, "The Bar Council": SIS wants to make lawyers as information collectors". *Diena.lt*, 14 April 2010. Internet Access: <http://www.diena.lt/naujienos/lietuva/advokatu-taryba-stt-nori-advokatus-padaryti-informacijos-rinkejais-272724>.
75. Draft of the Law on the amendment of article 46 paragraph 3 of Law on the Bar. No. 1791-01. Submitted by the SIS. Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=4905&p_query=&p_tr2=&p_org=&p_fix=n&p_gov=n.

76. Criminal Code of the Republic of Lithuania (with later amendments and additions). Žin., 2000, No. 89-2741.
77. Code of Criminal Procedure of the Republic of Lithuania. Žin., 2002, No. 37-1341.
78. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.
79. Law on property declaration. Žin., 1996, No. 50-1197.
80. The Law on the Seimas Ombudsmen. Žin., 1998, No. 110-3024 (with later amendments and additions).
81. The Statute of the Seimas of the Republic of Lithuania, art. 16. Žin., 1994, No. 15-249.
82. Law on the Special Investigations Service. Žin., 2000, No. 41-1162, 2000.
83. Law on Civil service. Žin., 1999, No. 66-2130 (with later amendments and additions).
84. Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659.
85. The National Courts Administration, *Decisions by the Judicial Ethics and Discipline Commission*. Internet acces: <http://www.teismai.lt/lt/teismu-savivalda/teismu-savivalda-teiseju-etikos-ir-drausmes-komisija/tedk-sprendimai>.
86. Department of Statistics under the Government of the Republic of Lithuania. Internet access: <http://db1.stat.gov.lt/statbank/default.asp?w=1280>.
87. Annual Report of the COEC, 2010. P. 17. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.

Interview

1. Author's interview with the prosecutor, who also was a member of the Prosecutors Ethics Commission, 1 July 2011.
2. Author's interview with Doctor of law, university professor who performs research in the field of criminal justice, 1 July 2011.

6. Central Electoral Commision (CEC)

1. Constitution of the Republic of Lithuania, article 67, clause 13. Žin., 1992, No. 33-1014.
2. The Lithuanian Government 10 September 2008, Resolution No. 896 "On Allocation of Funds". Žin., 2008 No. 107-4101.
3. National Audit Office of Lithuania. Finance Audit Report. „On results of financial (regularity) audit conducted in the Central Electoral Commission of the Republic of Lithuania“, 4 May 2009. No. FA-P-10-7-27, P. 6. Internet access: http://vkontrolė.lt/naujienos_pranesimas.php?1244.
4. By the decision of CEC May 2011, No. Sp-300 approved by "The Working Time sheets of regional and district election commissions completion and submission of Procedure" 10 May 2011. Internet Access: http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_l?p_id=398488.
5. Law on the Republic of Lithuania of politicians and state officials wages. Žin., 2000, No. 75-2271.
6. Law on the Central Electoral Committe. Žin., 2002, No. 68-2774.
7. Ruling of the Government, 8 July 1993, No. 511. Žin., 2011, No. 164-7818.
8. Ruling of Lithuanian Constitutional Court 30 June in 1994 on "Order of the Seimas of the Republic of Lithuania 23 March 1993 on "some of the Committee members' abandonment of the Seimas of the Republic of Lithuania Law on Elections, when Lithuanian Supreme Court cancelled the unlawful resolutions of the Central Electoral Commission" with the Constitution of the Republic of Lithuania." Žin., 1994, No. 51-979.
9. OSCE/ODIHR Needs Assessment Mission Report, 6 - 9 April 2009. Internet access: <http://www.osce.org/odihr/elections/lithuania/36870>.
10. "From the parliamentarians lips - criticism of the CEC Chairman Z.Vaigauskas." *Balsas.lt*, 12 June 2008. Internet access: <http://www.balsas.lt/naujiena/200316/is-parlamentaru-lupu-kritika-vrk-pirmininkui-z-vaigauskui/rubrika:naujienos-lietuva>.
11. Z. Vaigauskas, the message at conference "Lessons of elections: what kind of democracy we want?"
12. "The presidential candidate, the Seimas Chairman interferes in the work of the CEC - a member of the commission." *15min.lt*, 12 March 2009. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/i-prezidentus-kandidatuojantis-seimo-pirmininkas-kisasi-i-vrk-darba-komisijos-narys-56-32144>.
13. R. Piličiauskas, the message at conference "Lessons of elections: what kind of democracy we want?" (transcription). Vilnius: The Seimas of the Republic of Lithuania, 20 May 2011.
14. Law on Elections to the Seimas. Žin., 1996, No. 62-1467; 2000, No. 59-1760.
15. Law on Presidential Elections. Žin., 1993, No. 2-29.

16. Law on Elections to the European Parliament. Žin., 2003, No. 115-5192.
17. Law on Elections to Municipal Councils. Žin., 1994, No. 53-996; Law on Referendum. Žin., 2002, No. 64-2570.
18. Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns. Žin., 2004, No. 135-4894.
19. Law on the Adjustment of Public and Private Interests in the Civil Service. Žin., 1997, No. 67-1659; 2000, No. 18-431.
20. Website of the Central Electoral Commission, *Report on the information service "1855 - voter information" 2011 during the Republic of Lithuania municipal council elections (from 10 January 2011 to 28 February 2011)*. Internet access: http://www.vrk.lt/dynamic/files/1894/1855_ataskaita_sav2011_v3.pdf.
21. Public Sector Accountability Act. Žin., 2007, No. 77-3046.
22. The Central Electoral Commission of the Republic of Lithuania Regulations of the Central Electoral Commission. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=192740&p_query=&p_tr2=.
23. E. Masnevaite, "The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?" *Parliamentary Studies*, No. 11, 2011. Internet access: http://www.parlamentostudijos.lt/Nr11/11_teise_1.htm
24. E. Masnevaite, "The legal regulation of political parties and political campaign financing in Lithuania." Doctoral thesis. Vilnius: Vilnius University, 2010.
25. On order of Minister of Finance, 22 November 2004, No. 1K-372 "On approval of amendments of rules of non-profit limited liability legal entities accounting and financial reporting and presentation." Žin., 2010, No. 147-7539.
26. E. Masnevaite. "The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?" Report at the Conference "Control issues of political parties and political campaigns funding". Vilnius, 19 January 2011. Internet Access: http://www.vrk.lt/dynamic/files/1842/e_masnevaite.pdf.
27. "The Central Electoral Commission is obliged to recalculate all the Kaunas district electoral votes." "Krašto naujienos, 22 March 2011. Internet access: <http://www.krastonaujienos.lt/naujienos/item/6563-vyriausioji-rinkimu-komisija-ipareigota-perskaiciuoti-visus-kauno-rajono-rinkeju-balsus>.
28. Human Rights Monitoring Institute, *Human Rights in Lithuania Overview, 2009-2010*. Vilnius, 2011. Internet access: http://www.hrmi.lt/uploaded/PDF%20dokai/Apzvalgos/Apzvalga_2009-2010_su%20virseliu_FINAL.pdf.
29. Ruling of Lithuanian Constitutional Court 11 May 2011 "On the election of municipal councils." Žin., 2011, No. 58-2771.
30. "Voters are stronger than the vote buyers." *Lietuvos žinios*, 28 February 2011. Internet access: http://www.lzinios.lt/lt/2011-02-28/pirmas_puslapis/rinkejai_stipresni_uz_balsu_pirklius.html?prin.
31. Group of States against Corruption (GRECO). Third Evaluation Round. Compliance Report on Lithuania. "Incriminations (ETS 173 and 191, GPC 2)", "Transparency of Party Funding". Adopted by GRECO at its 51st Plenary Meeting (Strasbourg, 23-27 May 2011). Internet access: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2011\)7_Lithuania_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2011)7_Lithuania_EN.pdf).
32. Global Integrity, *Global Integrity Report: 2008 Assessment, Lithuania: Integrity Indicators Scorecard*. Internet access: <http://report.globalintegrity.org/Lithuania/2008/scorecard>.
33. Law of 2009 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2008-12-30, No. 149-6020).
34. Law of 2010 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2009-12-24, No. 152-6822).
35. Law of 2011 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2010-12-23, No. 151-7712).
36. Lithuanian Ministry of Finance, Accounting and financial reporting standards of public sector. Internet access: http://www.finmin.lt/web/finmin/apskaitos_reforma.
37. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.
38. Law of the Republic of Lithuania on Equal Treatment. Žin., 2003, No. 114-5115.
39. Ruling of the Seimas, 30 November 2010, No. XI-1191. Žin., 2008, No. 69-2627; 2009, no. 7-222; 2010, No. 39-1861, 2010, No. 136-6927.
40. Annual Report of the Seimas Ombudsmen Office, 2010. Internet Access: <http://www.lrski.lt/files/402.pdf>.
41. Law on Civil service. Žin., 1999, No. 66-2130 (with later amendments and additions).
42. Explanatory note of the CEC, 26 March 2011. Internet access: http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_l?p_id=398488.

43. Website of the CEC. Internet Access: <http://www.vrk.lt>.
44. "Social liberal was convicted for bribing voters." *15min.lt*, 10 October 2008. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/socialliberale-nuteista-uz-rinkeju-papirkima-56-9621>.

Interview

1. Author's interview with Zenonas Vaigauskas, chairman of CEC, 4 May 2011.
2. Author's interview with Lina Petroniene, member of the CEC, 12 May 2011.
3. Author's interviews with Algis Krupavičius, directors of Kaunas University of Technology, Policy and Public Administration, 12 July 2011.

7. Seimas Ombudsmen

1. *The Seimas Ombudsmen's Office of the Republic of Lithuania 15-year performance review*. Internet access: <http://www.lrski.lt/files/379.rtf>.
2. *The Seimas Ombudsmen's Office of the Republic of Lithuania, the 2010-2012 strategic plan*. Internet access: <http://www.lrski.lt/files/377.doc>.
3. The Law on Advocacy. Žin., 2004, No. 50-1632 (with later amendments and additions).
4. The Law on Audit. Žin., 1999, No. 59-1916 (with later amendments and additions).
5. The Law on the Prosecutor's Office. Žin., 1994, No. 81-1514 (with later amendments and additions).
6. The Law on Public Administration. Žin., 1999, No. 60-1945, (with later amendments and additions).
7. A. Taminskas, *Establishment of Administrative courts in Lithuania impact on the development of the Seimas Ombudsmen: the present and future prospects*. Report at the international conference "Ombudsman – mean of protection of the right to good public administration." 14-15 April 2005. Internet access: http://www.lrski.lt/index_neig.php?p=126&l=lt&n=138.
8. The Seimas Ombudsmen's Office of the Republic of Lithuania Regulation. Internet access: <http://www.lrski.lt/files/374.doc>.
9. Law on property declaration. Žin., 1996, No. 50-1197 (with later amendments and additions).
10. Ruling of the Government of the Republic of Lithuania, No.480 on the "Specification of general requirements for the websites of state and municipal institutions and bodies". New version of the Resolution. Žin. 2003, No. 38-1739 (with later amendments and additions).
11. The Seimas Ombudsmen's Office of the Republic of Lithuania, *Wages of staff of the Seimas Ombudsmen's Office of the Republic of Lithuania, bonuses of Lithuanian State seniority and qualification classes*. Internet access: <http://www.lrski.lt/files/403.doc>.
12. Edita Žiobienė, 'Reform of Ombudsman Institutions in Lithuania', *Jurisprudencija*, No. 1(119), 2010.
13. The Law on public and private interests in the civil service. Žin., 1997, No. 67-1659 (with later amendments and additions).
14. The newsteller of the Seimas Ombudsmen's Office of the Republic of Lithuania. July – December 2008. Internet access: <http://www.lrski.lt/files/343.pdf>.
15. Website of the Seimas Ombudsmen's Office of the Republic of Lithuania. Internet access: www.lrski.lt
16. 50th (371) unexpected meeting of the Seimas, 11 January 2008. Ruling of the Seimas "On the director of the Seimas Ombudsmen's Office Appointment" project No. XP-2776 presentation, discussion and adoption. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id = 312788 & p_query = Ombudsmen% F8% 20 & p_tr2 = 2.
17. *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2009*. Internet access: <http://www.lrski.lt/files/373.pdf>.
18. *The Seimas Ombudsmen's Office of the Republic of Lithuania Annual report of 2010*. Internet access: <http://www.lrski.lt/files/402.pdf>.
19. Website of the Seimas of the Republic of Lithuania. Internet access: www.lrs.lt.
20. According to the Seimas of the Republic of Lithuania amendment of the article 21 of the Law on the Seimas Ombudsmen No. XI-808. Žin., 2010, No. 63-3087.
21. Law on Administrative Proceedings. Žin., 1999, No. 13-308.
22. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014 (with later amendments and additions).
23. Law on the Prosecutor's Office stated that the Prosecutor General. Žin., 1994-10-19, No. 81-1514 (with later amendments and additions).
24. The Law on the Seimas Ombudsmen. Žin. 1998, No. 110-3024 (with later amendments and additions).
25. The Statute of the Seimas of the Republic of Lithuania, art. 16. Žin., 1994, No. 15-249.
26. Website of the CEC. Internet access: <http://www.vtek.lt>.

Interview

1. Author's interview with a researcher specializing in the research on ombudsmen, 6 April 2011.
2. Author's interview with a former employee of the Seimas Ombudsmen Office, a lecturer of one of Lithuanian universities specializing in the research on Ombudsmen, 13 April 2011.
3. Author's interview with director of non-governmental organization, which works in the field of human rights, 29 April 2011.
4. Author's interview with one of the Seimas Ombudsmen, 4 May 2011.
5. Author's interview with a former Seimas Ombudsman, 12 May 2011.

8. Supreme Audit Institution

1. *Annual Report of the National Audit Office 2009*. 23 March 2010. No. Y4 (hereinafter – NAO report 2009). P. 10. Internet access: <http://www.vkontrole.lt/failas.aspx?id=2079>.
2. Law on National Audit Office, article 8, part 4. Žin., 1995. No. 51-1243. (With later amendments and additions).
3. Order of NAO, 21 February 2002, No. V-26 "On approval of the Public Auditing Requirements." Žin., 2002, No. 20-790 (with later amendments and additions).
4. NAO "The NAO won the can on the decision on Klaipeda University". Press Release, 14 November 2011. Internet access: http://www.vkontrole.lt/pranesimas_spaudai.aspx?id=16834.
5. NAO, "The NAO has shown the ministries most common financial mistakes thresholds." Press Release, 6 October 2011. Internet access: http://www.vkontrole.lt/pranesimas_spaudai.aspx?id=16773.
6. The 2010-2012 strategic Activities Plan of National Audit Office. Internet access: <http://www.vkontrole.lt/page.aspx?id=136>.
7. Data of Lithuanian Court Information System data LITEKO. Viewed 16 May 2011. Internet access: <http://liteko.teismai.lt/viesasprendimupaieska/detalipaieska.aspx>.
8. The Code of Conduct of the NAO Officials, approved by the Auditor General, 2002, No. V-80. (hereinafter – the Code). Internet access: http://www.vtek.lt/images/vtek/Dokumentai/Prevencija/LR_viesojo_sektorius_etikos_kodeksai/9valstybes_kontroles_pareigun_%20etikos_kodeksas.doc.
9. The Chief Official Ethics commission, according to information of NAO, identified the conflict of public and private interests of prorektor of Siauliai University J. Pabrėža. No. FA-P-33-5-15. Internet Access: <http://www.vkontrole.lt/failas.aspx?id=2334>.
10. Public Audit Programme 2012, approved by the order of Audit General 2 January 2012. No. V-1. Internet access: <http://www.vkontrole.lt/page.aspx?id=132>.
11. Law on Local Self-Government, article 27. Žin., 1994, No. 55-1049 (with later amendments and additions).
12. The audits carried out and the detailed content of reports are available publicly on Internet blog of NAO. *Reports of public auditing of NAO*. Internet Access: http://www.vkontrole.lt/audito_ataskaitos.aspx?tipas=1.
13. *Annual Report of the National Audit Office 2011*. 16 March 2010. No. Y-1. P. 16. Internet access: <http://www.vkontrole.lt/failas.aspx?id=2510>; *Annual Report of the National Audit Office 2011*.
14. State Management Improvement (Sunset) Commission 2010-2011 report. Internet access: <http://www.lrv.lt/bylos/veikla/veiklos-ataskaitos/saulelydis-final.pdf>.
15. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014 (with later amendments and additions).
16. Ruling of the Lithuanina Constitutional Court, 6 December 1995. Žin., 13 December 1995, No. 101-2264.
17. Ruling of the Lithuanina Constitutional Court, 13 December 2004. Žin., 18 December 2004, No. 181-670 (with later amendments and additions).
18. The Statute of the Seimas of the Republic of Lithuania. Žin., 1994, No. 15-249.
19. Supreme Audit Institution annual report 2011, 23 March 2012, No. Y-1. Internet access: <http://www.vkontrole.lt/failas.aspx?id=2521>.
20. Law of the Republic of Lithuania on the Adjustment of Public and Private Interests in the Public Service. Žin., 1997, No. 67-1659 (with later amendments and additions).

Interview

1. Author's interview with officer of the National Audit Office, 7 June 2011.

2. Author's interview with financial law scientist, Vilnius University Faculty of Law, 27 May 2011.

9. Anti-corruption agencies

1. Website of the Special Investigation Service. Internet access: <http://www.stt.lt/lt/kontaktai-ir-struktura/struktura/korupcijos-prevencijos-valdyba/>.
2. The 2011-2013 strategic activities plan of the Special investigation service of the Republic of Lithuania, 7 March 2011, approved by the head of the SIS, No. 2-912011. Internet access: http://www.stt.lt/documents/planavimo_dokumenatai/2011-2013_strateginis_veiklos_planas.doc.pdf.
3. Legal Act Adopted by Government of the Republic of Lithuania "On the Approval of the strategic Planning Methodology". Žin., 2002, No. 57-2312 (with later amendments and additions).
4. The Chief Official Ethics Commission, *Strategic activity plans*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=768&Itemid=61.
5. *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2009*. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=367783&p_query=&p_tr2=.
6. *Annual Report of the Special Investigation Service of the Republic of Lithuania, 2010*. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=393473&p_query=&p_tr2=.
7. Chief Official Ethics Commission, *Annual Report of the Chief Official Ethics Commission, 2010*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.
8. Website of CEC. Internet access: <http://www.vtek.lt>.
9. Law on the Chief Official Ethics Commission. Žin., 2008, No. 81-3176 (with later amendments and additions).
10. Order of the director of the SIS "On the approval of the procedure of selection of the SIS officers". Žin., 2006, No. 93-3677 (with later amendments and additions).
11. Order of the director of the SIS „On the Approval of the Rules of Procedure for the Special Investigation service of the Republic of Lithuania“. Žin., 2009, No. 114-4878 (with later amendments and additions).
12. Website of the SIS. Internet access: <http://www.stt.lt>.
13. Order of the director of the SIS, 12 December 2005, No. 2-232 "On the Code of Conduct of the Special Prosecution Service of the Republic of Lithuania, *Number of posts*. Internet access: <http://www.prokuraturos.lt/Strukt%C5%ABra/Strukt%C5%ABra/Etat%C5%B3skai%C4%8Dius/tabid/280/Default.aspx>.
14. Law of the Republic of Lithuania on the Protection from Criminal Influence of Participants in the Operational Activities, Officers of Justice and Law Enforcement Institutions. Žin., 1996, No. 20-520 (with later amendments and additions).
15. The Special Investigation Service of the Republic of Lithuania, Sociological research. Internet access: <http://www.stt.lt/lt/menu/sociologiniai-tyrimai/>.
16. Seimas of the Republic of Lithuania, Document Search. Internet Access: http://www3.lrs.lt/pls/inter3/dokpaieska.rezult_l?p_nr=&p_nuo=&p_iki=&p_org=2458&p_drus=40&p_kalb_id=1&p_title=&p_text=&p_pub=&p_met=&p_lnr=&p_denr=&p_es=0&p_rus=1&p_tid=&p_tki_d=1&p_t=0&p_tr1=2&p_tr2=2&p_gal=.
17. *Annual Report of the Chief Official Ethics Commission, 2009*. Internet access: http://www.vtek.lt/vtek/images/vtek/Dokumentai/Apie_mus/ataskaitos_seimui/VTEK_2009_m._veiklos_ataskaita.doc.
18. Order of the director of the SIS, 7 August 2009, No. 2-198 "On the order of the director of the SIS, 26 April 2006 "On the amendment of article 2 on approval of provisions the SIS Prevention of Corruption Board".
19. Law on Special Investigations Service, No. 2-67. Žin., 2000, No. 41-1162.
20. Law of 2009 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2008-12-30, No. 149-6020).
21. Law of 2010 on the Approval of the State and Municipal Budget Financial Indicators (Žin., 2009-12-24, No. 152-6822).
22. The Chief Official Ethics Commission, *Reports*. Internet access: http://www.vtek.lt/vtek/index.php?option=com_content&view=article&id=10&Itemid=18.

Interview

Author's interview with the member of Chief Official Ethics Commission, 16 May 2011.

Author's interview with a docent of Vilnius University, 20 June 2011.

Author's interview with the officer of the SIS Department of Corruption Prevention, 29 September 2011.

10. Political parties

1. Law of the Republic of Lithuania on Political Parties (LPP); articles 3 and 11. Žin., 1990, No. 29-692, with later amendments and additions.
2. BNS press release „Samogitian Party lost at the court“. *15min.lt*, 12 september 2008. Internet access: <http://www.15min.lt/naujiena/aktualu/lietuva/zemaiciu-partija-teisme-patyre-pralaimejima-56-6111>.
3. Ministry of Justice, press release, „Dead parties will be liquidated from the political arena“, 1 April 2011. Internet access: <http://www.tm.lt/naujienos/pranesimasspaudai/1628>.
4. Freedom House, „Freedom in the World 2011, Lithuania report“. Internet access: <http://www.freedomhouse.org/report/freedomworld/2011/Lithuania>.
5. A. Piasecka, "Lithuania" in Freedom House, Nations in Transit 2011. Internet access: http://www.freedomhouse.org/sites/default/files/inline_images/NIT-2011-Lithuania.pdf.
6. Decision of the CEC on establishing the size of national budget allocations of 2011 first half-year to fund political parties. 8 April 2011, No. Sp-266, Vilnius.
7. Website of Social Democratic Party of Lithuania. Internet access: <http://www.lsdpl.lt/>.
8. R. S. Katz, P. Mair, „Changing models of party organization and party democracy: The emergence of Cartel Party“, *Party Politics*, vol. 1, No.1.
9. Website of Christian Democratic Party. Internet access: <http://www.krikscioniupartija.lt/>.
10. Website of Liberal and Centre Union. Internet access: <http://www.lics.lt/>.
11. Website of Electoral Action Poles in Lithuania. Internet access: <http://www.awpl.lt>.
12. BNS news, „Four inactive parties are being tried to liquidate“. *Diena.lt*, 1 January 2011, Internet access: <http://www.diena.lt/naujienos/lietuva/bandoma-likviduoti-keturias-neveikiamas-partijas-323497>.
13. Head of Public Procurement Office reports, translated LRT „Panoramos“ broadcast time. 24 October, 2011. Internet access http://www.lrt.lt/archyvas/?channel=234940§ion=2&filter=9612&record=55020_1319519492.
14. Website of the CEC: <http://www.vrk.lt/lt/pirmas-puslapis/PPspkfk/politines-partijos/>, <http://www.vrk.lt/lt/pirmas-puslapis/PPspkfk/politines-kampanijos/>.
15. Website of Labour party. Internet Access: <http://www.darbopartija.lt/>.
16. The statute of „Homeland Union – Lithuanian christian democrats“. Internet access: http://www.tsajunga.lt/uploads/files/dir20/dir1/10_0.php.
17. The statute of social Democratic Party of Lithuania, with additions and amendments, applied in LSDP XXX congress, 30 April 2011. Internet access: <http://www.lsdpl.lt/straipsniai/29-partijos-statutas.html>.
18. The statute of Liberal Movement, applied in V Liberal Movement Congress, 10 October 2009. Internet access: http://www.liberalai.lt/assets/dokumentai/20091010_LRLS_ISTATAI.DOC.
19. The statute of Order and Justice, amended in IX Congress in Vilnius, 12 December 2010. Internet access: <http://www.tvarka.lt/lt/istatai>.
20. The statute of Labour Party with amendments, applied in party Congress, 17 November 2007, Kėdainiai.
21. R. Lukaitytė, „A.Kubilius: „Party members vote seen as a mandate for the continuation of work“, *Delfi.lt*, 21 May 2011. Internet Access: <http://www.delfi.lt/news/daily/lithuania/akubilius-toki-partijos-nariu-balsavima-vertinu-kaip-mandata-darbu-testinumui.d?id=45767505>.
22. It should be noted that the traditional concept of right-left is not always adequate in Lithuania. Mindaugas Jurkynas, A. Ramonaitė, „Right and Left in Lithuania: misunderstanding between experts and electorate“. A. Jankauskas „Lithuania after elections to Seimas 2004“. Vilnius, Kaunas: Naujasis lankas, 2005.
23. A. Jankauskas (sud.), *Lithuania after the Seimas elections 2004*. Vilnius, Kaunas: Naujasis lankas, 2005.
24. V. Jurkevičius, „Political parties funding in Lithuania: research for the most appropriate model“. *Politologija*, No. 2 (50), 2008.
25. A.Ramonaitė, *Political Anatomy of Post-soviet Lithuania*. Vilnius: Versus aureus, 2007.
26. A. Ramonaitė, „Lithuanian political parties values map: analysis of party elites attitudes“. Book, A. Ramonaitė (sud.), *The End of Party Democracy? Political Representation and Ideologies*. Vilnius, Versus aureus, 2009.

27. A. Ramonaitė, Rūta Žiliukaitė, „The Quality of Political Representation in Lithuania: analysis of voters and political parties provisions. A. Ramonaitė (sud.), *The End of Party Democracy? Political Representation and Ideologies*. Vilnius, Versus aureus, 2009, 99, 121.
28. Results of a representative survey. Carried out by VILMORUS, 3-12 June 2011, sample – 1001 respondents. Internet access: <http://www.vilmorus.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=2&cntnt01returnid=20>.
29. Transparency International, Global Corruption Barometer 2010. Transparency International, 2010, 49. Internet access: http://www.google.lt/url?sa=t&rct=j&q=&esrc=s&source=web&cd=8&ved=0CE4QFjAH&url=http%3A%2F%2Ftimenewsfeed.files.wordpress.com%2F2010%2F12%2Fti_global_corruption-barometer-20102.pdf&ei=04KaT5ydNsZS4QTP6uHuDg&usq=AFQjCNHpVN3xEt66IIjPiiOPj2E46VvYgQ.
30. A. Ramonaitė, „Why people do not join the party? Lithuanian people attitude to party membership analyze.“ *Politologija*, No. 2 (58), 2010.
31. Group of States against Corruption (GRECO). Third Evaluation Round. Compliance Report on Lithuania. ”Incriminations (ETS 173 and 191, GPC 2)”, ”Transparency of Party Funding”. Adopted by GRECO at its 51st Plenary Meeting (Strasbourg, 23-27 May 2011). Internet access: [http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3\(2011\)7_Lithuania_EN.pdf](http://www.coe.int/t/dghl/monitoring/greco/evaluations/round3/GrecoRC3(2011)7_Lithuania_EN.pdf)
32. Law on Administrative Violations. Žin., 1985, No. 1-1.
33. Civil Code of the Republic of Lithuania. Žin., 2000, No. 74-2262 (with later additions and amendments).
34. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014 (with later amendments and additions).
35. Website of Liberal Movement (Lithuania). Internet access: <http://www.liberalai.lt/lt/>.
36. Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns. Žin., 2004, No. 135-4894.
37. Website of Republic of Lithuania The Central Electoral Commission, Annual activity declaration and a list of donators of political parties. Internet access: <http://www.vrk.lt/lt/pirmapuslapis/pppkkf/politines-partijos/deklaracijos-ir-aukotoju-sarasai.html>.
38. Website of the CEC. Internet access: www.vrk.lt.
39. Report of the Chairman of the CEC. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=406940&p_query=&p_tr2=#_Toc303128176
40. A. Lukošaitis, „Lobbying in in foreign countries and Lithuania: legal regulation and institutionalization of the problem. *Politology*, Vol. 2 (62), 2011.
41. E. Masnevaite, “The new version of the Law on Funding of, and Control Over Funding of, Political Parties and Political Campaigns – a political impulse or necessity?” *Parliamentary Studies*, No. 11, 2011. Internet access: http://www.parlamentostudijos.lt/Nr11/11_teise_1.htm.
42. E. Masnevaite, “The legal regulation of political parties and political campaign financing in Lithuania.” Doctoral thesis. Vilnius: Vilnius University, 2010.
43. Website of New Union (Social Liberals) (existed until 9 July 2011). Internet access: <http://nsajunga.lt/>.
44. Website of party Order and Justice. Internet access: <http://www.tvarka.lt/>.
45. Website of National Resurrection Party. Internet access: <http://prisikelimopartija.lt/>.
46. Website of Homeland Union – Lithuanian Christian Democrats. Internet access: [www.http://www.tsajunga.lt/](http://www.tsajunga.lt/).
47. G. Žvaliauskas, “Whether Lithuania is a democratic party?” Kaunas: Technology, 2007.

Interview

1. Author’s interview with Algirdas Sysas, Vilnius, 21 July 2011.
2. Author’s interview with prof. Algis Krupavičius, Vilnius-Kaunas, 1 July, 2011.
3. Author’s interview with representatives of the Central Electoral Commission, 8 November 2011.
4. Author’s interview with Alvidas Lukošaitis, 10 November 2011.

11. Media

1. The Law amending and supplementing the 2, 22, 24, 27, 27¹, 33, 36 Articles of the Law of Information to the Public, article 2, 2010.

2. Deimantas Jastramskis, *The Relationship between the Structures of the Ownership of Media Organization and the Expression of Partiality of Media Means* (research of Lithuanian national dailies implemented during the Presidential campaign of 2004). PhD thesis, 2009.
3. D.Radzevičius, "The Dismissal of D. J. Butkevičienė from the Position of the Director of News Division of Joint Stock Company „Tele-3“ was Unlawful“, *Dainius.org*, 31 March 2010. Internet access: <http://dainius.org/?s=butkevi%C4%8Dien%C4%97>.
4. "Lithuanian Journalism: Days and Works. January 1990-December 2007". *Almanac „Journalism 1990-2007“*, 2008.
5. V. Mačiulis, "From the Zero of Yesterday till the Lot of Today's Improvement". Ethics Commission of Journalists and Publishers, 2009-2010.
6. L. Slušnys, "Ethics Commission". *Ethics Commission of Journalists and Publishers*, 2009-2010.
7. A.Gelžinis, D.Radzevičius, "I See a Lot of Signs of Improvement". *Ethics Commission of Journalists and Publishers*, 2009-2010.
8. J. Mažylė, Regional Journalists about Self-Regulation and Professional Ethics, *Almanac „Journalism in 2009“*, 2010.
9. A. Adomaitienė, „Is it hard to apologize?“. *Almanac „Journalism in 2009“*, Vilnius: Lietuvos žurnalistų sąjunga, 2010.
10. BNS, "The Conflict of the media be led by the Lithuanian Journalists and Publishers Ethics Commission". *Lrytas.lt*, 24 May 2011. Internet access: <http://www.lrytas.lt/-13062522981305747707-konflikt%C4%85-%C5%BEiniasklaidoje-gal%C4%97jo-i%C5%A1provokuoti-tvirtal%C5%BElek-pozicija.htm>.
11. L. Meškauskaitė, „The Year of 2010 and Ethics in Journalism“, *Almanac „Journalism in 2010“*, 2010.
12. Viktoras Trofimišinas, „In search for the Right Decisions“. *Almanac „Journalism in 2010“*, 2010.
13. L.Slušnys, *Analysis of the Activities of the Ethics Commission in 2009*. Ethics Commission of Journalists and Publishers, 2009-2010.
14. Press, Radio and Television Support Fund, *Dalininkai*. 2011. Internet access: <http://www.srtfondas.lt/>
15. BNS, "The Seimas Board canceled the arrangements which restricted the work of journalists" *Delfi.lt*, 20 January 2011. Internet acces: <http://verslas.delfi.lt/Media/seimo-valdyba-atsauke-zurnalistu-darba-varziusia-tvarka.d?id=20336399>.
16. Baltic News Service, „Are opened to the the Baltic Centre for Investigative Journalism.“ *Bernardinai.lt*, 8 September, 2011. Internet access: <http://www.bernardinai.lt/straipsnis/2011-09-08-pradeda-veikti-baltijossaliu-tiriamosios-zurnalistikos-centras/68416>.
17. Dohnanyj, J. and C. Moller, *The Impact of Media Concentration of Professional Journalism*. Vienna: OSCE Representative on Freedom of the Media, 2003.
18. Deimantas Jastramskis, „Features of the Model of the Lithuanian Media System“, *Informacijos mokslai*, no. 55, 2011.
19. The National Library of Lithuania, *Lithuanian press statistics 2009*. Vilnius, 2010.
20. The Law on amendment of article 3 of the Law on Competition. *Žin.*, 2009, No. 121-5195.
21. Lithuanian Radio and Television Association, "Due to the potential lack of transparency Lithuanian Radio and Television Commission's financial performance." *Rtk.lt*, 16 June 2011. Internet access: [http://www.rtk.lt/assets/files/LRTA%20atviras%20laiskas\(1\).PDF](http://www.rtk.lt/assets/files/LRTA%20atviras%20laiskas(1).PDF).
22. Lithuanian Radio and Television Commission, *Lithuanian Radio and Television Commission annual report 2010*. 2011.
23. "The Cancer of Corruoption is Corroding Lithuania. It's Time to Act!", *15min.lt*, 15 April 2011. Internet access: <http://www.15min.lt/naujiena/ziniosgyvai/antikorupcija/korupcijos-vezys-grauzia-lietuva-metasveikti-327-146275>
24. The Constitution of the Republic of Lithuania. *Žin.*, 1992, No. 33-1014.
25. The Law on amendment of the Law of the Republic of Lithuania on the Right to Obtain Information From State and Municipal Institutions and Agencies. *Žin.*, 2005, No. 139-5008.
26. Law on amendment of the Law on Provision of Information to the Public. *Žin.*, 2010, 123-6260.
27. Law on amendment of the Law on Provision of Information to the Public. *Žin.*, 2010, 123-6262.
28. Law on amendment of the Law on Provision of Information to the Public. *Žin.*, 2008, 87-3456.
29. Law on amendment of the Law on Provision of Information to the Public. *Žin.*, 2009, 89-3804.
30. Law on amendment of the Law on Provision of Information to the Public. *Žin.*, 2006, 82-3254.
31. Law on amendment of the Law on Public Procurement. *Žin.*, 2011, No. 85-4137.
32. TNS LT, *Annual Media Research Overview 2009*. 2010. Internet access: <http://www.tns.lt/>.
33. TNS LT, *Annual Media Research Overview 2010*. 2011. Internet access: <http://www.tns.lt/>.
34. "Transparency International" Lithuanian Chapter, *Prospective study of media accountability*. Vilnius, 2009.

35. Provisions of the competition of applications for State provided partial financial support for cultural and educative projects through the Press, Radio and Television Support Fund. Ruling of the Government, No. 1190. Žin., 15 November 2007. No. 117-4800.
36. Inspector 's of Journalist Ethics Annual Report 2010 and 2009-2010 analytical review of "Guidelines of democratic public awareness of cultural development". Vilnius, 2011.

Interview

1. Author's interview with Gintaras Aleknonis, a lecturer of Mykolas Romeris University, 23 May 2011.
2. Author's interview with Romas Sakadolskis, the lecturer of the Institute of Journalism, Vilnius University, 25 May 2011.
3. Author's interview with Dainius Radzevičius, the Chairman of the Lithuanian Journalist Union, 30 May 2011.

12. Civil Society

1. The Feasibility Study on the Subsidy Programme of Non-Governmental Organizations (NGOs) participating in the Partnership Programme of Lithuania and Switzerland, Internet access: http://www.finmin.lt/finmin.lt/failai/Sveicarijos_parama/Galimybiu_studija_LT.pdf.
2. Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.
3. Republic of Lithuania Law on Public Establishments. Žin., 2004, No. 25-752.
4. Republic of Lithuania Law on Charity and Sponsorship Funds. Žin., 2004, No. 7-128.
5. Republic of Lithuania Law on Trade Unions. Žin., 1991, No. 34-933.
6. Republic of Lithuania Law on Religious Communities and Associations. Žin., 1995, No. 89-1985.
7. Republic of Lithuania Law on Associations of Multi-Family Apartment House Owners. Žin., 2000, No. 56-1639.
8. Republic of Lithuania Law on Associations of Gardeners. Žin., 2004, No. 4-40.
9. Microfinance, *Association Establishment*. Internet access: <http://www.macrofinance.lt/paslaugos/teisines-paslaugos/imoniui-steigimai/asociacijos-steigimas/>
10. Business 123, Association Establishment. Internet Access: <http://www.imoniusteigimas.lt/imoniui-steigimas/asociacijos-steigimas>.
11. IP Group, *Association Establishment*. Internet access: <http://www.ip-group.lt/lt/asociacijos-steigimas/>
12. Ruling of the Government of the Republic of Lithuania on 12th November, 2003 No. 1407. Žin., 2003, No. 107-4810.
13. Republic of Lithuania Law on Corporate Income Tax, article 5, part 4. Žin., 2001, No. 110-3992.
14. Ruling of the Government of the Republic of Lithuania on 20th January, 2010. Žin., 2010, No. 12-566.
15. Republic of Lithuania Law on Income Tax of Individuals. Žin., 2002, No. 73-3085.
16. Republic of Lithuania Law on the Amendment of the Republic of Lithuania Law on Charity and Sponsorship. Žin., 2000, No. 61-1818.
17. Information from the website of State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania of state Tax Inspectorate, Internet access: <http://www.vmi.lt/lt/index.aspx?itemId=10139389>.
18. The Draft Law on the Amendment of Article 34 of the Republic of Lithuania Law on Income Tax of Individuals, Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=357878&p_query=&p_tr2=.
19. Ruling of the Government of the Republic of Lithuania, 2 June 2010, No. 668 on Law on the Amendment of Republic of Lithuania Law, No. XIP-1406. Žin., 2010, No. 65-3230.
20. The Draft Law on the Provision and Control of Financial Support of the Republic of Lithuania for non-governmental organizations, Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=56100&p_org=&p_fix=n&p_gov=n.
21. Results of representative survey of Lithuanian inhabitants carried out by „VILMORUS“, *Participation in Voluntary Activities and the Evaluation of NGO Activities*, September 2010. Internet access: http://www.nisc.lt/lt/files/main/Savanoryste_NVO_tyrimas.pdf.
22. Criminal Code of the Republic of Lithuania. Žin., 2000, No. 89-2741, with later additions and amendments.
23. Administrative Offence Code of the Republic of Lithuania. Žin., 1985, No. 1-1, (with later additions and amendments).
24. Constitution of the Republic of Lithuania, article 22; also the Ruling of the Constitutional Court of Lithuania on 21 October, 1999. On the compliance of the 31 January 1991 Supreme Council of the

- Republic of Lithuania Resolution "On Writing of Names and Family Names in Passports of Citizens of the Republic of Lithuania" with the Constitution of the Republic of Lithuania. Žin., 1999, No. 90-2662.
25. Website of the Baltic Environmental Forum. Internet access: www.bef.lt.
 26. Lithuanian Riflemen's Union website. Internet access: <http://www.sauliusajunga.lt/>.
 27. Website of Human Rights Monitoring Institute. Internet access: www.hrmi.lt.
 28. USAID, The 2009 NGO Sustainability Index, Lithuania, 2010. Internet access: http://www.usaid.gov/locations/europe_eurasia/dem_gov/ngoindex/2009/lithuania.pdf.
 29. Management Quality Standard of NGOs and Social, Non-Profit Oriented, Partners. Vilnius, OVC Consulting, 2003.
 30. Methodology of the Effectiveness of NGO. Internet access: <http://www.bapp.osf.lt/downloads/TYRIMO%20PROCEDURA.pdf>.
 31. Website of Lithuanian Youth Council Website. Internet access: <http://www.lijot.lt/Page.aspx?pageID=110>.
 32. Website of Lithuanian Environmental NGO's Coalition. Internet access: <http://www.aplinkosauga.lt/lt/visos-aktualijos>.
 33. E. Digrytė "Foreign Politicians and Organizations Criticise the Law for the Protection of Minors against the Detrimental Effects of Public Information". www.delfi.lt, 15 May 2009. Internet access: <http://www.delfi.lt/news/daily/lithuania/article.php?id=23120967>.
 34. Law on the Amendment of articles 2, 5 and 9 of Republic of Lithuania Law on Preventing and Fighting Corruption and Draft Law on adding article 9(1) to the Republic of Lithuania Law on Preventing and Fighting Corruption. Žin., No. 57-2703. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382466.
 35. Law on the Amendment of Republic of Lithuania Law on Operational Activities, Article 17. Žin., No. 57-2704. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=382469&p_query=&p_tr2=.
 36. Civil Code of the Republic of Lithuania. Žin., 2000, No. 74-2262.
 37. The Constitution of the Republic of Lithuania. Žin., 1992, No. 33-1014.
 38. The Law on amendment of the Law on Protection of minors from the negative effect of public information. Internet access: [http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=303559 & p_query = & p_tr2 = 2](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=303559&p_query=&p_tr2=2).
 39. "Transparency International" Lithuanian Chapter, the NGO Transparency primer. Baltic American Partnership Program. Vilnius: Eugrimas, 2008.

Interview

1. Author's interview with a representative of Non-Governmental Organizations' Information and Support Center, 5 May 2011.
2. Author's interview with Šarūnas Frolenko, President of Lithuanian Youth Council, 10 May 2011.
3. Author's interview with Director of Human Rights Monitoring Institute, 13 May 2011.

13. Business

1. Lithuanian Academy of Science, Institute of Economics, *Renewal of Long-term (until the Year of 2015) Strategy for Lithuanian Economy*, 2007. Internet access: <http://www.ukmin.lt/lt/strategija/VIRS/Galutinė%20strategija.2007.11.15.doc>
2. The Priorities for the Action of the Government of the Republic of Lithuania for the Year of 2011, passed on the 14th of October 2010 by the Resolution of the Government of the Republic of Lithuania No. 1448. Žin., 2010, No. 123-6285.
3. World Economic Forum, *Global Competitiveness Report 2010-2011*. Internet access: http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2010-11.pdf
4. Department of Statistics near the Government of the Republic of Lithuania, *Conditions for Small and Medium Business*, 2009:8. Internet access: <http://www.stat.gov.lt/lt/catalog/viewfree/?id=1607>.
5. Website of the Department of Statistics near the Government of the Republic of Lithuania. Internet access: <http://www.stat.gov.lt>.
6. R. Lukaitytė *The Government of the "Overnight Tax Reform" and Huge Economic Downturn Turns One Year Old*, [Delfi.lt](http://www.delfi.lt), 9 December 2009. Internet access: <http://www.delfi.lt/news/daily/lithuania/naktines-mokesciu-reformas-ir-didziulio-ekonomikos-nuosmukio-vyriausybei--vieneri.d?id=26642611>.
7. The Enterprise Bankruptcy Law. Žin., 2001, No. 31-1010.
8. Law on Restructuring of Enterprises. Žin., 2001, No. 31-1012.

9. *Bankruptcy and Restructuring Administrators Code of Conduct*. Žin., 2010, No. 143-7340.
10. Law on Natural Persons Bankruptcy. Žin., 2011, No. 38-1816.
11. Law on Copyright and Related Rights. Žin., 1999, No. 50-1598.
12. Law on Trade Marks. Žin., 2000, No. 92-284.
13. Law on Designs. Žin., 2002, No. 112-4980 (with later amendments and additions).
14. Law on the Protection of Plant Varieties. Žin., 2001, No. 104-3701.
15. Law on Conciliatory Mediation in Civil Disputes. Žin., 2008, No. 87-3462.
16. Ruling of the Government of the Republic of Lithuania, 25 February 2009, No. 144 "On forming the commission of improvement of business environment (Sunrise Commission)". Žin., 2009, No. 26-1021.
17. Ruling of the Government of the Republic of Lithuania, March 4 2009, No. 161 "On the determination of the rate of national administrative burden reduction of business in priority areas and the approval of the list of priorities of the national administrative burden reduction of business". Žin., 2009, No. 28-1092.
18. Ministry of Economy of the Republic of Lithuania, *Report of better regulation of program implementation, 2010*. Internet access: http://www.ukmin.lt/lt/veikla/veiklos_sritys/reglamentavimas/regl_lt/2010m_GR_ataskaita.pdf.
19. Lithuanian Ministry of Economy, *Checklists*. Internet access: http://www.ukmin.lt/lt/dokumentai/klausimynas/index.php/?clear_cache=Y&clear_cache=Y.
20. Lithuanian Ministry of Economy, Business, *Controllers are required to achieve efficiency and do not hide under the law*. 2 September 2011. Internet access: <http://www.ukmin.lt/lt/dokumentai/Media/detail.php?ID=31,286>
21. Order of the Minister of Justice No. 57, 12 September 1996. "For notary fee charged for the performance of notarial acts, contracts drafting, advice and technical services". Žin., 1996, No. 87-2075.
22. The Government Decree No. 296, 21 March 2007. "On the salary to the state enterprise Centre of Registers for the use of commercial register data and information, about the remuneration for the commercial register data unit and pay for a certificate confirming the joint data managed by the competent authorities of the provider who participates in procurement procedure, the issue of approval sizes". Žin., 2007, No. 37-1369.
23. Law on Services. Žin., 2009, No. 153-6901.
24. The Republic of Lithuania Patent Law. Žin., 1994, No. 8-120 (with later amendments and additions).
25. The Report of the Government of the Republic of Lithuania, 2010. Approved by the ruling of the Government of the Republic of Lithuania, 30 March 2011, No. 371. Internet access: http://www.lrv.lt/bylos/vyriausybes/n0371_ataskaita.pdf.
26. L. Gabrilavičiute, "Offers to Reduce the Number of Institutions Controlling Business up to Eight in 2011", 15min.lt, 11 December 2009. Internet access: <http://www.15min.lt/naujiena/pinigai/lietuvos-naujienos/2011-metais-gali-likti-astuonios-versla-kontroliuojancios-institucijos-194-75243>
27. A. Matuliauskas, "State in a control snare." IQ.lt, 26 February 2011. Internet access: <http://iq.lt/titulinis/valstybe-savo-kontroles-zabangose/>.
28. Law on Administrative Proceedings, Art. 15, part 1. Žin., 1999, No. 13-308.
29. Law on Civil Service. Žin., 1999, No. 66-2130 (with later amendments and additions).
30. European Bank for Reconstruction and Development, report "BEEPS At-A-Glance 2008, Lithuania", January 2010. Internet access: http://siteresources.worldbank.org/INTECAREGTOPANTCOR/Resources/7045891267561320871/Lithuania_2010.pdf.
31. Law on Consolidated Accounts of Groups of Undertakings. Žin., 2001, No. 99-3517.
32. Ruling of the Government of the Republic of Lithuania, 14 July 2010, No. 1052 "On the approval of the description of state-owned companies' transparency guidelines and approval of coordinating authority". Žin., 2010, No. 88-4637.
33. Ministry of Justice, "On the harmonization of the projects of the laws". 11 April 2011, No. 11-1122-01. Internet access: http://www.lrs.lt/pls/proj/dokpaieska.showdoc_l?p_id=82693&p_org=8&y=p_fix&p_gov=n.
34. Law on Tax Administration. Žin., 2004, No. 63-2243 (with later amendments and additions).
35. Law on the Bank of Lithuania. Žin., 2006, No. 48-1699.
36. Website of the Bank of Lithuania, *The Supervisory Performance Reviews of the Bank of Lithuania*. Internet access: http://www.lb.lt/prieziurines_veiklos_apzvalgos.
37. "Transparency is Mandatory but not Accessible". Vz.lt, 7 June 2011. Internet access: <http://vz.lt/Default2.aspx?BlogID=a7b1f1d2-ea9c-4e24-85c8-2e6dad44699e>.
38. Website of "NASDAQ OMX Baltic". Internet access: www.nasdaqomxbaltic.com.

39. Website of the Center Register of Legal Persons (The website of the Center Register of Legal Persons. Internet access: www.registrucentras.lt).
40. A. Žėkienė and J. Ruževičius, „Socially Responsible Investment as a Part of Corporate Social Responsibility“, *Economics and Management*, No. 16, 2011, 628-636.
41. J. Ruževičius, „Development of Sustainable and Socially Responsible Business in Lithuania in International Context“, *Economics*, No. 86, 2009.
42. The Governance Code of NASDAQ OMX Vilnius companies. Internet access: [http://www.nasdaqomxbaltic.com/files/vilnius/teisesaktai/Bendroviu%20valdymo%20kodeksas%20\(galioja%20nuo%202010-01-01\).pdf](http://www.nasdaqomxbaltic.com/files/vilnius/teisesaktai/Bendroviu%20valdymo%20kodeksas%20(galioja%20nuo%202010-01-01).pdf).
43. The Civil Code, Law on Companies, Law on Securities. Žin., 2007, No. 17-626.
44. Law on Markets in Financial Instruments. Žin., 2007, No. 17-627.
45. Law firm „Miškinis, Kvainauskas ir partneriai“, a study *Managerial System of Companies, Choosing the Managerial Model and Features of Functioning*. 2006. Internet access: http://www.ukmin.lt/lt/strategija/doc/UM_STUDIJA_06-12-14.doc.
46. Law on Companies. Žin., 2000, No. 64-914.
47. Law on Agriculture Partnerships. Žin., 1991, No. 13-328 (with later amendments and additions).
48. Law on Individual Enterprises. Žin., 2003, No. 112-4991.
49. Law on Partnerships. Žin., 2003, No. 112-4990.
50. Ministry of Economy of the Republic of Lithuania, *The Declaration on the first business year*. Internet access: <http://www.ukmin.lt/lt/dokumentai/DEKLARACIJA.pdf>.
51. The Law on Markets in Financial Instruments. Žin., 2011, No. 145-6811 (with later amendments and additions).
52. World Bank, *Doing Business 2008*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2008>.
53. World Bank, *Doing Business, 2009*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2009>.
54. World Bank, *Doing Business, 2010*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2010>.
55. World Bank, *Doing Business, 2011*. Internet access: <http://www.doingbusiness.org/reports/global-reports/doing-business-2011>.
56. Law on Public Procurement. Žin., 1996, No. 84-2000 (with later amendments and additions).
57. “The Action of the Tradesmen Made the Providers Indignant”, *Diena.lt*, 7 November 2007. Internet access: <http://www.diena.lt/dienrastis/ekonomika/prekybininku-akcija-papiktino-tiekejus-115186>;
58. “Your broker”, “The Tradesmen Decided Not to Keep in Line with the Code of Conduct.” *Alfa.lt*, 7 March 2007. Internet access: http://www.alfa.lt/straipsnis/174967/Prekybininkai.nusprendė.nesilaikyti.garbes.kodekso=2008-03-07_09-45/
59. “KRKA warned“. *Laikraštisopozicija.lt*, 17 December 2009. Internet access: <http://laikraštisopozicija.com/archive/252-spta-krka->.
60. Government of the Republic of Lithuania, „In Investor’s Forum, Taking Place in the Government Building Attention for Transparency in Economy Was Shown“. Press release, 14 March 2011. Internet access: <http://www.lrv.lt/naujienos/aktualijos/?nid=8367>.
61. Government of the Republic of Lithuania, *National Agreement, 2009*. Internet access: http://www.lrv.lt/bylos/Naujienos/Aktualijos/20091028_susitarimas.pdf.
62. BNS, “Businesses urges the government to fight corruption not with the help of plenty of measures, but their implementation”. *15min.lt*, 10 December 2010. Internet access: <http://www.15min.lt/naujiena/ziniosgyvai/antikorupcija/verslo-atstovai-valdziaragina-Corruption-to-fight-at-measures-abundance-and-their-IMPLEMENTING-327-128271>.
63. “Investors Forum - suggestions on how to combat corruption and the shadow.” *Bernardinai.lt*, 15 March 2011. Internet access: <http://www.bernardinai.lt/straipsnis/2011-03-15-investuotoju-forume-siulymai-kaip-kovoti-su-seseliu-irkorupcija/59559>.
64. United Nations Global Compact, Participants and Stakeholders. Internet access: http://www.unglobalcompact.org/participants/search?business_type=all&search=&commit_cop_status=all&Country%5B%5D=115&joined_after=12%F01%2F2007&joined_before=12%2F08%2F2011&keyword=&listing_status_id=all&organization_type_id=&page=1&per_page=100§or_id=all.
65. Website of the “White Wave“. Internet access: www.baltojibanga.lt.
66. Website of “Eurostat“. Internet access: www.epp.eurostat.ec.europa.eu.
67. The United Nations Development Programme in Lithuania, “The most responsible companies awarded at Vilnius University.“ 28 April 2011. Internet access:

- http://www.undp.lt/index.php?mact=News,cntnt01,detail,0&cntnt01articleid=101&cntnt01returnid=24&cntnt01returnid=24&hl=en_US.
68. Ruling of the Government of the Republic of Lithuania on 12th November, 2003 No. 1407. Žin., 2003, No. 107-4810.
 69. Law on Administrative Violations. Žin., 1985, No. 1-1 (with later amendments and additions).
 70. The Law on Audit. Žin., 1999, No. 59-1916 (with later amendments and additions).
 71. Criminal Code of the Republic of Lithuania (with later amendments and additions). Žin., 2000, No. 89-2741.
 72. Code of Civil Procedure. Žin., 2002, No. 36-1340 (with subsequent amendments and supplement).
 73. Civil Code of the Republic of Lithuania. Žin., 2000, No. 74-2262 (with later additions and amendments).
 74. Draft of the amendment of the Law on Commercial Arbitration draft, 28 April 2010, No. XIP-1985. Internet access: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=370835&p_query=&p_tr2=.
 75. Law on Cooperative Companies (Cooperatives). Žin., 1999, No. 20-488; 2002, No. 57-2296.
 76. Lithuania Law on Prevention of Corruption. Žin., 2002, No. 57-2297 (with later amendments and additions).
 77. The Law on Public Administration. Žin., 1999, No. 60-1945, (with later amendments and additions).
 78. Resolution of the Seimas of the Republic of Lithuania, no. IX-711, 17 January 2002 On the Adoption of the National Anti-Corruption Programme, 10-355, 2002 (with later amendments and additions).
 79. Research by the Institute of Law, *Administrative burden for business. Ways to simplify legal regulation of the business*, 2006, Internet access: <http://www.ukmin.lt/lt/veikla/studijos/>.

Interview

1. Authors' interviews with Antanas Sidaras, lawyer (for Baltic countries) of "Kraft Foods", 21 June 2011.
2. Authors' interview prof. dr. Valdonė Darškuviene, professor of Vytautas Magnus University, faculty of Economics and Management, Department of Finance, 17 June, 18 August 2011.
3. Authors' interview with Artūras Mackevičius, Deputy Chairman of the Council of Small and Medium Business, 21 June 2011.
4. Authors' interview with Algimantas Akstinas, General Director of Lithuanian Business Confederation / ICC Lithuania, 27 June 2011.

ABOUT THE AUTHORS

Dr. ALGIMANTAS ČEPAS is the head of the Law Institute of Lithuania. He was the Chairman of the Board of “Transparency International“ Lithuanian Chapter from 2004 to 2005. A. Čepas was also the expert of the Council of Europe's Group of States against Corruption (GRECO) from 2000 to 2006; he was an advisor of the Lithuanian Seimas Committee on Legal Affairs from 1998 to 2000. A. Čepas served as a counselor of the Minister of Justice in 2010. He has produced more than 20 scientific publications on various issues of criminal law and human rights. A. Čepas also has a Doctor of Law degree.

Dr. RIMA AŽUBALYTĖ is the Dean of MRU Law Faculty. Since 1996 she teaches at the MRU Faculty of Law, Department of Criminal Procedure. Her main scientific interests are Criminal procedure law, human rights in criminal proceedings, minors' justice, victim's rights. She has written more than 15 scientific articles, also is a co-author of a textbook, science studies, as well as teaching materials on the topics of criminal proceedings. R. Ažubalytė actively participates in community activities: since 2012 she is the member of the Examination Commission of judges and prosecutors, also the member of the MRU Senate, and the MRU ethics commission.

JOHANAS BALTRIMAS is the co-author of chapters about legislative power and anti-corruption agencies. He has worked as the specialist at the Law Institute of Lithuania's International Relations department from 2008 to 2010. Currently he is the junior scientific worker at the Law Institute of Lithuania's Legal Systems Division. He is the member of the Working Group (formed by the Board of the Seimas of the Republic of Lithuania) for preparation of the Electoral Code. J. Baltrimas has gained Master of Law degree at Vilnius University in 2011.

Dr. LINA BELIŪNIENĖ works at the Law Institute of Lithuania since April 2003. Currently, she works as a researcher at the Law Institute of Lithuania's Legal System Research Department. She has gained experience in conducting scientific researches of the legal system, providing comments, conclusions and recommendations on the draft legislation, also preparing and publishing scientific articles. Since Autumn of 2011 she regularly attends the working group of the Seimas Ombudsmen's Office to improve their activities' regulation. L. Beliūnienė has a doctoral degree in law (social science).

Dr. DEIMANTAS JASTRAMSKIS is the lecturer of Vilnius University Institute of Journalism, also the head of Lithuanian Journalism Centre. D. Jastramskis scientific interests include the functioning and factors of media system, media's impact on the public and media bias problems. D. Jastramskis has gained a doctoral degree at Vilnius University (in the humanities).

EGLĖ KAVOLIŪTĖ-RAGAUSKIENĖ is the head of the Law Institute of Lithuania's Legal System division. She has been working at the Law Institute of Lithuania since 2002. E. Kavoliūtė-Ragauskienė carried out national and international research on various branches of law, also participated at the Public Accountability Mechanisms Initiative as an external expert. She was a national respondent on the various global and regional organizations' (e.g., Global Integrity) studies. She is also the expert of the review group of the United Nations Convention's against Corruption implementation.

Prof. JULIJA KIRŠIENĖ is the Dean of Vytautas Magnus University, Faculty of Law (it has more than 10 years carried out a certification transnational law degree program in collaboration with the University of Michigan (USA)). In addition, she is the professor of the Department of Private Law and teaches civil law. She also has worked as the lawyer and the notary. J. Kiršienė is involved in community's activities and project works, she is also the member of the selection of judges Commissioner and the member of VMU Ethics Commission. She has participated in a number of European structural funds projects related to her academic activities. J. Kiršienė is the co-author of a textbook called "Introduction to Lithuanian law", also the co-author of civil law textbooks (published in 2004, 2005, 2007 and 2008). She conducts research and publishes their results in Lithuanian, English and Russian languages (their topics include issues of problematic contracts, torts, business and corporate law, legal education improvement).

NERINGA MICKEVIČIŪTĖ is the project manager of the "Transparency International" Lithuanian Chapter. She has been working at "Transparency International" Lithuanian Chapter since 2009 and the main areas of her work include preparation of legal analyzes and the formulation of political decisions, related to whistleblowers' protection, public finances and the transparency of law enforcement. Before joining "Transparency International" Lithuanian Chapter, she worked at the Ministry of Justice. For several years she has taught at the University of Vilnius, at the moment she works as the visiting lecturer of international humanitarian law, humanitarian aid and anti-corruption issues. She gained Master of Laws degree at the Vilnius University and the Erasmus Mundus European Master's degree at a joint program of the International Humanitarian Activities in Groningen (Netherlands), Uppsala (Sweden) and Javeriana (Colombia) universities.

Prof. Dr. JOLANTA PALIDAUŠKAITĖ (1964-2011) was the professor of Kaunas University of Technology, Faculty of Social Sciences Department of Public Administration. Her fields of research included public administration and civil service ethics, corruption and anti-corruption, personnel management at the organizations of public administration, civil society and Lithuanian political culture. She produced an educational monograph, educational book, two textbooks and published more than 20 articles on political culture in journals, also about 40 publications on public administration ethics and corruption issues in Lithuanian and foreign scientific journals and publications. She was the head of Public Administration Department's Science Group, was the member of a number of international scientific organizations (including international non-governmental organizations Public Integrity Education Network (PIEN) and the European Group of Public Administration (EGPA)). J. Palidauškaitė actively worked in the editorial college of scientific journal called "Public Policy and Administration" since 2001. In 2002 and 2010, on Lithuanian Seimas Board's decision she became the member of the Parliament's Working group for preparation of the civil servants' code of conduct.

Doc. JURGITA PAUŽAITĖ-KULVINSKIENĖ is a lawyer, a public legal researcher, who currently works at the Vilnius University, as the Associate Professor of the Department of Public Law. She has gained doctoral degree in Social Sciences (Law) in 2004. She has been cooperating with the EU Court of Justice since 2009. Before that, she worked at the Ministry of Justice, Law Institute of Lithuania, was the head of the German Law Centre and the member of the European Association of Administrative Courts. J. Paužaitė-Kulvinskiene specializes in public administration and administrative law, administrative responsibility law, administrative procedure law, heritage law, state regulation of the market and public infrastructure law. She has written more than 10 scientific articles, is the co-author of a

textbook, science studies, as well as training measures on administrative law and administrative procedure.

AUDRONĖ GEDMINTAITĖ helped to prepare chapter “State Control” for the J. Paužaitė-Kulvinskienė. A. Gedmintaitė is the PhD student at the Vilnius University Faculty of Law, Public Law Department. A. Gedmintaitė’s scientific research areas are related to aspects of access to the court for implementation of the public authorities’s activities, also the protection of human rights. She has work experience in the administrative court system. A. Gedmintaitė works at the Lithuanian Supreme Administrative Court’s Legal analysis and information department.

EGLE VITKŪNAITĖ helped to prepare chapter “State Control” for the J. Paužaitė-Kulvinskienė. Egle Vitkūnaitė is the PhD student at the Vilnius University Faculty of Law, Public Law Department. She also works as an judge’s assistant at the Lithuanian Supreme Administrative Court.

IEVA PETRONYTĖ is the PhD student at the Institute of International Relations and Political Science. She is interested in political sociology and cognitive aspects of the formation of political opinion. Since 2007, she has been working in the Civil Society Institute, which coordinates the various research and educational projects focused on government raising openness and citizen empowerment (projects “Open government: increasing accessibility of authorities”, “Strengthening the participation of Lithuanian population in municipal processes at the township level”, “Adult discussion clubs Civitas”, “Student Academy Civitas” and others). I. Petronytė has gained a Master's degree in comparative politics at the Vilnius University, Institute of International Relations and Political Science Institute.

JOLANTA SAMUOLYTĖ is the lecturer of the MRU International and European Law and International Law Department of Business and Graduate School of Public and International Law Department. In cooperation with the Human Rights Monitoring Institute, she undertakes strategic litigation and develops pro bono legal advice practice. J. Samuolytė is the Alumni of the Hubert H. Humphrey and the Open Society Foundations Justice Initiative. She has worked as the program of law manager at the Human Rights Monitoring Institute, also as a project coordinator at the INTERIGHTS - International legal human rights center of London, a lawyer in the Civil Defence Assistance Fund. J. Samuolytė’s main areas of interest include discrimination, minority rights, access to justice, freedom of expression, litigation of human rights cases in national and international courts. J. Samuolytė has gained a Master of Laws degree at the Central European University.

SIUZANA ŠČERBINA-DALIBAGIENĖ is a PhD student and teaches at the Vytautas Magnus University, Faculty of Law. Her research areas include corporate law, corporate governance, the economic analysis of law. Since 2002, S. Ščerbina-Dalibagienė has been working at the Law Department of the Ministry of Economy, she has been responsible for legislative projects, preparation of contracts, the conclusions on the draft legislation and the provisions of legal advice. Later, when she was the head of Corporate Law Department she was responsible for the laws on formation, management and project development of companies, as well as the European Union's policy in the field of company law implementation. S. Ščerbina-Dalibagienė participated in various working groups formed by the Government and ministers. She is the co-author of the textbook called “Introduction to Lithuanian Law” (2011). She also has announced publications on her research topics. S.

Ščerbina-Dalibagienė has a Master of Law degree and a bachelor's degree in business management.